

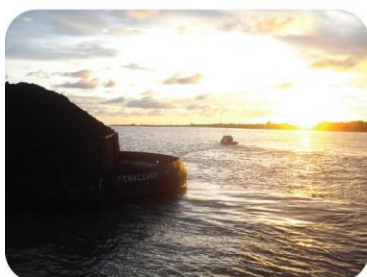


ENERGY EARTH PUBLIC COMPANY LIMITED
บริษัท เอ็นเนอร์ยี่ เอิร์ธ จำกัด มหาชน



Driving the Earth's Future





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MESSAGE FROM THE CHAIRMAN

Phisudhi Phihakendr
(Chairman)



In 2011, many natural disasters including Earthquake and Tsunami in Japan during March, Earthquake in Christchurch, New Zealand during February, and floods in Thailand and surrounding countries had resulted in global economy damage the amount of no less than 380,000 million US dollars, the highest value in history. Such disasters together with unstable situations in America and Europe have made the world economy more fragile than the world had expected. Before, Thailand forecasted that in 2011, the economy was going to recover, but because flooding during mid to end of year 2011 had damaged large industrial areas and affected all Thai hearts, it was not quite recovered. The Company would like to express regrets to all flood victims and very much wish everyone to recover as quickly as possible.

However, such disaster did not have any effects to the Company since the demand for coal in various industries in 2011 had increased due to economy recovery and increasing oil price in the global market. It is forecasted that coal price will increase along with oil price in 2012 due to better global economy. Coal price is expected to remain high because other sources of energy such as oil are still much more expensive than coal.

Over the past, Energy Earth Public Company Limited has shown great intention in doing energy business and the outcome was very successful as the total revenue in 2011 is Baht 4,685.12 million, representing a growth rate of 167%, and the net profit is Baht 395.31 million, representing 458% growth rate or 8.39% of total revenue.

In 2012 and the years after, the Company has missions to acquire more coal mines each year to increase the coal reserve amount to support growing alternative energy business and expand coal market to other areas.

On behalf of Energy Earth Public Company Limited, I would like to thank our shareholders, customers, all business partners who have been giving great support to us, our directors, management committees and all employees who have devoted their time, energy, and spirits to develop the organization, generate the best profitability for the shareholders and best benefit for society on the basis of a good governance.



Phisudhi Phihakendr

(Chairman)



MESSAGE FROM MANAGING DIRECTOR

Khajohnpong Khamdee
(Managing Director)

In 2011, the performance of Energy Earth Public Company Limited had succeeded in all important goals by having the total revenue of Baht 4,685.12 million or a growth rate of 167% from the year 2010, having the total net profit of Baht 395.31 million or a growth rate of 458% which is the highest rate in MAI. The Company had 16.79% of gross profit which is higher than 13.54% of the year 2010 because the Company had signed a contract to pay advance payment to reserve coal with a condition that the Company may purchase coal at a lower market rate. The Company can manage D/E Ratio from 2.92 in 2010 to 1.23 in 2011, in which the good performance may also be noticed. In 2011, the Company had swapped shares with coal mines in Indonesia, acquired 99.99% of shares, and changed status from TRADER to MINER as the Company had aimed to accomplish to secure sufficient supply for customers. Such event resulted in lower cost and higher gross profit. The Company aims to purchase coal mines every year to step forward to grow as the leader of coal business and this year, the Company had already expanded market to power plants in China and India with long term sales contract the amount of 16.5 million tons as per the Company's long term full supply-chain plan.

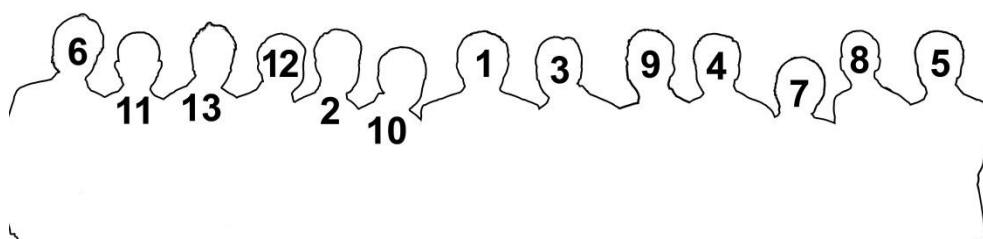
The Company also pays close attentions to 4 policies.

1. Taking good care of employees Since employees are most valuable assets and the Company is responsible for taking care of good living condition and having everyone being part of the Company.
2. Participating socially We pay close attention to environmental care and the สมอง standard living condition of people nearby the factory and support all positive activities continuously to enhance a stronger society.
3. Fullfil Government's policies The Company will cooperate and abide the laws stated by the government.
4. Work for Shareholders The Company shall perform according to our goals for the best profitability of shareholders.

Company Group's Board of Directors, Management Committees, all employees and I shall dedicate our time and energy to work and operate business diligently. We shall manage based on a good basis of corporate governance to ensure the best performance and best benefit for everyone and society.



Khajohnpong Khamdee
(Managing Director)



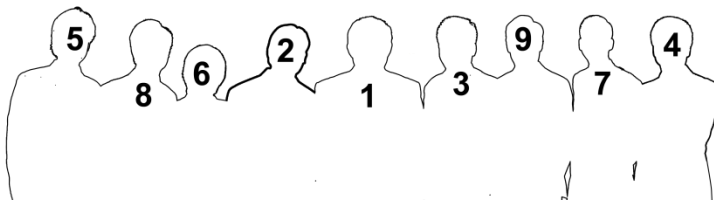
BOARD of DIRECTORS

- | | | | |
|---|--------------------------------------|----|---|
| 1 | Phisudhi Phihakendr
Chairman | 8 | Thanawat Pratoomsuwan
Director |
| 2 | Parada Bunnag
Vice Chairman | 9 | Nugoon Sri-in
Director |
| 3 | Khajohnpong Khamdee
Director | 10 | Somkiat Sukdheva
Chairman of the Audit Committee |
| 4 | Phiroon Phihakendr
Director | 11 | Suriyaporn Bunchai
Audit Committee |
| 5 | Phipat Phihakendr
Director | 12 | Thongchai Watanasoponwong
Audit Committee |
| 6 | Phiboon Phihakendr
Director | 13 | Eknarin Thammaraks
Audit Committee |
| 7 | Kanchana Chakvichitsopon
Director | | |



ENERGY EARTH

บริษัท เอ็นเนอวี่ เอิร์ธ จำกัด (มหาชน)
ENERGY EARTH PUBLIC COMPANY LIMITED



MANAGEMENT TEAM

- 1 Phisudhi Phihakendr
Chairman
- 2 Khajohnpong Khamdee
Managing Director
- 3 Phiroon Phihakendr
Director
- 4 Phipat Phihakendr
Director
- 5 Phiboon Phihakendr
Director
- 6 Kanchana Chakvichitsopon
Director
- 7 Thanawat Pratoomsuwan
Director
- 8 Nugoon Sri-in
Director
- 9 Paiboon Assawasiriwong
Assistant Managing Director

Board of Directors and Management Team

Phisudhi Phihakendr

Chairman

Age 61

Education	Undergraduate Degree
Area of Study	Business Management
Institution	University of Memphis



Current Position of Director /

Management in Other Companies

- 2006- Present –Snack Shake Co., Ltd.
- 2007-Present – Energy Mining Co., Ltd.
- 2011-Present – WTEC Co., Ltd

Work Experience

- 1971-1976 – Marketing Manager, 3M Thailand
- 1977-1979 – Manager, Levi's Thailand
- 1980-1998 – Executive Vice Chairman and President, Robinson Department Store Thailand
- 1980-1998 – Chief Information Officer, Central Retail Corp.
- 1999-2006 – Executive Director, Thai Mart Retail Company
- 2007-Present – Chairman, Energy Perfect Co., Ltd.
- 2010-Present – Chairman, Energy Earth PCL.
- 2011-Present – Director PT. TRI TUNG GAL PITRIATI



Parada Bunnag **Vice Chairman**

Age 49

Education Undergraduate Degree

Area of Study Management

Institution Western Michigan University

Current Position of Director /

Management in Other

- 1993- Present – Brother Auto Parts & Engineering Co. Ltd.
- 1993- Present – D. Bunnag Chromiam Plating Co., Ltd.

Work Experience

- 1987-1989 – Almond Inc.
- 1989-1993 – SGV Na Talang, Lucky Gold Star and Seagate Technology.
- 1993-Present – Director and Managing Director, Brother Auto Parts & Engineering Co. Ltd.
- 1993-Present – Director and Managing Director, D. Bunnag Chromiam Plating Co., Ltd.
- 2010-Present – Vice Chairman and Independent Director, Energy Earth PCL.



Somkiat Sukdheva

Chairman of the Audit Committee

Age 67 ปี

Education

- Undergraduate Degree in Economics
Institution Thammasat University
- Master Degree in Management
Institution Sasin of Chulalongkorn University

Current Position of Director /

Management in Other Companies

- 2001-Present – KORVAC (THAILAND) CO.,LTD.
- 2002-Present –Thanachart Capital Public Company Limited.
- 2009-Present – P T and S Car Care Partnership Limited.

Work Experience

- 1958-2002 – Assistant Managing Director, KasikornBank Public Company Limited
- 2002-2005 – Chairman of the Audit Committee, Siam City Bank Public Company Limited
- 2005-2007 – Executive Director, Siam City Bank Public Company Limited
- 2001-Present – Director, Korvac (Thailand) Co., Ltd.
- 2002-Present – Audit Committee, Thanachart Capital Public Company Limited
- 2009-Present – Director, P T and S Car Care Partnership Limited.
- 2011- Present – Chairman of the Audit Committee and Independent Director, Energy Earth PCL.

Khajohnpong Khamdee

Director

Age 40

Education Undergraduate Degree

Area of Study Accounting

Institution Rajabhat Rajanagarindra University



Current Position of Director /

Management in Other Companies

- 2007-Present – Energy Mining Co., Ltd.
- 2008-Present – WTEC Co., Ltd.

Work Experience

- 1993-1994 – Chief Accountant, Hong Aue Co., Ltd.
- 1995-2003 – Assistant Managing Director, Brother Auto Parts & Engineering Co., Ltd.
- 2004-2005 – Vice President, Thai Mart Store Co., Ltd.
- 2006-2006 – Director of Financial and Accounting, Thailand Anthracite Co., Ltd.
- 2007-Present – Managing Director, Energy Perfect Co., Ltd.
- 2010-Present – Director, Energy Earth PCL.
- 2011-Present – Director, PT. TRI TUNGGAL PITRIATI

Phiroon Phihakendr Director

Age 35

Education

- Undergraduate Degree in Computer Science
Institution New York University
- Master Degree in Computer Science
Institution New York University



Current Position of Director /

Management in Other Companies

- 2003-Present – WTEC Co., Ltd.
- 2005 - Present – Bangkok Beer & Beverage Co., Ltd.
- 2007-Present – Energy Mining Co., Ltd.
- 2007 - Present Upsara Valley Winery Co., Ltd.
- 2008 - Present – MM Alliance Co., Ltd.
- 2011-Present – Zinneken's Co., Ltd

Work Experience

- 1997-1999 – Web Developer, Morgan Stanley Dean Witter, New York, USA
- 1999-2001 – Business Technology Manager, Time Inc., New York, USA
- 2001-2003 – General Manager of IT Development, WinStore Co., Ltd.
- 2003-Present –Managing Director, WTEC Co., Ltd.
- 2009-Present – Director, Energy Perfect Co., Ltd.
- 2010-Present – Director, Energy Earth PCL.

Phipat Phihakendr

Director

Age 33

Education

- Undergraduate Degree in Music Industry
Institution University of Southern California
- Master Degree in Management
Institution University of Southern California



Current Position of Director /

Management in Other Companies

- 2003-Present – WTEC Co., Ltd.
- 2007-Present – Energy Mining Co., Ltd.

Work Experience

- 2004-2005 – Marketing Manager, WTEC Co., Ltd.
- 2005-2008 – Brand Manager, Diageo Moet Hennessy (Thailand) Co., Ltd.
- 2008-2010 – Market Development Manager, Coca-Cola (Thailand) Ltd.
- 2007-Present – Director, Energy Perfect Co., Ltd.
- 2010-Present – Director, Energy Earth PCL.
- 2011-Present – Director, PT. TRI TUNGGAL PITRIATI

Phiboon Phihakendr Director

Age 28

Education

- Undergrate Degree in Music Composition
 Institution California Institute of the Arts
- Master Degree in Linguistics
 Instituion Fudan University, China



Current Position of Director /

Management in Other Companies

- 2011-Present-WTEC Co., Ltd.

Work Experience

- 2010-2010 – General Manager of
 Business Development, Energy Perfect
 Co., Ltd.
- 2010-Present – Director,
 Energy Earth PCL.
- 2011-Present – Director,
 Energy Perfect Co., Ltd.

Kanchana Chakvichitsopon

Director

Age 60

Education Undergraduate Degree

Area of Study Economics

Institution Chiangmai University



Current Position of Director /

Management in Other Companies

None

Work Experience

- 1979-1998 – General Manager-Cash Management, Robinson Department Store Thailand
- 1999-2005 – Assistant Managing Director, WinStore Co., Ltd.
- 2007-Present – Exective Director, Energy Perfect Co., Ltd.
- 2010-Present – Director, Energy Earth PCL.

Thanawat Pratoomsuwan

Director

Age 41

Education

- Undergraduate Degree in Business Management
University of the Thai Chamber of Commerce
- Master Degree in Public Administration
National Institute of Development Administration



Current Position of Director /

Management in Other Companies

None

Work Experience

- 1994-2010 – Team Manager-Credit Customer, KasikornBank PCL
- 2010-Present –Director, Energy Earth PCL.



Nugoon Sri-in Director

Age 55

Education

Area of Study

Institution

Undergraduate Degree

Mechanical Engineering

Saint Louis University,
Philippines

Current Position of Director /

Management in Other Companies

None

Work Experience

- 1984 1992- Maintenance Manager, Thai rayon Co., Ltd.
- 1990 - 1995- Maintenance Manager, PPG Siam Silica Co., Ltd.
- 1995 - 1999 - Maintenance Manager, Advance Agro PLC.
- 1999 - 2000 - Board of Director, Bangpakong Transport Co., Ltd.
- 1999 - 2000 - Board of Director, Leardnapha Transport Co., Ltd.
- 1997 - 2002 - Chief Executive Officer, Interlink Logistic and Distribution Co., Ltd.
- 2010-Present – Director Energy Earth PCL.
- 2011-Present – Director PT TRI TUNGAL PITRIATI



Suriyaporn Bunchai **Independent Director /** **Audit Committee**

Age 43

Education

Undergraduate Degree

Area of Study

Business Management Accounting

Institution

Ramkhamhaeng University

Current Position of Director /

Management in Other Companies

- 2003-Present – Bunchai Net and Com

Work Experience

- 1993-1995– Accountant, Thai David Co., Ltd.
- 1995-2003 – Financial and Accounting Manager, Intelligent Systems Management Co., Ltd.
- 2003-Present – Owner, Bunchai Net and Com
- 2010-Present – Audit Committee and Independent Director, Energy Earth PCL.



Eknarin Thammaraks

Independent Director / Audit Committee

Age 35

Education Undergraduate Degree

Area of Study Business Science Professional
Tennis Management

Institution Ferris State University

Current Position of Director /

Management in Other Companies

- 2005-Present – The Legend Resort & Spa Co, Ltd.
- 2005 Present – Hmong Hilltribe Lodge Co, Ltd.
- 2005-Present – Lampang River Lodge Hotel Co, Ltd.
- 2007-Present – International Travel Consultants Co, Ltd.
- 2010- Present – Beccofino Trattoria Chiangmai
- 2011- Present – Miniature Gallery Partnership Limited.
- 2011- Present – Miceman Co., Ltd.
- 2011- Present – Zinneken’s Co., Ltd.

Work Experience

- 2000-2002 – Account Manager, BBDO Bangkok
- 2003-2007 – Deputy Manager, Diethelm Travel
- 2007-Present – General Manager, International Travel Consultants
- 2010-Present – Audit Committee and Independent Director, Energy Earth PCL.



Thongchai Watanasoponwong Independent Director / Audit Committee

Age 34

Education

- Undergraduate Degree in Electrical Engineering
Institution SIIT, Thammasat University
- Master Degree in Computer Science
Institution The George Washington University

Current Position of Director /

Management in Other Companies

- 2010-Present – Chumpon Ice Co., Ltd

Work Experience

- 2001-2003– System Engineer, HopOne Internet Corporation
- 2003-2006 – pSeries Sales Specialist, IBM Thailand Company Limited
- 2006-2008 – eServer Manager, IBM Thailand Company Limited
- 2008-2010 – Country Brand Manager, IBM Thailand Company Limited
- 2010-Present – Solution Sales Manager, IBM Thailand Company Limit
- 2010-Present – Audit Committee and Independent Director, Energy Earth PCL.

Paiboon Assawasiriwong **Assistant Managing Director**

Age 39

Education

- Undergraduate Degree in Business Administration
Institution Thammasat University
- Master Degree in Business Administration
Institution Assumption University



Current Position of Director /

Management in Other Companies

None

Work Experience

- 1995–2000 – Area Sales Manager,
Tri Petch Isuzu Sales Co., Ltd.
- 2000–2003 – General Manager,
WinStore Co., Ltd.
- 2003–2007 – Managing Director
Venture Plus Co., Ltd.
- 2007–2008 Lecturer,
Burapha University
- 2008–2010 – Assistant Managing Director,
Energy Perfect Co., LTd.
- 2010–Present – Assistant Managing Director,
Energy Earth PCL.

Financial Highlights

(Unit: Baht-Million)

		2010	2011
Overall Results			
Sales revenue		1,755.24	4,685.12
Total revenue		1,790.63	4,709.28
Gross profit		237.73	786.45
Net profit (Loss)		70.78	395.68
Financial Ratio			
Gross profit Margin	(%)	13.54	16.79
Net profit margin	(%)	3.95	8.40
Return on average equities	(%)	23.76	36.33
Return on average assets	(%)	6.93	14.55
Total assets			
		1,332.44	4,102.51
Total liabilities			
		992.92	2,263.54
Shareholders' equity			
		339.52	1,838.97

Company's Information

Company's Name	: Energy Earth Public Company Limited ("EARTH")
Company Registration No	: 0107538000240
Type of Business	: Coal Importer by having rights of mining concessions abroad and distribute to serve customers in both domestic and foreign market
Registered Capital	: Common Shares of Baht 3,027,615,570
Paid-Up Capital	: Common Shares of 2,554,299,239 shares at par value of Baht 1.00 per share, total amount of Baht 2,554,299,239.00 as of 31 March 2012
Head Office Address	: 889 Thai CC Tower Floor 12 Room 125-128 South Sathorn Road, Sathorn, Bangkok, Thailand 10120
Telephone No.	: 02-673-9631-3
Fax No.	: 02-673-9634
Website	: www.energyearth.co.th
Investor Relation Contact	: Email Address: thanawat@energyearth.co.th
Other Investments	: Invest in Energy Perfect Company Limited, the subsidiary company who imports, aggregates, distributes coal to customers, and provide logistics services for customers in Thailand. The Company's registered capital is Baht 200,000,000 and 99.99% of common shares are held by Energy Earth Public Company Limited. The factory location is at 706/4 Moo 1, Nongkam, Sriracha, Chonburi.
	: PT TRI TUNGGAL PITRIATI ("TTP"), a company registered in Indonesia with rights of mining concessions in Indonesia. The head office address is located at Banjarmasin, Indonesia. The registered capital is Rp. 8,521,000,000 or the equivalent of USD 1,000,000 or THB 29,807,776 (The value is based on banks' weighted exchange rate as of 16 August 2011 at the value of

THB 1 = Rp. 285,865) and the shares held by EARTH is no more than 100% of the paid-up capital.

Telephone No. 02-673-9631-3 Fax No. 02-673-9634

Securities Registrar : Thailand Securities Depository Co.,Ltd..
Registrar of Securities Department, Capital Market Academy
2/7 Moo 4 (North Park Project) Viphavadi Rangsit Road, Toong
Song Hong,

Laksi Bangkok 10210

Telephone No. 02-596-9000 Fax No. 02-832-4994-6

Auditor : Mr. Chanunkorn Satiraprapakul
Certified Public Accountant Registration No. 6554
Grand Audit Company Limited 8/74-75 Ratchadapisek Road,
Chankasem, Jatujak Bangkok 10900

Telephone No. 02-938-3495-6 Fax No. 02-938-2090

Nature of the Business

Business Products

Market and Competition

1. Competitive Strategy

1.1 Sources of Supply

Company Group pays great attention to sourcing enough coal to supply customers and aims to select Bituminous coal mine because this coal type meets customers' need. The location for shipment of coal mine must be located not far from destination seaport in Thailand to save shipping cost. When Company Group has already chosen coal mine, Company Group will send specialist to inspect the quality of coal in every area including Carbon, moisture, ash, Sulfur percentage, as well as the reserved coal volume in each mine. If all the specification are satisfactory, Company Group shall assign traders to purchase coal from those mines.

Company Group will send working team to coal mines and port of shipment in Indonesia to control quality of transportation from warehouse to shipping port at Kalimantan, Indonesia and from Indonesia to Sriracha Harbor.

In 2011, Company Group has increased the registered capital to purchase mines in Indonesia to secure supply for customers. With the reserved amount of 7.4 million tons in the purchased mines, Company Group can guarantee to deliver coal to customers punctually as per contracts signed with customers.

1.2 Relationship Management and Servicing

Company Group realizes the importance of sourcing and its key success for this type of business. Company Group uses relationship managing policy to create good relationship with mine owners in Indonesia. Such policy requires Company Group to send our employee to cooperate with the mines to set complete preparation before each shipment. Company Group also often invites management team from the mines to visit the factory in Thailand.

Such activities have resulted in Company Group being able to maintain great relationship with coal sellers, which will help sourcing and logistics to be as smooth as possible.

Company Group organizes sales team who has expertise in coal business to service and advise customers in the case that customers have trouble using our product. The team also gives advice and supports customers to save cost by switching fuel from oil to coal, as well as how customers should choose their boilers.

1.3 Production and Transportation

Company Group's coal aggregating factory operates everyday and employees are always ready to take orders from customers daily and nightly, which result in us being able to deliver coal according to customers' need at all time.

Company Group hires various trucking companies to support logistics 24 hours, and to lower the risk of relying too much on certain trucking companies.

1.4 Customer Quality Speculation

Company Group has created customer database by speculating qualifications of customers in both financial status and past payment results. Having a meeting, discussing with customers directly, and consulting with others who are in the same field are parts of the procedure to collect information before the credit term approval for each customer. Most of the customers' credit term is 30 days, only a very few customers whose credit term is 45 days due to competitive conditions proposed by competitors.

1.5 Management within the Organization

Company Group uses online and modern communicating system to manage and follow up works in every area. All employees must report working progress from product transporting from Indonesia to delivering product to customers' factories via online communicating system set by Company Group. Such system will let every member of Company Group know the working progress in every section related instantly.

2. Competition and Industry Trends

2.1 Domestic Coal Industry Status

Consumption Volume and Import Volume

The growing global economy has resulted in higher world market price for oil and natural gas. Therefore, many industrial factories have decided to use boilers that can consume coal as their fuel because coal is a good alternative energy. Its heating value is as high as oil or natural gas and the cost is much lower when comparing by using price per heating value (Baht per Kilo Calorie). From the table below, we may find that in the year 2011, Thailand has imported coal about 21.50% more than in the year 2010.

Table Showing Domestic Coal Consumption within January-June 2010 and 2011

Coal	Volume (Metric Tons)			Value (Million Baht)			Price (Baht per ton)		
	2010	2011	% Change	2010	2011	% Change	2010	2011	% Change
Anthracite	189,228	125,237	-33.8	713	725	1.6	3,770	5,789	53.5
Bituminous	3,634,694	2,271,144	-37.5	8,399	6,833	-18.6	2,311	3,008	30.2
Sub-Bituminous	4,606,412	6,486,019	40.8	8,943	14,372	60.7	1,941	2,216	14.1
Total	8,430,335	8,882,400	5.4	18,055	21,929	21.5	2,674	3,671	37.3

Source: Customers Department of Thailand

Trend of Coal Industry

Coal demand in both domestic and world market still have a tendency to grow continuously due to better global economy and higher oil price. Thailand currently has approximately 7,000 industrial factories. If the price of oil and natural still remain high, many factories may take chance to use coal as their energy source instead, which will result in rapid growth of coal industry.

2.2 Trend of Coal Industry in the Global Market

Coal export volume in the world market is still growing rapidly. In 2010, Australia still remains the largest exporter in the world with the volume of 298 million tons, the next in line is Indonesia with the volume of 162 million tons, followed by Russia and South Africa respectively.

Top Coal Exporters (2010e)

	Total of which	Steam	Coking
Australia	298Mt	143Mt	155Mt
Indonesia	162Mt	160Mt	2Mt
Russia	109Mt	95Mt	14Mt
USA	74Mt	23Mt	51Mt
South Africa	70Mt	68Mt	2Mt
Colombia	68Mt	67Mt	1Mt
Canada	31Mt	4Mt	27Mt

Top Coal Importers (2010e)

	Total of which	Steam	Coking
Japan	187Mt	129Mt	58Mt
PR China	177Mt	129Mt	48Mt
South Korea	119Mt	91Mt	28Mt
India	90Mt	60Mt	30Mt
Chinese Tapei	63Mt	58Mt	5Mt
Germany	46Mt	38Mt	8Mt
Turkey	27Mt	20Mt	7Mt

Source: IEA 2011

Customer Characteristics and Target Customers

Company Group sells coal product both domestically and internationally with a ratio of domestic customers to international customers at 20:80%. Most domestic customers are bituminous coal users, which include small factories to very large factories in various industries such as paper, food, and textile, etc... Most international customers are large power plants in China. Company Group now has a contract to sell 8.5 million tons of coal to a power plant in India within 3 years starting from 2013 and also plans to expand customers to other countries such as South Korea, Taiwan, and Japan.

Corporate Activities



About 80 investors led by Suvannabhumi Channel visit the plant in Sriracha, Choburi on 24 September 2011.



Press Release party "EARTH's future and director" at Wintra Beach Resort and Spa Pattaya Hotel on 17 September 2011



EARTH Management led 9 newspaper group to visit the Company's coal mines in South Kalimantan, Indonesia on 18 November 2011



Mr. Somphob Sakphanom, CEO of Assets Pro Management Co., Ltd, Mr. Khajohnpong Khamdee, Managing Director of EARTH and Mr. Jetsada Baosuwan, Sales and Marketing Director of Cempact Co., Ltd. Donated Singha Water to Ratchamangkala Non-profit organization on 1 November 2011



Mr. Khajohnpong Khamdee, Managing Director of EARTH and Mr. Somphob Sakphanom, CEO of Asset Pro Management Co., Ltd and the team donated foods and drinks to flood victims at Thammasat Rungsit.

Corporate Social Responsibility

Activities that Company Group organized with people (2010-2011)

Supporting Various Festivals and Activities



EARTH together with local people organize sacred festivals.

Supporting Educational Activities



EARTH gives scholarship to outstanding student from Nongkor School and Wangkor School every year.

Children Day



EARTH supports foods and activities during Children Day.

Supporting Sports Activities



EARTH participates in soccer exhibition match held by Nongkor municipalities to enhance relationship and harmonization.

Company Structure

Vision

“Becoming a coal industrial leader in Thailand and Asia with full supply-chain management and supportive modern technologies, maintaining an international level of service, environmental care, and stepping forward to the world class market”

Mission

Manage sufficient supply by searching for more mines each year for customers' satisfaction

Strive to be coal industrial leader for satisfaction of customers.

Create worldwide coal trading network both domestically and internationally.

Improve quality and service continuously.

Be creative and responsible for society and environment.

Corporate Culture

The Company defines 4 corporate cultures as follows:

1. 7 x 24 Ability to be work attentively regardless of time and Place
2. Speed of Thought Execute accurate, precise, prompt decisions and operations for any situations encountered.
3. Digital Nervous System Perceive data and information effectively via communication System and reflect or respond to the obtained information promptly
4. Flat Organization Consult, advise, and share opinions freely regardless or positions and seniority.

Company Background

Energy Perfect Company Limited (EPCL) is founded on 5 January 2007 with paid-up capital of 20 million Baht. EPCL imports Bituminous Coal from Indonesia to sort out into requested sizes and sell to domestic and international customers.

EPCL's current registered and paid up capital is 200 million Baht, with coal storing and aggregating plant in Sriracha, Chonburi and the 2nd plant in Bang-Pahan, Ayutthaya is being constructed.

Summarized Background and Major Development of EPCL

2007 Founded on 5 January 2007, operated coal importing and distributing business with paid-up capital of Baht 20 million.

April 2007, Sriracha plant was operational.

2008 September 2008, EPCL increased its registered capital to Baht 160 million.

2010 18 February 2010, EPCL increased its registered capital again to Baht 200 million.

On 13 December 2010, EPCL shareholders sold 99.99% shares to Energy Earth Public Company Limited (former Advance Paint and Chemical Thailand Public Company Limited) by swapping shares, which automatically make EPCL the subsidiary of Energy Earth PCL (EARTH). The mentioned activity was categorized as an indirect way of getting listed in the Stock Market (Back Door Listing), which resulted in the Company having to apply to The Stock Exchange of Thailand for an approval of trade resumption (Re-apply)

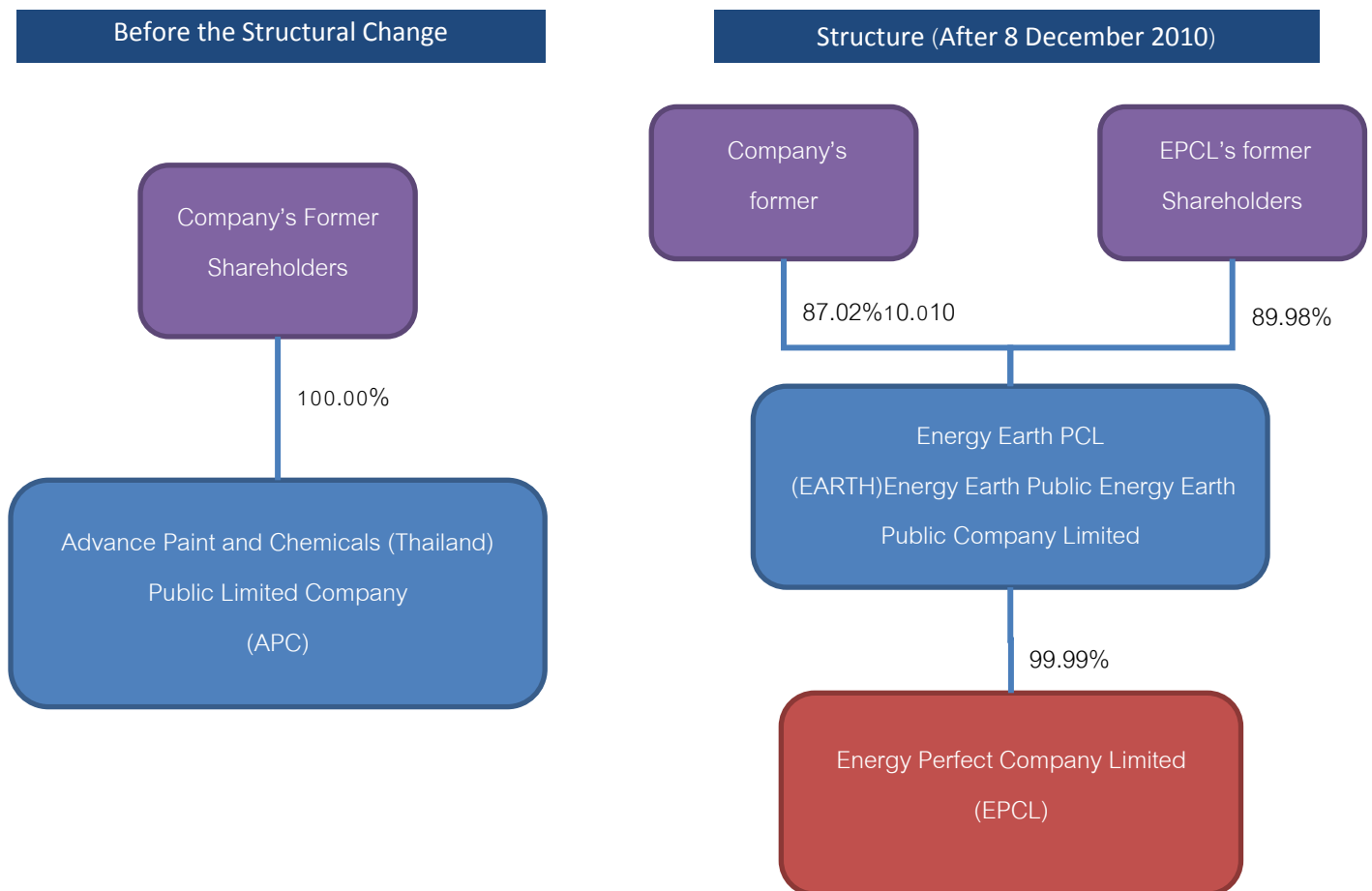
2010 On 2 December 2010, the Extraordinary Generally Meeting resolved important agendas as follows:

1. Acquisition of 20,000,000 ordinary shares of EPCL with the value of 10 Baht per share by shares swapping method.
2. Increased 2,000,000,000 shares of registered capital to allot to EPCL shareholders with the value of 0.10 Baht per share according to

conditions of acquisition of EPCL's 20,000,000 ordinary shares, representing share exchange ratio of 1 EPCL share to 100 new shares, which make the Company have registered and paid-up capital the amount of 2,222,712,675 shares at par value of 1 Baht. The Company holds total shares of 99.99% in EPCL.

3. Transfer assets including land, factories, buildings, machines and equipment for payment to the Company's creditor.

On 13 December 2010, the Company accomplished all agendas from shareholders' meeting resolutions successful which resulted in changes of the Company's structure as follows:

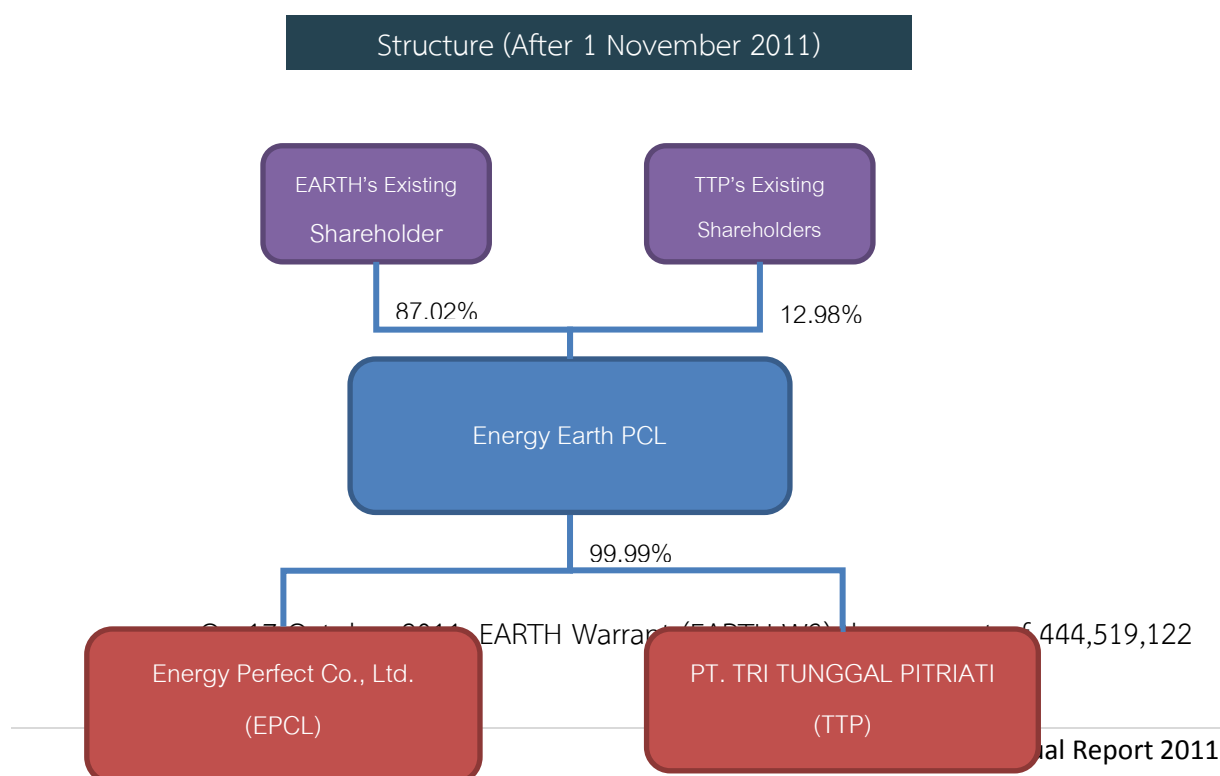


2011 - On 18 May 2011, The Stock Exchange of Thailand approved EARTH to resume trading in MAI.

- On 15 September 2011, the Extraordinary General Meeting approved to increase capital from THB 2,222,712,675 to THB 3,027,615,570, or an increase of THB 804,902,895 with an issuance of 804,902,895 ordinary shares at a par value of THB 1. The EGM approved the allotment of shares as follows:

1. The amount of 444,542,535 shares (Four hundred forty-four million five hundred forty-two thousand five hundred and thirty-five shares) to support the exercise of the Company's warrant
2. The amount of 331,457,770 shares (Three hundred thirty-one million four hundred fifty-seven thousand seven hundred and seventy shares) of the capital increased ordinary shares for private placement for PT TRI TUNGGA PITRIATI's existing shareholders
3. The amount of 28,902,590 shares (Twenty-eight million nine hundred two thousand five hundred and ninety shares) to support the exercise of the Company's warrant regarding of the future amendment of the warrant

Such allotments have resulted in the Company's change of structure as follows:



units started trading in MAI with the following details:

Exercise Price per 1 share (THB) =1.466

Exercise Ratio (warrant : share) 1 : 1.023

First day of exercise 15 March 2012

Last day of exercise 15 September 2012

Summary of PT. TRI TUNGGAL's Background and Development

PT. TRI TUNGGAL PITRIATI registered in Indonesia on 17 December 2007 as CV. TRI TUNGGAL MANDITI (Partnership), changed to PT. (equals to Company Limited) and changed the name to PT. TRI TUNGGAL PITRIATI on 27 December 2010

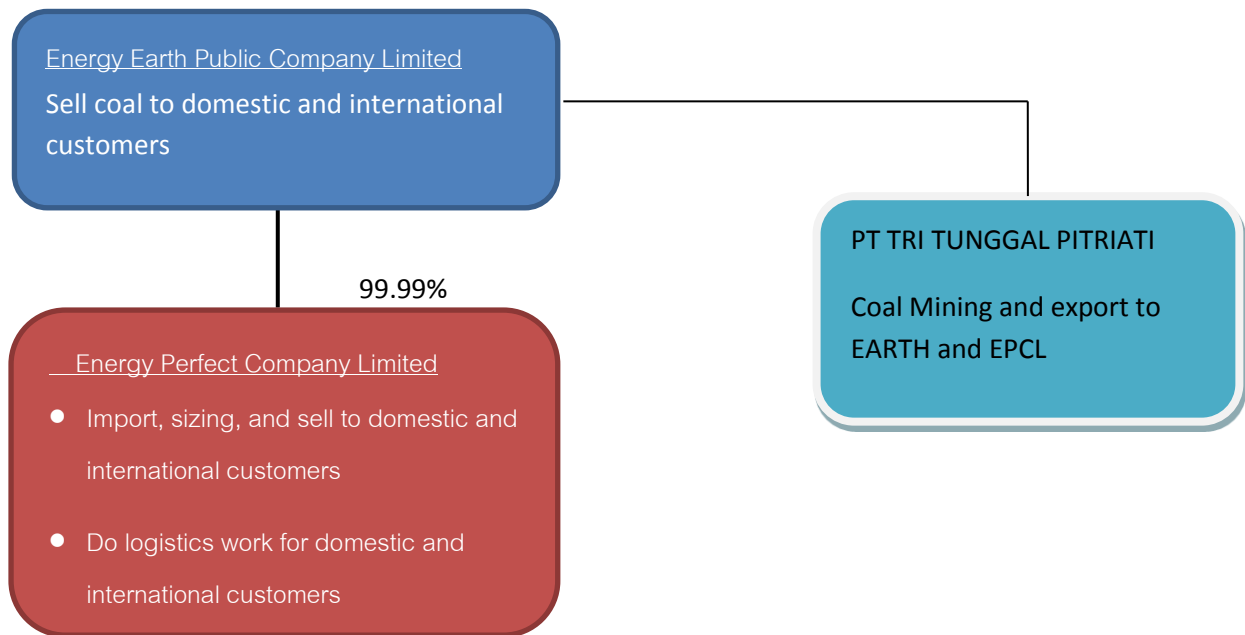
Currently, PT. TRI TUNGGAL PITRIATI has paid-up capital the amount of USD 1,000,000 (about Baht 29.81 million), has 1 coal mining conscession with the reserve amount of 1.80 million tons, and 1 coal mining exclusive rights with the reserve amount of 5.60 million tons. The 2 mines together have approximately 7.40 million tons and the Company's main office is located at Banjarmasin, South Kalimantan, Indonesia.

Overall Business of the Company and Subsidiaries

The Company imports Bituminous Coal from Indonesia to domestic and international customers by sourcing through coal mines of Company Group in Indonesia through TTP, whose 99.99 of shares are held by the Company and through trading with other mine owners in Indonesia through EPCL, whose 99.99% of total shares are also held by the Company. The Company is then able to deliver goods to customers via vessels conveniently. Some of the Coal shall be sold to foreign customers directly while the rest are transported to Thailand to aggregate sizes for needs and requirements of domestic customers. Most international customers are traders and large power plants in China, while most domestic customers are coal consumers whose factories are located nearby our plant in Sriracha, Chonburi. Their industrial factories consist of small, medium, large industries and power plants that have high demand of coal consumption as energy generator. Company Group's main customers are paper, textile, and food industrial groups, etc.

Company Group has policies on business conducting by creating long-term relationship with mine owners in Indonesia and purchasing mines to secure sufficient supply for customers. Company Group Organize experienced and knowledgeable team to give advice to customers how to consume coal at its fullest result, as well as support customers to switch from oil or natural gas to use coal boilers instead.

Share Holding and Business Structure of Company Group



EPCL purchases coal from Indonesia and distribute to international customers as well as aggregate sizes for domestic customers, while EARTH is in charge of selling to domestic customers only. In the future, the Company will also do marketing for international customers while TTPL will be responsible for coal mining and sell to EARTH and EPCL.

Revenue Structure from Coal Sales

Revenue structure from coal sales in the past are as follows:

Revenue Type	2009		2010		2011	
	Baht-Million	%	Baht-Million	%	Baht-Million	%
Revenue from coal sales						
Domestic	244.13	24.25%	330.62	18.84%	926.65	19.78%
Foreign	762.74	75.75%	1,424.62	81.16%	3,758.47	80.22%
Total revenues	1,006.87	100%	1,755.24	100%	4,685.12	100%

Remarks: Year 2009 is financial statement of EPCL

Year 2010 and 2011 is consolidated financial statement of EARTH

In 2010, the Company Group paid closer attention to do marketing on customers who are direct customers to reduce risks of relying on a few very large customers and to ensure continuous growth of the Company, which resulted in an increase of domestic sales revenue. However, the international sales revenue is also increased along with the domestic sales revenue.

In 2011, the Company Group expanded customers both domestically and internationally. Because of the Oil market crisis, coal was chosen as a primary alternative energy which resulted in the Company Group's 166.92% increased revenue from the year 2010

Company's Goal

The Company Group aims to own coal mines. In the year 2011, the Company Group had purchased coal mines in Indonesia with the reserved amount of 7.4 million tons and in 2012, the Company also aims to purchase more mines to ensure more security to the Company and customers.

The Company Group pays close attention to logistics process. The Company Group has chosen high standard logistics companies to cooperate with in order to enhance the product's quality and punctuality.

The Company Group aims to focus on certain quality of product by aiming to cooperate with power plant groups and coal users.

Risk Factors

1. Risk from coal supply for sale

In coal business, one of the most important factors is sourcing ability, which has the following risks:

1.1 Risk from reliance on major suppliers

The usual practice in trading coal is usually through traders or brokers, and direct trades with mine owners. Trading through traders and brokers are usually more expensive than dealing directly with mine owners, but mine owners usually do not accept Letter of Credit while traders do.

To reduce such risk, the Company Group had purchased coal mines by swapping shares with PT. TRI TUNGGA PITRIATI, which resulted in the Company Group owning 7.4 million tons of coal reserve and the Company Group is aiming to purchase more mines in the year 2012.

1.2 Risk from reliance on major customer

In 2010 and 2011, Company Group exported its coal production through a major trader of 65 % and 57.84 % respectively. Company Group is, therefore, considered to be entered into risk from reliance on major customer if such customer chooses to purchase from other sources.

Company Group has sold its coal production to such trader for 4 consecutive years and aware of the risk of losing such major customer. Company Group, therefore, reduced its reliance with such trader to 65% and 57.84% of coal production in 2010 and 2011 respectively. Moreover, Company Group plans to sell its coal production directly to the customers as well as domestic customers in factory and power plant sector within 2012 to mitigate such major customer reliance risk. At present, the Company Group had reduced volume sold to such major customer and had expanded sales to other customers with a goal of no more than 25% of total revenue per one customer.

1.3 Risk from transporting and shipping by sea

Company Group imports its coal supply from Indonesia and oceanic shipping is adopted for transporting. Oceanic shipping consists of some risks including lack of barge, oceanic disaster and loss of coal during transfer at substandard port.

Oceanic disaster may cause major damage to barges and coal. To prevent such event, Company Group has set a standard for quality and integrity examination of barge along with insuring for natural disaster during shipping.

The port standard is crucial for oceanic shipping. Company Group concerns for every process of transportation including transferring at port. Company Group selected standardizes port and deploy its agent to the port for controlling the standard and reducing the transferring time.

1.4 Risk from changes in politics and Laws in Indonesia

In 2011, the Company Group had purchased coal mines in Indonesia by share swapping method with PT. TRI TUNGAL PITRIATI which is a foreign company registered in Indonesia, who is required by law to operate under Indonesian law such as DMO (Domestic Market Obligation) which was publicly used since 31 December 2009. Such law states domestic and international sales ratio in Indonesian coal mines. However, this law hasn't had any effects with the Company Group because domestic sales usually uses market price. The Company Group also has excellent relationship with local Indonesians which make it easier for us to make appropriate adjustments with such new laws.

2. Risk from new competitors

Importers and exporters of coal business tend to increase because oil and gas price uptrend causes coal to be a replacement source. Increasing of competitors would obviously affect Company Group business.

Although, there is a trend that new competitors will enter into the business, but there are some important supporting factors for a business to success such as the ability to procure quality of coal for sell. Even when new competitors can be able to procure coal; most procurement would be through brokers which result in higher purchased price and inability to control coal quality.

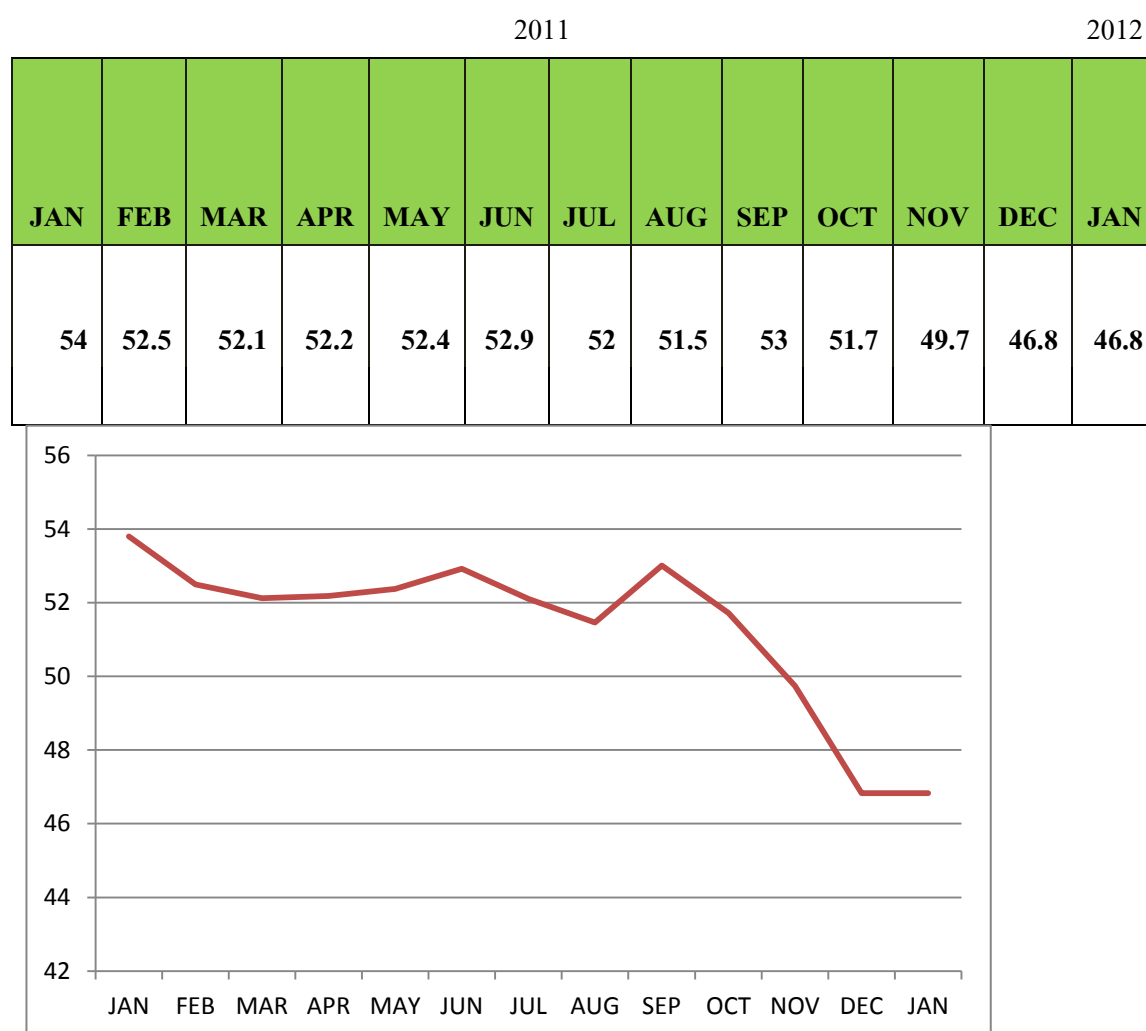
New competitors will have to compete with the existing coal business companies to share market. Good relationship and trust between existing companies, customers, and suppliers would be the major barrier for new competitors to sell its coal to the existing customers.

Lower price strategy will not be an advantage for new competitors because of a higher purchase coal price from broker.

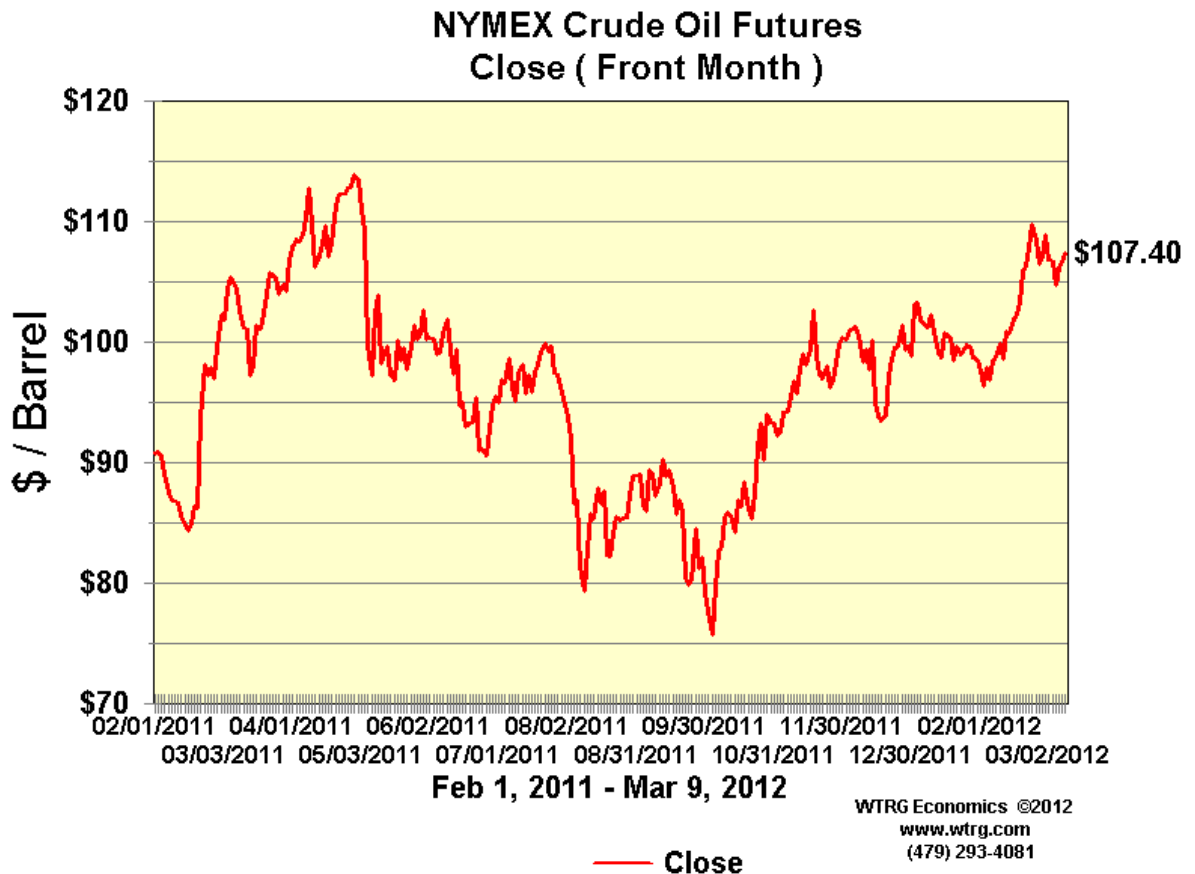
3. Risk from price fluctuation of coal

The higher oil price had resulted in higher coal price because they both are alternative energy for each other. Coal's cost however still remains lower. In January 2012, the oil price was USD 107.40 per barrel while coal price was USD 46.80 per metric ton.

Graph showing oil and coal price during 2011-2012



Coal price



Coal price fluctuation in market makes the selling and purchasing price harder to set. Since there is an uptrend of coal consumption and number of coal supplier is limited, the demand of coal is still higher than supply of coal. Company Group, therefore, can set the selling price by adding some satisfied premium from raw material price. On the contrary, in a downtrend of coal price, Company Group may not receive as high premium as compare to the uptrend environment. Therefore, the Company Group purchased coal mines with 7.4 million tons of coal reserve in 2011 and plan to purchase more mines every year to reduce this risk.

4. Risk from Finance Factors

Risk from foreign exchange rate fluctuation

Coal import from Indonesia is purchasing in United States Dollar. In 2009, 2010 and 2011, revenue from coal sell in Thai Baht is in ratio of 24.25%, 35.45% and 17.95% of total revenue sell respectively. Foreign exchange rate fluctuation is, therefore, one of the risks that will certainly affect the operation of Company Group. In 2009, EPCL's operation experienced loss from exchange rate at Baht 1.77 Million. But in 2010 and 2011, the

Company Group experienced profit from exchange rate at Baht 33.80 Million and Baht 15.98 Million respectively.

At present, financial institution has approved foreign exchange forward contract facility to Company Group. Company Group have never utilized such facility because coal sell portion which settled in United States Dollar could, at some level, hedge the fluctuation of foreign exchange rate resulting from raw material purchasing which settled in United States Dollar. However, if foreign sell portion reduce, Company Group would be able to utilize the approved forward contract in appropriate amount to mitigate this risk. Management of Company Group continuously follows exchange rate movement and could utilize the forward contract appropriately.

Major Shareholders

Major Shareholders' names that appear in the share register book as of 15 March 2012

Name	No. of Shares	% of paid-up capital
1. Phihakendr Family Group ^{1/}	1,089,916,500	42.67
2. Khamdee Family Group ^{2/}	400,761,550	15.69
3. UBS AG HONG KONG BRANCH	100,000,000	3.92
4. Dechavibul Family Group ^{3/}	99,536,620	3.90
5. Ittiwittayathorn Family Group ^{4/}	75,200,000	2.94
6. Mr. Nugoon Sri-in	63,791,554	2.50
7. Mr. Maetha Rungsiyawanont	50,289,900	1.97
8. Pangkum Family Group ^{5/}	30,440,473	1.19
9. Mr. Sathaporn Photong	14,144,200	0.55
10. Mr. Phatomphob Chuenphanitchakit	12,910,000	0.51
11. Other Shareholders	617,179,648	24.16
Total	2,222,712,675	100

^{1/}Phihakendr Family Group consists of

Name	No. of shares	% of paid-up capital
1. Mr. Phisudhi Phihakendr	243,034,600	9.52
2. Mr. Phiroon Phihakendr	234,835,813	9.19
3. Mr. Phipat Phihakendr	214,498,395	8.40
4. Mr. Phiboon Phihakendr	214,498,395	8.40
5. Mrs. Voranuch Phihakendr	167,249,297	6.55
6. Mr. Piriya Phihakendr	15,800,000	0.62
Total	1,089,916,500	42.67



^{2/} Khamdee Family Group consists of

Name	No. of shares	% of paid-up capital
1. Mr. Khajohnpong Khamdee	398,331,550	15.60
2. Mr. Wisit Khamdee	1,600,000	1.35
3. Mr. Amnuai Khamdee	730,000	0.03
4. Ms. Kawisra Khamdee	100,000	0.00
Total	400,761,550	15.69

^{3/} Dechavibul Family Group consists of

1. Mr. Kritsakorn Dechavibul	96,536,620	3.78
2. Mrs. Roongnapa Dechavibul	1,900,000	0.07
3. Mr. Pongsiri Dechavibul	1,100,000	0.04
Total	99,536,620	3.90

^{4/} Ittiwittayathorn Family Group consists of

Name	No. of shares	% of paid-up capital
1. Ms. Karnchana Ittiwittayathorn	44,700,000	1.75
2. Ms. Viyada Ittiwittayathorn	30,500,000	1.19
Total	75,200,000	2.94

^{5/} Pangkum Family Group consists of

1. Ms. Umpun Pangkum	30,300,473	1.19
2 Ms. Benjamart Pangkum	90,000	0.00
3. Mr. Nikorn Pangkum	50,000	0.00
Total	30,440,473	1.19

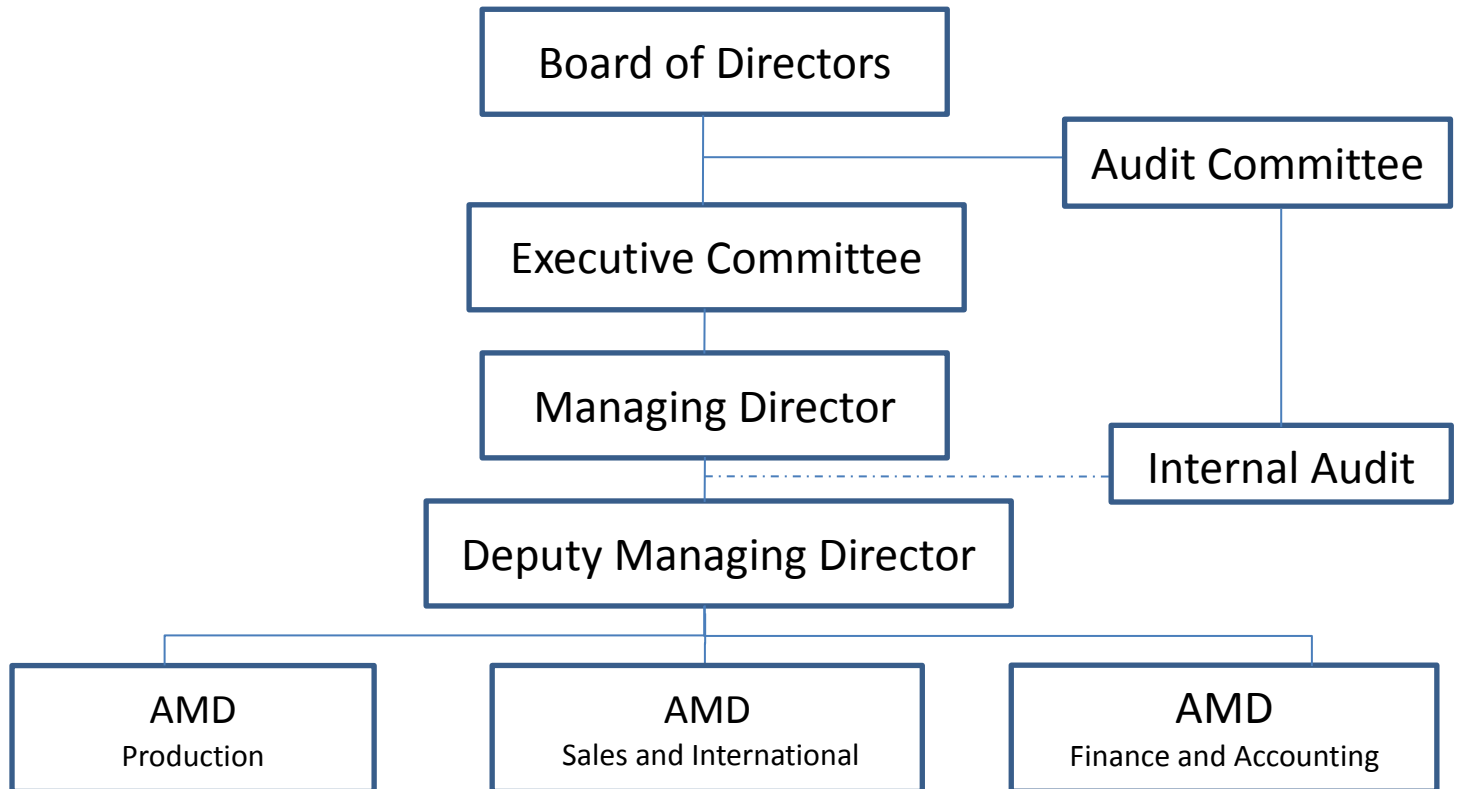
Dividend Policy

The Company has a policy to pay out dividend off at least 40% of its net profit after deducting other reserves as per the Company's Articles of Association and governing law. This dividend payment is only made if there are no other financial needs by the company and the payment does not significantly affect the Company's normal operating activities.

The subsidiary company has a policy to pay out dividend to shareholders according to the Company, in which the subsidiary's board of directors shall together consider the dividend based on its performance, investment plans, needs and other suitability that the board of directors have agreed on.

Management Structure

1. Organization Chart



2. Management Structure

Management structure of Energy Earth Public Company Limited is consisted of 3 committees including The Board of Directors, Audit Committee, Board of Executive Directors and Managing Director. And for Energy Perfect Company Limited, the management structure is consisted of The Board of Directors and Managing Director. Details of which are as follows:

2.1 Board of Directors

(1) Energy Earth Public Company Limited

The Board of Directors consists of 13 directors as follows:

Name	Position
Mr. Phisudhi Phihakendr	Chairman
Mr. Parada Bunnag	Vice Chairman/Independent Director
Mr. Khajohnpong Khamdee	Director
Mr. Phiroon Phihakendr	Director
Mr. Phipat Phihakendr	Director
Mr. Phiboon Phihakendr	Director
Ms. Kanchana Chakvichitsopon	Director
Mr. Thanawat Pratoomsuwan	Director
Mr. Nugoon Sri-in	Director
Mr. Somkiat Sukdheva	Independent Director/Chairman of the Audit Committee
Mr. Suriyaporn Bunchai	Independent Director/Audit Committee
Mr. Eknarin Thammaraks	Independent Director/Audit Committee
Mr. Thongchai Watanasoponwong	Independent Director/Audit Committee

Authorized Directors to sign on behalf of the Company

Extraordinary General Meeting of Shareholders of the Company No.2/2010 on 2 December 2010 resolved in an appointment of directors who have authorities to sign on behalf of the Company. The authorized directors are Mr. Khajohnpong Khamdee, Mr. Phiroon Phihakendr, Mr. Phipat Phihakendr, Mr. Phisudhi Phihakendr, Mr. Phiboon Phihakendr, Ms. Kanchana Chakvichitsopon, Mr. Thanawat Pratoomsuwan, and Mr. Nugoon Sri-in. Two of eight committees need to countersign and affix the company's seal.

Duties and Responsibilities of the Board of Directors are as follows:

1. The Board of Directors have authorities and responsibilities according to the of association of company which are defined to be of the Board of Directors.
2. The Board of Directors have authorities and duties to establish important policies of the Company as follows:

- 2.1 Business conduct policy
- 2.2 Financial policy
- 2.3 Funding policy
- 2.4 Funds management policy
- 2.5 Risk management policy
3. The Board of Directors have authorities and duties for the Company investments as follows:
 - 3.1 Consider and approve budget plans
 - 3.2 Consider investment plans of the Company
 - 3.3 Supervise and manage projects to establish as planned.
4. The Board of Directors have authorities and duties to supervise and manage the Company's performance to:
 - 4.1 Ensure that the Company's performance shall be established as planned.
 - 4.2 Set resolutions in the case of problems and troubles to achieve the planned goals or better.
5. The Board of Directors have authorities and duties to establish general information and financial reports to shareholders and investors accurately and in accordance with regulation of laws.
6. The Board of Directors have authorities and duties to acknowledge the important report of the Audit Committee or Internal Audit, as well as Auditor and the Company's consultants. The Board of Directors are required to establish resolutions in the case of significant defects found.
7. The Board of Directors have authorities and duties to collate sufficiency and appropriation of the internal control and risk management of the Company.
8. The Board of Directors have authorities and duties to establish high level management structure and the Company's succession plan.
9. The Board of Directors have authorities and duties to appoint Audit Committee and establish authorities and responsibilities of the Audit Committee.

10. Appoint one of the directors or many of the directors or other individuals to act on behalf of the Board of Directors. For the delegation, the delegated individuals must not have authorities to approve items which involve such individuals or individuals who may have conflicts of interests with the Company and its subsidiaries.

Exception for the followings can be made only upon approval by the shareholders' meeting. If committees or connected persons are related to the transaction that may create any conflicts of interests with the Company, the related committees are not permitted to vote on that transaction.

- Act that the law requires the resolution of the shareholders' meeting.
- Transaction that involves a committee who may have conflicts of interests, or required by laws or regulations of the Stock Exchange of Thailand to have approval of the resolution of the shareholders' meeting.
- The following events must be approved by The Board of Directors' Meeting and the shareholders' meeting with a three-quarter (3/4) vote of eligible shareholders present at the meeting.
 - The sale of transfer of the whole of important parts of the business.
 - The purchase or acceptance of transfer to other companies or private companies.
 - The signing, amending or terminating of contracts with respect to the leasing of the whole or important parts of the business, the assignment of the management of the business of the company to other persons or business merger/acquisition with the purpose of profit and loss sharing.
 - The amendment of memorandum of association or articles of association.
 - The increase or decrease in capital.
 - The merger/acquisition and wind up of the Company.
 - Others that are required by laws.

Company Secretary

The Board of Directors have appointed Ms. Kanchana Chakvichitsopon to be the company secretary. Her duties and responsibilities are to monitor activities of The Board of Directors

and ensure that The Board of Directors perform in accordance with laws and related regulations.

(2) Energy Perfect Company Limited

Board of Directors consists of 5 directors as follows:

รายชื่อ	ตำแหน่ง
Mr. Phisudhi Phihakendr	Chairman
Mr. Khajohnpong Khamdee	Director
Mr. Phiroon Phihakendr	Director
Mr. Phipat Phihakendr	Director
Mr. Phiboon Phihakendr	Director

Authorized Directors to sign on behalf of the Company

The authorized directors are Mr. Khajohnpong Khamdee, Mr. Phiroon Phihakendr, Mr. Phipat Phihakendr, Mr. Phisudhi Phihakendr, and Mr. Phiboon Phihakendr. Two of five committees need to countersign and affix the company's seal.

Duties and Responsibilities of the Board of Directors are as follows:

1. The Board of Directors have authorities and responsibilities according to the articles of association of company which are defined to be of the Board of Directors.
2. The Board of Directors have authorities and duties to establish important policies of the Company as follows:
 - 2.1 Business conduct policy
 - 2.2 Financial policy
 - 2.3 Funding policy

- 2.4 Funds management policy
- 2.5 Risk management policy
3. The Board of Directors have authorities and duties for the Company investments as follows:
 - 3.1 Consider and approve budget plans
 - 3.2 Consider investment plans of the Company
 - 3.3 Supervise and manage projects to establish as planned.
4. The Board of Directors have authorities and duties to supervise and manage the Company's performance to:
 - 4.1 Ensure that the Company's performance shall be established as planned.
 - 4.2 Set resolutions in the case of problems and troubles to achieve the planned goals or better.
5. The Board of Directors have authorities and duties to acknowledge the report of the Auditor and the Company's consultants. The Board of Directors are required to establish resolutions in the case of significant defects found.
6. The Board of Directors have authorities and duties to collate sufficiency and appropriation of the internal control and risk management of the Company.
7. Appoint one of the directors or many of the directors or other individuals to act on behalf of the Board of Directors. For the delegation, the delegated individuals must not have authorities to approve items which involve such individuals or individuals who may have conflicts of interests with the Company and its subsidiaries.

Exception for the followings can be made only upon approval by the shareholders' meeting. If committees or connected persons are related to the transaction that may create any conflicts of interests with the Company, the related committees are not permitted to vote on that transaction.

- Act that the law requires the resolution of the shareholders' meeting.
- Transaction that involves a committee who may have conflicts of interests, or required by laws or regulations of the Stock Exchange of Thailand to have approval of the resolution of the shareholders' meeting.

- The following events must be approved by The Board of Directors' Meeting and the shareholders' meeting with a three-quarter (3/4) vote of eligible shareholders present at the meeting.
 - The sale of transfer of the whole of important parts of the business.
 - The purchase or acceptance of transfer to other companies or private companies.
 - The signing, amending or terminating of contracts with respect to the leasing of the whole or important parts of the business, the assignment of the management of the business of the company to other persons or business merger/acquisition with the purpose of profit and loss sharing.
 - The amendment of memorandum of association or articles of association.
 - The increase of decrease in capital.
 - The merger/acquisition and wind up of the Company.
 - Others that are required by laws

2.2 Audit Committee

Audit Committee of the Company consists of 4 directors as follows:

Name	Position
Mr. Somkiat Sukdheva	Independent Director/Chairman of the Audit Committee
Mr. Eknarin Thammaraks	Independent Director/Audit Committee
Mr. Suriyaporn Bunchai	Independent Director/Audit Committee
Mr. Thongchai Watanasoponwong	Independent Director/Audit Committee

Scope of duties and responsibilities of the Audit Committee

1. Review to ensure that the financial reports correctly and sufficiently disclosed and reliable.
2. Review to ensure that the Company has internal control systems and internal audit that are appropriate and effective. Consider the independence of the

internal audit unit and to approve the appointment, transfer and dismissal of head of internal audit or any other unit responsible for internal audit.

3. To review the Company's compliance with the regulations of the Securities and Exchange Commission, requirements of the Stock Exchange and laws relating to its business.
4. To select and nominate the person who has the independence to act as auditor of the Company and remuneration of such persons, including meeting with the auditor without management attendance at least once a year.
5. Consider connected transaction or the transactions that may have a conflict of interest to be comply with the laws and regulations of the Stock Exchange to ensure that such transactions are reasonable and the best interest of the company.
6. Prepare a report of the audit committee to disclose in annual report of the Company. The report must be signed by the Chairman of the Audit Committee and must include at least the following.
 - 6.1. An opinion on the accuracy, completeness and reliability of financial reporting of companies.
 - 6.2. An opinion on the adequacy of the Company's internal control.
 - 6.3. An opinion on compliance with the law according with the Securities and Exchange Commission, terms of the Stock Exchange or laws relating to its business.
 - 6.4. An opinion on the appropriateness of the auditor.
 - 6.5. An opinion on items that may have a conflict of interest.
 - 6.6. The number of meeting of Audit Committee and attendance of each member.
 - 6.7. An opinion or suggestion that the audit committee has received from its duties under the Charter.
 - 6.8. Other items that the shareholders and public investors should be aware within the scope of duties and responsibilities assigned by the Board of Directors.
7. Any other action appointed by the Board of Directors of the Company.

Audit Committee Terms

Terms of Audit Committee are 3 years, but could be re-elected by The Board of the Directors or the shareholders' meeting.

2.3 Board of Executive Directors

(1) Energy Earth Public Company Limited

The Board of Executive Directors consists of 6 directors as follows:

Name	Position
Mr. Phisudhi Phihakendr	Chief Executive Officer
Mr. Khajohnpong Khamdee	Executive Director
Ms. Kanchana Chakvichitsopon	Executive Director
Mr. Phiroon Phihakendr	Executive Director
Mr. Phipat Phihakendr	Executive Director
Mr. Phiboon Phihakendr	Executive Director

Scope of duties and responsibilities of The Board of Executive Directors

1. Consider and approve request for loans or credits of the Company within the limit of Baht 300 million of the equivalent.
2. Consider and approve regular business operation of the Company such as purchasing machines, materials, equipments, approvals of expenses and write offs, etc. within the limit of Baht 200 million or the equivalent and other operations such as project expanding investment within the limit of Baht 80 million.
3. Have authorities to manage business of the Company according to purpose, regulations, shareholders' meeting resolution and Board of Directors' meeting resolution.
4. Establish the Company's organization chart, management and executive directors that cover every area of selections such as training, hiring or termination of employees.

5. Set up, advise, and establish policies of conducting business and strategies of the Company to The Board of Directors to review and approve.
6. Set up business plans, management authority, approve annual budget plan and conduct business according to the policies approved by the Board of Directors.
7. Have authorities to make financial transactions with financial institutions about opening an account in banks, financial institutions and requesting letter of guarantee from banks or financial institutions.
8. Perform other duties assigned by the Board of Directors during certain period.

According to the mentioned delegation, the delegated individuals must not have authorities to approve items which involve such individuals or individuals who may have conflicts of interests with the Company and its subsidiaries. The approval of such items must be proposed in The Board of Directors Meeting and/or the shareholders' meeting to consider and approve the items according to articles of associations or related laws and regulations, only the exception of those items being regular business operating activities and in compliance with policies approved by The Board of Directors.

Scope of duties and responsibilities of Chief Executive Officer

1. Manage regular business operations of the Company.
2. Consider and collate investments to propose to the Board of Executive Directors for approval.
3. Establish policy of annual budgeting to propose to the Board of Executive Directors for approval.
4. Consider and approve regular business operation of the Company such as purchasing machines, materials, equipments, approvals of expenses and write offs, etc. within the limit of Baht 200 million or the equivalent and other operations such as project expanding investment within the limit of Baht 40 million.
5. Have authority to act on behalf of the Company to outsiders in related and beneficial activities for the Company.
6. Perform other duties assigned by The Board of Directors case by case.

According to the mentioned delegation, the delegated individuals must not have authorities to approve items which involve such individuals or individuals who may have conflicts of interests with the Company and its subsidiaries. The approval of such items must be proposed in The Board of Directors Meeting and/or the shareholders' meeting to consider and approve the items according to articles of associations or related laws and regulations, only the exception of those items being regular business operating activities and in compliance with policies approved by The Board of Directors.

2.4 Management

Management of the Company consists of 5 persons as follows:

Name	Position
Mr. Khajohnpong Khamdee	Managing Director
Mr. Phiroon Phihakendr	Deputy Managing Director
Mr. Nugoon Sri-in	Assistant Managing Director – Production
Mr. Thanawat Pratoomsuwan	Assistant Managing Director - Finance and Accounting
Mr. Paiboon Assawasiriwong	Assistant Managing Director – Sales and International

Scope of duties and responsibilities of Managing Director

1. Authorize, strategize, and operate the Company business according to policies approved by The Board of Directors and supervise/manage overall operation.
2. Prepare, propose annual budget plan, each sector's budget, individuals' authorities, each sector's procedure of using annual budget, as well as supervise budgeting according to policy approved by The Board of Directors.
3. Amendment and Termination of substantial contracts as considered by The Board of Directors.
4. Determine the significant issues of the Company, missions, objectives, policies, overall operating performances, production, customer relationship and any responsibilities to Board of Directors.

5. Consider and approve regular business operation of the Company such as purchasing machines, materials, equipment, approvals of expenses and write offs, etc. within the limit of Baht 100 million or the equivalent and other operations such as project expanding investment within the limit of Baht 20 million.
6. Have authority to order, announce, and record for the purpose of business being able to perform according to the Company's policies and benefit, and to maintain discipline and work within the organization.
7. Hire, appoint, dismiss, terminate, as well as determine salary and bonus to the employee who ranks below managing director position.
8. Have authority to act on behalf of the Company to outsiders in related and beneficial activities for the Company.
9. Approve and appoint any advisors regarding to the necessity issues for business operation.
10. Consider and propose to The Board of Directors Meeting the events that are required to be approved by The Board of Directors Meeting and reported to related organizations such as Securities and Exchange Commission, The Stock Exchange of Thailand and Ministry of Commerce, etc.
11. Perform other duties assigned by The Boards of Directors case by case.

Managing Director may delegate power to executives or employees to have authority to approve certain events, but Managing Director or the delegated individuals must not have authorities to approve items which involve such individuals or individuals who may have conflicts of interests with the Company and its subsidiaries. In any legal actions that may cause conflicts of interests in compliance with laws and announcement of Securities and Exchange Commission or The Stock Exchange of Thailand, Managing Director or the delegated individuals must propose through Audit Committee to The Board of Directors and/or the shareholders' meeting (depending on each case) according to laws and articles of associations.

3. Directors and management nomination

The Company does not have Board of Nominating Directors. The candidates to be nominated as directors and management of the Company must be qualified under section 68 of the Public Companies Act. 2535 and Articles of Association and do not have any prohibit qualifications according to Tor Jor 28/2551 of SEC regarding the permission and approval to sell securities.

Director appointment process

Composition and nomination, appointment, termination of being the Company's director is stated in Articles of Associations in which details are as follows:

1. The Board of Directors consists of no less than 5 directors elected by the shareholders and the audit committee must consist of no less than 3 directors. No less than half of the directors must be resident in Thailand.
2. The shareholders appoint directors by applying the following criteria and procedures:
 - (1) Each shareholder has one vote per share held.
 - (2) Each shareholder exercises all votes applicable under (a) in electing one or more persons as directors, but can't allocate only part of his or her votes to any nominees.
 - (3) Candidates with the most votes are to be appointed as directors according to the number required. If more candidates receive equal votes than the number of directors required, the chairman must cast a vote to decide who is appointed.
3. At every annual general meeting, one-third of the directors or if this number is not a multiple of 3, then the number nearest to one-third must retire from company. The names of directors to retire during the first and second year after the company was listed are to be drawn. For subsequent years, the

directors with the longest terms must retire. Directors who are retired by rotation could be re-elected.

4. Any member to resign from the office may submit a resignation letter to the Company. The resignation will take effect on the date of a resignation letter reaches the Company.
5. To vote for any directors leaving office before the expiration of the term, the vote of no less than three-fourths of eligible and present shareholders, and sum of total shares no less than half of the number of shares held by present shareholders who are eligible to vote are required.

Audit Committee appointment process

Audit Committee of the Company must be independent directors appointed by the Board of Directors of the shareholders and must be qualified under the Stock Exchange of Thailand laws, announcement, and/or regulations. The Audit Committee must consist of no less than 3 directors, at least 1 of the Audit Committee must be sufficient in accounting and finance.

Board of Executive Directors appointment process

The Board of Directors appoint the Board of Executive Directors by nominating directors and/or management appropriately, and appoint one executive director to be Chief Executive Officer.

Details of Directors and Management as of 8 March 2011

No.	Name/Position	Age	Education	Relationship with Executives	Shares holding in Company (%)	Working Experience within 5 years	
						Time Period	Position/Company
1.	Mr. Phisudhi Phihakendr Chairman	61	<u>Undergraduate</u> Business Management University of Memphis	Father of Mr. Phiroon Phihakendr, Mr. Phipat Phihakendr and Mr. Phiboon Phihakendr	9.52	2011 – Present	Director PT. TRI TUNGAL PITRIATI
						2011 – Present	Director WTEC Co., Ltd.
						2010 – Present	Chairman Energy Earth Public Company Limited
						2007 – Present	Director Energy Perfect Company Limited
						2007 – Present	Director Energy Mining Company Limited
						2006 – Present	Director Snack Shack Company Limited

2.	Mr. Parada Bunnag Vice Chairman and Independent Director	49	<u>Undergraduate</u> <i>Management</i> Western Michigan University	-	-	2010 – Present	Vice Chairman/Independent Director Energy Earth Public Company Limited
						1993 – Present	Director D. Bunnag Chromiam Plating Co., Ltd
						1993 – Present	Director Brother Auto Parts & Engineering Co. Ltd.
3.	Mr. Khajohnpong Khamdee Director	40	<u>Undergraduate</u> <i>Accounting</i> Rajabhat Rajanagarindra University	-	15.60	2011 – Present	Director PT. TRI TUNGGAL PITRIATI
						2010 – Present	Exectutive Director Energy Perfect Company Limited
						2008 – Present	Director WTEC Co., Ltd.
						2007 – Present	Managing Director Energy Perfect Company Limited
						2007 – Present	Director Energy Mining Company Limited

4.	Mr. Phiroon Phihakendr Director	35	<u>Master</u> <i>Computer Science</i> New York University <u>Undergraduate</u> <i>Computer-Science</i> New York University	Son of Mr. Phisudhi Phihakendr	9.19	2011 – Present	Director Zinneken's Co., Ltd.
						2010 – Present	Director Energy Earth Public Company Limited
						2008 – Present	Director MM Alliance Co., Ltd.
						2007 – Present	Director Energy Perfect Company Limited
						2007 – Present	Director Energy Mining Company Limited
						2007 – Present	Director Upsara Valley Winery Co., Ltd.
						2005 – Present	Director Bangkok Beer & Beverage Co., Ltd.
						2003 – Present	Director WTEC. Co., Ltd.
5.	Mr. Phipat Phihakendr Director	33	<u>Master</u> <i>Management</i> University of Southern California	Son of Mr. Phisudhi Phihakendr	8.40	2011– Present	Director PT. TRI TUNGGAL PITRIATI
						2010– Present	Director Energy Earth Public Company Limited

			<u>Undergraduate</u> <i>Music Industry</i> University of Southern California			2007 – Present	Director Energy Perfect Company Limited
						2007 – Present	Director Energy Mining Company Limited
						2003 – Present	Director WTEC Co., Ltd.
6.	Mr. Phiboon Phihakendr Director	28	<u>Master</u> <i>Linguistics</i> Fudan University <u>Undergraduate</u> <i>Music Composition</i> California Institute of the Arts	Son of Mr. Phisudhi Phihakendr	8.40	2011 – Present	Director Energy Perfect Company Limited
						2010 – Present	Director Energy Earth Public Company Limited
7.	Ms. Kanchana Chakvichitsopon Director	60	<u>Undergraduate</u> <i>Economics</i> Chiangmai University	-	0.23	2010 - Present	Director Energy Earth Public Company Limited

8.	Mr. Thanawat Pratoomsuwan Director	41	<u>Master</u> <i>Public Administration National Institute of Development Administration Undergraduate Business Management- Marketing University of the Thai Chamber of Commerce</i>	-	0.16	2010 - Present	Director Energy Earth Public Company Limited
9.	Mr. Nugoon Sri-in Director	55	<u>Undergraduate</u> <i>Mechanical Engineering Saint Louis University Philippines</i>		1.81	2011 - Present	Director Energy Earth Public Company Limited
						2011 - Present	Director PT. TRI TUNGAL PITRIATI
10.	Mr. Somkiat Sukdheva Chairman of the Audit Committee and Independent Director	67	<u>Master</u> <i>Management Sasin of Chulalongkorn University</i>	-	-	2011 – Present	Chairman of the Audit Committee and Independent Director Energy Earth Public Company Limited

			<u>Undergraduate</u> <i>Economics</i> Thammasat Universtiy <u>Diploma</u> High Management- Advanced Audit Committee Program Class 7/2012			2009 – Present 2002 – Present 2001 – Present	Director P T and S Car Care Partnership Limited Audit Committee Thanachart Capital PCL Director Korvac (Thailand) Company Limited
11.	Mr. Eknarin Thammaraks Audit Committee and Independent Director	35	<u>Undergraduate</u> Business Science Professional Tennis Management Ferris State University	-	-	2011– Present 2011– Present 2011– Present 2010 – Present 2010– Present	Director Zinneken’s Co., Ltd. Director Miceman Company Limited Director Miniature Gallery Partnership Ltd. Audit Committee / Independent Director Energy Earth Public Company Limited Director Beccofino Trattoria (Chiangmai)

						2007– Present	Director International Travel Consultants
						2005– Present	Director Lampang River Lodge Hotel Co, Ltd.
						2005– Present	Director The Legend Resort & Spa Co, Ltd.
						2005– Present	Director Hmong Hilltribe Lodge Co, Ltd.
12.	Mr. Suriyaporn Bunchai Audit Committee and Independent Director	43	<u>Undergraduate</u> <i>accounting</i> Ramkhamhaeng University	-	-	2010– Present	Audit Committee / Independent Director Energy Earth Public Company Limited
						2010– Present	Owner Bunchai Net and Com
13.	Mr. Thongchai Watanasoponwong Audit Committee and Independent Director	34	<u>Master</u> <i>Computer Science</i> The George Washington University <u>Undergraduate</u> <i>Electrical Engineering</i> Thammasat University	-	-	2010– Present	Audit Committee / Independent Director Energy Earth Public Company Limited
						2010– Present	Director Choomporn Ice Company Limited
						2008– Present	Business Director IBM Thailand Company Limited

4 Compensation for Management

The Board of Directors Meeting No. 4/2011 held on 28 February 2011 resolved to define compensation for Board of Directors, Audit Committee and Board of Executive Directors for the year 2011 as follows:

(1) For collating financial statements quarterly

Committee	Compensation (Baht per 1 Appearance)
Chairman	60,000
Vice Chairman	40,000
Director	20,000
Company Secretary	10,000
Chairman of the Audit Committee	40,000
Audit Committee	20,000
Secretary of the Audit Committee	20,000

(2) For other meetings for different agendas, compensation rate is Baht 10,000 per one person / one appearance.

(3) Executive Directors receive Baht 20,000 per month.

(4) Compensate traveling cost for directors who leave in other provinces that are not Bangkok.

The Annual General Meeting of the year 2011 held on 28 April 2011 had resolved in defining compensation for the Company's Board of Directors, Audit Committees and Executive Directors for the year 2011. The total value is no more than 5 million Baht per the year 2011.

Items	2010	
	Compensation details	Baht
As Directors	Meeting Compensation	1,990,000
As Audit Committees	Meeting Compensation	570,000
As Executive Directors	Salary	1,140,000
Total		3,700,000

5. Corporate Governance

The Company is committed to the good corporate governance (Code of Best Practices) to apply in the Company's operation for the benefit and transparency of the Company business, as well as enhance effectiveness of management team, which will create confidence in shareholders, investors and all related parties. Good corporate governance is categorized into 5 principles as follows:

5.1 Rights of Shareholders

The company values the importance of shareholders' right, therefore, the company assures that company's shareholders shall have the same basic right, namely rights to buy, sell, or transfer shares, rights to obtain adequate information, rights to participate and vote in the shareholders' meeting on significant issues and rights to share in the profits of the company.

The details are as follows:

- The Company holds Annual General Meeting yearly, each year within 4 months after the end of accounting period, sends meeting notices and agendas to shareholders 7 days before the meeting day and announce in newspaper 3 consecutive days no less than 3 days before the meeting day. Each agenda shall also have opinions of the Board of Directors
- The Company regularly disseminates information to shareholders via The Stock Exchange of Thailand's channel, media and publications, including its website.

- In the case that shareholders cannot attend the meeting themselves, the Company shall let shareholders give proxies to independent directors or individuals to act on behalf of them. This is to support voting rights of shareholders and can be done by using proxy that the company attach with the invitation letter.
- Before the meeting, shareholders may send comments, opinions and questions via email addresses of investor relation and secretary of the board.
- In the meeting, The Company allocates a suitable period of time for the meeting, conducts each meeting suitably and transparently, allowing through expression of views and queries before each ballot round and summarizes meeting resolutions on each agenda. If the shareholders have inquiries about certain areas, the Company shall provide suitable specialist to answer all questions under responsibilities of the Board of Directors.
- All directors attend each shareholder meeting. Directors are required to address relevant questions and concerns, posed by shareholders (if any).

5.2 Equality Treatment of Shareholders

The company values and treats all shareholders fairly through the following actions:

- Conduct and facilitate all shareholders equally and do not take any actions that restrict or violate rights of shareholders.
- Determine the right to vote in the meeting according to number of shares held by shareholders, one share equals one vote.
- Ensure that independent directors are responsible for minor shareholders' rights. Minor shareholders may state opinions or complaints to independent directors and independent directors will review considerately in each case. If they are complaints, independent directors shall perform speculation and strive for best resolutions. If they are opinions and independent directors agree to their importance to overall stakeholders or the Company, independent directors shall propose such matters to the shareholders' meeting to consider and state in agendas of the shareholders' meeting.

- Establishing the Board of Directors' measurements to control the usage and prevent the misuse of internal information (insider trading) for personal benefit of concerned persons, including the Board of Directors, executives and staff in related department (including spouses and minor child of concerned persons), as well as determine penalty for internal information disclosure, the misuse of internal information, explain to the Board of Directors and Management The duty of securities holding reporting to Securities and Exchange Commission (SEC) under Section 59 of the Securities and Exchange Act. 2535, and inform announcement regulations o SEC and The Stock Exchange of Thailand to The Board of Directors and Management of the Company regularly.

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5.3 The Roles of Stakeholders

The Company realizes the rights of all stakeholders related to the Company, including internal stakeholders such as shareholders, employees, and management of the Company, or external stakeholders, such as competitors, partners, and customers, etc. The Company understands that support and relationship management to all stakeholders are beneficial to the Company's performance in the future and the Company shall treat every parties equally according to laws and regulations as follows:

- Shareholders: Besides the basic rights of shareholders and the rights stipulated by the laws and the company's article of association, such as rights to attend the shareholders' meetings and vote at the meeting , rights to freely express opinions at the shareholders' meetings, and rights to receive an appropriate return. The company gives shareholders the right, as the owner of the company, to make suggestions and comments on the company's affairs through the independent directors. Each comment and suggestion will be carefully considered and presented to the Board of Directors.
- Employees: The Company believes that employees are the most valuable assets. The company always develops competence of every employee to support business expansion plan. Furthermore, the company treats its employees in such a way that they feel happy to perform their assigned tasks, improve working environment to ensure safe, modern and healthy welfare appropriately.

- ◉ Trading partners: The Company purchases products and services according to commercial terms including perform the contracts with partners fairly.
- ◉ Competitors: Competitors will be treated fairly under normal competitive term and without any illegal practices to destroy them.
- ◉ Customers: The Company takes care and responses to all customers by providing standard quality products as well as keeps their confidential data.
- ◉ Communities: The Company is responsible to environment of community and society

The Company has established guidelines to reflect needs of all stakeholders clearly in “Code of Conduct”, as well as support The Board of Directors, Management, employees to respect “Code of Conduct” as if it is part of their important responsibilities.

5.4 Information Disclosure and Transparency

The Company realizes the importance of information disclosure and transparency in both financial information reports and general reports in accordance to regulations of information disclosure of Securities and Exchange Commission and The Stock Exchange of Thailand, as well as other essential information that may affect stock prices, investors or stakeholders’ decisions.

The Company shall disclose information of the Company to shareholders, investors, and public via communication system set up by Securities and Exchange Commission and The Stock Exchange of Thailand and the Company website, <http://www.energyearth.co.th>

About investor relations, the Company hasn’t organized such particular team. However, the Company has assigned Assistant Managing Director (Finance and Accounting) to be the contact point with investors, shareholders, analysts, and related public organizations. Shareholders and investors may contact this contact point at Mr. Thanawat Pratoomsuwan, Assistant Managing Director (Finance and Accounting), Telephone No. 02-673-9631 or Email address: thanawat@energyearth.co.th

5.5 Responsibilities of the Board of Directors

Structure

The Board of Directors of the Company consist of knowledgeable, skillful and experienced persons who can contribute to the Company and play important roles in setting up policies, strategies as well as follow up overall performance every quarter. The Board of Directors also need to pay serious attention on internal control and internal audit for the best benefit of the Company and shareholders.

There were 13 directors in the Company, consisting of 5 Non Managing Directors with qualification of being independent directors no less than one-third of total directors. Their duties are to review and collate matters and management of the Management Team for the best benefit of the Company.

The Board of Directors had appointed 2 sub-committees to help supervise the Company's business. The 2 sub-committees are Audit Committee and The Board of Executive Committee. The Company had divided duties and responsibilities of The Board of Directors, Audit Committee and The Board of Executive Directors to shareholders clearly for independency in decision making and vision proposals as already mentioned above in section "Management Structure".

Independent Directors and Audit Committee	Company has 5 independent directors, 4 of which are audit Committee to perform particular duties and propose important matters to The Board of Directors to acknowledge within scope and authorities assigned.
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The Board of Executive Directors	: The Company has 6 executive directors to perform duties effectively within scope and authorities assigned.
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The Company also has policies to divide position of chairman and position of managing director to be different persons in order to protect unlimited authorities for one person. The Board of Directors shall assign authorities, duties and appoint individuals to take such positions.

The Company has company secretary who has duties to advise rules and regulations that The Board of Directors are required to acknowledge. The secretary also monitors The Board of Directors' activities and ensure that The Board of Directors' meeting resolutions are performed accordingly.

Directors' remuneration

The Company reported directors' remuneration clearly and in compliance with the announcement of Securities and Exchange Commission. The mentioned remuneration must be approved in Annual General Meeting every year. In the case that directors of the Company are assigned to perform more duties, such as also take the position of audit committee, directors will receive appropriate remuneration depending on the Company's status.

Policy on Corporate Governance

The Board of Directors had set policy on corporate governance on The Board of Directors Meeting No. 3/2011 held on 10 February 2011. The policy was approved in the meeting.

The Company realized the importance of the policy of corporate governance since it will be very much beneficial to the performance, as well as enhance stability of the Company. About establishing performing guidelines, the Company pays high attention to internal control and internal audit. The Board of Directors will have assessment of internal control every year starting from year 2011 for good corporate governance according to regulations of the Stock Exchange of Thailand.

The Board of Directors collate and perform duties according to the stated policies. The Company shall operate business in compliance with laws and regulations of SEC and The Stock Exchange of Thailand.

Code of Conduct

The Company had established the Code of Conduct of Board of Directors, Management, and employees for related individuals to operate business, perform duties honestly

Conflicts of interest

The Board of Directors established policies on conflicts of interest based on that any acts and decisions must be made upon the best benefit of the Company and one should avoid any acts involved conflicts of interests. Any individuals related to connected transactions or items who may have conflicts of interest must inform the Company about their relationship with such transactions and do not have the right to vote or approve such activities.

The Audit Committee shall propose The Board of Directors about the related and connected transactions and collate them carefully. The Company had complied with laws and regulations of The Stock Exchange of Thailand strictly about pricing and other conditions with individuals who may have conflicts of interest as if they are outsiders. Such transactions are disclosed in financial statements, annual report and Form 56-1.

Report of The Board of Directors

The Board of Directors are responsible for financial reports of the Company and its subsidiaries, as well as information disclosed in annual report, 56-1, and financial statements collated by Audit Committee. Directors are also responsible for internal control, and adequacy of information disclosure in Notes of Finance Statements which are presented to The Board of Directors quarterly. Financial statements are audited by certified auditor approved by SEC and have disclosed important information both financial information and non-financial information accurately.

The Board of Directors Meeting

The Company holds The Board of Directors Meeting at least every quarter, and Extraordinary General Meeting depending on the necessities by stating clear agendas in advance and must monitor progress of the performance. The company secretary shall be responsible for preparing agendas for the meeting and sending out meeting invitation paper to The Board of Directors no less than 7 days before the meeting day, so that directors may have time to consider and study agendas sufficiently. The company secretary is also responsible for keeping reports that are approved by The Board of Directors systematically for related parties to speculate.

In considering agendas, The Chairman shall allow directors to state opinions freely. Voting in the meeting shall be counted on majority. One director has one vote, directors who may be stakeholders are not allowed to attend the meeting, or not allowed to vote on such matters. If the votes are equal, Chairman will make the decisive vote.

In 2010, the Company held 10 Board of Directors Meeting, attendance of each director is as follows:

Number	Name	Attendance
		2010
1.	Mr. Phisudhi Phihakendr	10
2.	Mr. Parada Bunnag	10
3.	Mr. Khajohnpong Khamdee	10
4.	Mr. Phiroon Phihakendr	10
5.	Mr. Phipat Phihakendr	10
6.	Mr. Phiboon Phihakendr	10
7.	Ms. Kanchana Chakvichitsopon	10
8.	Mr. Thanawat Pratoomsuwan	10
9.	Mr. Nugoon Sri-in	1
10.	Mr. Somkiat Sukdheva	8
11.	Mr. Suriyaporn bunchai	10

12.	Mr. Eknarin Thammaraks	9
13.	Mr. Thongchai Watanasoponwong	8

Remarks : The resolution of Board of Directors Meeting No. 2/2011 appointed Mr. Somkiat Sukdheva as Chairman of the Audit Committee / Independent Director on 3 February 2011.

The resolution of Board of Directors Meeting No. 2/2011 appointed Mr. Somkiat Sukdheva as Chairman of the Audit Committee / Independent Director on 3 February 2011.

In 2011, Energy Perfect Company Limited held 8 Board of Directors Meeting, attendance of each director is as follows:

Number	Name	Attendance
		2010
1.	Phisudhi Phihakendr	8
2.	Khajohnpong Khamdee	8
3.	Phiroon Phihakendr	8
4.	Phipat Phihakendr	8
5.	Phiboon Phihakendr	6

Remarks: The resolution of Board of Directors Meeting No. 2/2011 appointed Mr. Phiboon Phihakendr as Director on 3 February 2011.

Internal Control and Internal Audit

The Company realizes the importance of internal control both in management and operating level. For the most effective performance, the Company has set duties and authorizes for employees and management clearly with handwritten signatures. Company's assets must be controlled and used effectively for the best benefit of the Company. The Company also assigned internal audit to collate internal control to ensure that the Company's internal control is adequate, effective, financially controlled, effectively accomplished as well as

supervising acts concerning laws and regulations relating to the Company. The internal audit result shall be reported directly to Audit Committee.

6. Policies and Practices of the Use of Inside Information

The Company has policies and methods to protect directors and management to gain personal profitability by the use of inside information of the Company that has not yet been disclosed to public as follows:

- Give more knowledge to directors and management about duties to report securities holding of individuals, spouses, minor child to SEC and The Stock Exchange of Thailand.
- The Company determines Management to report change of securities holding to SEC and The Stock Exchange of Thailand and send out copies of the report to the Company on this same day.
- The Company prohibits directors, management, employees who have information to disclose information to outsiders, or unrelated individuals. All should not purchase or sell stocks of the Company before financial statements are about to be published, must not disclose the Company's status or other important information and should wait at least 24 hours after information already disclosed to public before trading stocks.

Connected Transaction

1. Connected Transactions with Companies or persons who may have conflicts of interests

During the year 2010-2011, Company Group had connected transactions with people who may have conflicts of interests which were stated in auditors' notes as follows:

Connected Party	Relationship	Type of Connected Transaction	Transaction Value		Audit Committee's Comments / Necessity/Rationale
			2010	2011	
	-				
1. WTEC Co., LTD ("WTEC") Business "Computer system retails and consultant"	Group Company's directors: Mr. Khajohnpong Khamdee, Mr. Phiroon Phihakendr, Mr. Phipat Phihakendr, and Mr. Senee Hongsubchat are also the directors of WTEC The Company's shareholders: Mr. Phiroon Phihakendr, Mr. Khajohnpong Khamdee, Mr. Phipat Phihakendr, and Mr. Phiboon	<u>Equipment Purchases</u>	5,967,050	221,350	Cost for IT and system equipment for Company Group to benefit control and communication between departments within Company Group. The price and condition are regular and such price already includes post sales service. <u>Audit Committee's Comments</u> The audit committee considered and opined that EPCL has the necessity to purchase the equipment with reasonable prices. The price has a reference market price. Purchasing the equipment from WTEC is convenient for after sales service because WTEC is located near the Company. However, if there is similar transaction in the future, the price and condition received must be competitive to other companies.

Connected Party	Relationship	Type of Connected Transaction	Transaction Value		Audit Committee's Comments / Necessity/Rationale
			2010	2011	
	Phihakendr are also the shareholders of WTEC in total of 53.32% of shares. -				
2. Energy Perfect Company Limited	Share directors and shareholders	<u>Coal Purchase</u> <u>Vehicle rental</u> <u>Equipment purchase</u> <u>Goods advance payment</u> -Value at the end of year <u>Accrued Expenses</u> -Value at the end of year		666,979,206 1,530,000 348,940 24,398,701 181,900 203,000,000 -	Purchase coal from subsidiary at 5 and 15% lower than the regular price subsidiary sells to other customers. เช่า Rent vehicle from subsidiary at 12,000 – 29,000 Baht Purchase equipment from subsidiary in agreed price Pay for goods advance payment to subsidiary, so subsidiary can use the advance payment to reserve goods for Company Group Outstanding of vehicle rental from December 2011 The Company gives loans to subsidiary without charging interests <u>Audit Committee's Comments</u> The Audit Committee considered that the Company has necessity to purchase, rent vehicles and equipment from subsidiary with rational price. Subsidiary has necessity to get loan from the Company as working capital, in which the Company did not charge for interests, and the subsidiary had already paid back.

Connected Party	Relationship	Type of Connected Transaction	Transaction Value		Audit Committee's Comments / Necessity/Rationale
			2010	2011	
3.MR. Khajohnpong Khamdee	- Director and shareholders of Company Group	<u>Short term loan</u> - Value at the end of yearปี		260,923,361	Subsidiary gets loan from director for working capital usage without being charged for interests. <u>ความเห็น Audit Committee's Comments</u> Subsidiary has necessity to get loan as working capital, in which the Director did not charge for interests, and the subsidiary had already paid back.

Measures and Procedures for the Approval of Connected Transactions

The Board of Directors have considered and unanimously resolved that in the case of connected transactions with persons who may have conflicts of interests in the future, each case must be proposed to the Board of Directors Meeting for consideration and final approval. The meeting also requires the presence of audit committees to ensure that the transactions are transparent, appropriate, have reasonable pricing policies and generate the best profitability for the Company. The persons who may have conflicts of interests shall not have voting rights in the transactions. In the event that the audit committees do not possess the required knowledge or specialization to speculate such transactions, the Company shall assign individuals with the required knowledge or special expertise, such as the Auditor of the Company, the independent appraisers, to comment on such transactions to the Board of Directors or the Shareholders, depending on each case. However, the Company shall perform this procedure in accordance with laws and regulations of the Stock Exchange of Thailand and Securities and Exchange Commission. All connected transactions are to be disclosed in the auditor's notes to financial statements, the Annual Report, and Form 56-1.

Management Discussion and Analysis

Overall Outlook of Past Performance

In 2010-2011, Company Group's revenue and net profit had increased continuously. The Sales revenue increased dramatically from Baht **1,755.24** million to Baht **4,685.12** million in 2011. The net profit had increased to from Baht **70.78** million in 2009 to Baht **395.68** million Baht in 2011.

Overall performance outlook of Company Group in 2010-2011 was still growing because of the followings:

- Fuel Price in the world marketing is still increasing, consumers who used oil and natural gas as their energy source started to switch to use coal as alternative energy, which resulted in EPCL being able to have more revenue from coal sales both domestically and internationally.
- Company Group continuously expanded customers both domestically and internationally. International marketing was an excellent to increase revenue because international consumers have great amount of demand for coal, while domestic marketing will lower the risk of relying too much on few large customers.
- Growing sales volume and total revenue in each year resulted in better gross profit and net profit.

Over past performance

Revenue

Revenue Type	Financial statement of Company Group			
	2010		2011	
	Baht-million	%	Baht-million	%
Revenue from sales				
<i>Domestic</i>	622.19	34.75	926.65	19.68
International	1133.05	63.28	3758.47	79.81
Total income from coal sales	1,755.24	98.02	4,685.12	99.49
<i>Growth rate from coal sales (%)</i>	74.33		166.92	
<i>Income from Exchange Rate</i>	33.8	1.89	15.98	0.34
<i>Other Income</i>	1.59	0.09	8.18	0.17
<i>Total Income</i>	1,790.63	100.00	4,709.28	100.00
<i>Total Growth Rate (%)</i>	77.73	NA.	163.00	NA.

During the year 2010-2011, Company Group had increasing revenues from Baht 1,790.63 million to Baht 4,709.28 million, which represents a growth rate of 163.00%.

Coal sales revenue increased from Baht 1,755.24 million in 2010 to Baht 4,685.12 million in 2011, which represents a growth rate of 166.92%. The increased revenue during the certain period occurred due to the followings:

1. Company Group paid more attention to target customers who are end users to lower the risk of relying too much on a few large customers, which resulted in increasing revenue from 1,755.24 million Baht in 2010 to 4,685.12 million Baht in 2011. Growth rate is 167 %.
2. In 2011, Company Group expanded both domestic and international customers due to higher oil price which resulted in many industries choosing coal as their alternative energy.

Profit

Net profit rate during the year 2010-2011 is 70.78% and 395.68% respectively. The growth in 2010 is due to better economic situation, higher coal price and increasing

Company's Financial Status

Assets

Total Assets of Company Group are growing continuously during the year 2010-2011, the amount at the end of each accounting period are shown in the following table.

Financial statement of Company Group				
	2010		2011	
	Baht-Million	%	Baht-Million	%
Current assets	699.46	52.49	2,088.54	50.91
Non-current assets	632.98	47.51	2,013.97	49.09
Total assets	1,332.44	100.00	4,102.51	100.00
Growth rate of current assets (%)		46.24		198.59
Growth rate of non-current assets (%)		156.04		218.17
Growth rate of total assets (%)		82.21		207.89

Total assets of Company Group increased from Baht 1,332.44 million in 2010 to Baht 4,102.51 million in 2011. Rates of current assets to total assets in 2010-2011 are 52.49 and 50.91 respectively. The increase of current assets is due to more account receivables in which the number is higher according to increasing sales volume.

Advance payment for coal the amount of Baht 127.92 million in 2010 and Baht 389.91 in 2011 are the advance payment for coal to mine owners in Indonesia. Each time the coal is imported, such amount will be deducted until the value is complete. Company Group had necessity to do an advance payment to secure steady coal supply for customers.

Non-current assets also have a tendency to grow continuously, they are increased from Baht 632.98 million in 2010 to Baht 2,103.97 million in 2011 due to Company Group's acquisition of PT. TRI TUNGAL PITRIATI which has the coal reserve amount of Baht 1104.11 million.

(a) Trade account and notes receivables (Net)

Trade accounts receivable of Company Group in 2010-2011 can be categorized by aging in the following table:

Trade account receivables details	Financial statement of Company Group			
	31 December 2010		31 December 2011	
	Baht-Million		Baht-Million	
Not overdue	158.83	54.67%	68.95	5.35%
Overdue				
Less than 3 months	115.92	39.90%	1,209.18	93.76%
3 - 6 months	5.04	1.73%	0.60	0.05%
6 - 12 months	5.19	1.79%	0.40	0.03%
More than 12 months	5.53	1.90%	10.49	0.81%
Total	290.52	100.00%	1,289.61	100.00%
<u>Less</u> , doubtful accounts	- 6.64	-2.28%	- 8.87	-0.69%
Trade account receivables (Net)	283.88	97.72%	1,280.74	99.31%

Company Group has a policy to give credit terms to most customers no more than 30 days based on many considerate factors such as past performance, purchasing volume, and competitive market during that certain period.

Account receivables that are still not overdue had decreased from 54.72 % in 2010 to 5.35% in 2011, while account receivables that are less and 3 months overdue increased dramatically from 39.90% in 2010 to 93.76% in 2011 respectively because customers have demanded to extend payment period from 30 days to 90 days.

Liquidity

Company Group's cash flows that are related to investing and financing activities in 2010-2011 are shown in the following table:

Items	Financial Statements of Company Group (Unit = Baht-Million)	
	2010	2011
Net cash provided by (used in) from operating activities	163.89	(935.59)
Increase (decrease) in Cash flows from investing activities	(402.82)	(295.25)
Increase (decrease) in Cash flows from financing activities	263.98	1358.96
Increase (decrease) in cash and cash equivalents - net	25.04	129.24
Cash and cash equivalents at beginning of year	19.85	44.89
Cash and cash equivalents at end of year	44.89	174.13

In 2010, Company Group was already spending a great amount of money for operating activities which is Baht 402.82 million. Baht 290.07 million is fixed assets and the next largest amount is money to deposit with financial institution the amount of Baht 102.80 million to guarantee short term loan for purchasing coal.

In 2011, the amount that was spent in investing activities was up to Baht 295.25 million, the main item is the fixed asset investment at the amount of Baht 61.07 million, and the second item is the deposit with financial institutions at the amount of Baht 235.59 million to guarantee short-term loans for coal purchasing. Company Group also has increased cash flow from financing activities which include loans from financial institutes the amount of

Baht 1,378.20 million and decreased cash flow from payment of debts and hire and purchase agreement the amount of Baht 20.34 million.

(B) Current ratio

Company Group's liquidity decreased continuously as can be seen from ratio of current assets to current liabilities which decreased from 0.76 times in 2010 to 0.94 times in 2011. In 2010-2011, Company Group's assets had grown dramatically both in current assets and non-current assets, but the supporting fund was mainly from current assets (such as short-term loans and account payables). However, if the fixed deposits pledged in the short-term loan are included in the current assets, the ratio of current assets to the current liabilities in year 2010 until 2011 will be 0.95 and 1.14 times respectively, as shown in the following table:

Liquidity ratio (Unit: Times)	Financial statement of Company Group	
	2010	2011
Ratio of current assets to current liabilities	0.76	0.94
Ratio of current assets to current liabilities (for adjusted) ^{1/}	0.95	1.14
Ratio of speed liquidity	0.37	0.66
Ratio of cash flow	0.24	-0.60

Remarks: 1/ The case if the fixed deposit is pledged in loans, it will be shown in current assets instead of non-current assets in the financial statement.

Ratio of speed liquidity in 2010 is 0.37 times because of decreased accounts receivable. However, it was increased to 0.66 times in 2011 due to higher accounts receivables.

Expenditure

Company Group had capital expenditure in 2010-2011 as shown in the following table:

Investment items	Financial statement of Company Group (Baht-Million)	Investment estimation (Baht-million)
	2010	2011
Property, plant and equipment	261.97	28.65
Mines in Indonesia		1,104.11

Company Group had investing expense in land, property, equipment and machines in the 1st plant at Chonburi, and land, land improvement in the 2nd plant at Ayutthaya, the total investment amount was Baht 261.97 and 28.65 million in 2010 and 2011 respectively. Part of the investment in 2010 was land investment for constructions in Sriracha, in which Company Group was only renting the area in the past. Other parts of the investment were spent in plant constructions, equipment and machines to enhance productivity in the Sriracha plant. Company Group had purchased mines in Indonesia in November 2011 by purchasing ordinary shares of PT. TRI TUNGGA PITRIATI by increasing the capital the amount of 331.56 million shares at 3.33 Baht per share to purchase existing 1000 shares from PT. TRI TUNGGA PITRIATI.

Report of the Board of Directors' responsibility on financial reports

Energy Earth Public Company Limited's Board of Directors are responsible for financial statements, financial information of the Company and its subsidiaries that appear in the Annual Report. The financial statements are in accordance with the general accounting standards, and disclose substantial information about financial status and overall performance accurately, as well as monitoring a good information disclosing system in the notes to financial statements for the best benefit of shareholders and investors.

The Board of Directors had appointed the Audit Committee to be responsible for monitoring and speculating financial reports to be presented accurately, sufficiently and in compliance with business accounting standard, as well as providing appropriate and effective internal control. Comments of the Audit Committee are also shown in the report of the Audit Committee in the annual report.

The Board of Directors resolved that the Company has a sufficient internal control and can deliver reliable financial statements of the Company and its subsidiaries as of 31 December 2011, in which the auditor of the Company had audited in accordance with the general auditing standards, and the result was accurate and satisfactory.



(Mr. Phisudhi Phihakendr)

Chairman



(Mr. Khajohnpong Khamdee)

Managing Director

Financial Statements

Report of the Audit Committee for the year 2011

Dear Shareholders of Energy Earth Public Company Limited

In the accounting period of the year 2011, the Audit Committee of Energy Earth Public Company Limited and its subsidiaries have performed the duty and responsibility which have been assigned by the Board of the Directors in accordance with the laws and regulations of the Stock Exchange of Thailand.

Every member of the Audit Committee have consulted and held meetings with the auditor to review the finance statements which have been prepared by the management team. In the meeting with the auditor, we have invited the management team to explain details and facts about important business information, which are summarized as follows:

1. Review of the Financial Statements of the year 2011

The audit committee had inquired facts and asked for clarification and procedures about the Company's business from the executives and the auditor to ensure that the financial statements and disclosed information are complete, accurate and transparent in accordance with the laws and regulations of the Stock Exchange of Thailand.

The Audit Committee have reviewed and resolved that the financial statements for the year ended 31 December 2011 are complete and accurate in accordance with the general accounting standards.

2. Evaluation of the Internal Control

The Audit Committee have evaluated the internal control in accordance with the regulations stated by Securities and Exchange Commission, and resolved that the Company has the internal control system and risk management that are appropriate to the status of the Company and efficient enough according to Good Corporate Governance, in which take into account the benefits and fairness of all concerned parties.

3. Review of Compliance with the Stock Exchange of Thailand Act. Laws and Regulations Related to Business

The Company has a secured system to protect insider trading, and the regulations supervise the management to report holding of securities of the Company in According with laws. The Company pays high attention to the information disclosure in financial statements and other reports that they are complete, correct, reliable, and comply with laws relating to business operation as strictly as possible.

4. Review and Comments on Connected Transactions, or Transactions that may have Conflicts of Interests

The Company has disclosed all items required by regulations of the Stock Exchange of Thailand and Securities and Exchange Commission, and has also shown such items in financial statements and notes to financial statement completely and accurately.

5. Selection of the Independent Auditor for the year 2012

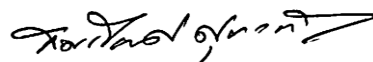
The Audit Committee has considered an appointment the auditor based on the followings:

5.1 Reliance and reputation of the auditor's company, its past performance, and meets all the criteria specified by the Stock Exchange of Thailand.

5.2 Independency, duty responsibility and reliable investigating performance.

The Audit Committee has resolved to assign Ms. Wimolsri Jongudomsombut, Certified Public Accountant Registration No. 3889 and /or Ms. Kannika Wipanurat, Certified Public Accountant Registration No. 7305 of Karin Audit Company Limited and DRS. Achmad Rodi Katamulya, Certified Public Accountant Registration No. 0102 of ACHMAD, RASYID, HISBULLAH REGISTERED PUBLIC ACCOUNTANTS to be the auditor for the year 2012. In the accounting period of the year 2011, the Board of Directors recognized the importance of good governance, management, morality, ethical principals in doing business transparently, properly and had no substantial defectiveness.

On Behalf of the Audit Committee



(Mr. Somkiat Sukdheva)

Chairman of the Audit Committee

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To The Board of Directors and Shareholders of **Energy Earth Public Company Limited**

I have audited the consolidated statements of financial position as at December 31, 2011 and 2010, the consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended of **Energy Earth Public Company Limited and subsidiaries**, I have also audited the separate statements of financial position as at December 31, 2011 and 2010, the separate statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended of **Energy Earth Public Company Limited**. These financial statements are the responsibility of the Company's managements as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits. As described in note 2.2 to the financial statements, the financial statements of oversea subsidiary, which was included in the consolidated financial statements for the year ended December 31, 2011, reflects total assets as of December 31, 2011 amount of Baht 28.01 million (equivalent to 0.68% of total assets in the consolidated financial statements), total liabilities amounting of Baht 0.29 million (equivalent to 0.01% of total liabilities in the consolidated financial statements) and net loss for the year then ended amounting of Baht 0.27 million (equivalent to 0.07% of net profit in the consolidated financial statements). The financial statements of the oversea subsidiary has been audited by other auditor whose report has been furnished to me, and our report, insofar as it relates to the amounts for the oversea subsidiary included in the consolidated financial statements for the year December 31, 2011, are based solely on the report of the said auditor.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, based on my audits and the report of the other auditor, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position as at December 31, 2011 and 2010, the consolidated results of their operations and cash flows for the years then ended of **Energy Earth Public Company Limited and subsidiaries** and the separate financial statements referred to above present fairly, in all material respects, the company's financial position as at December 31, 2011 and 2010, and the results of its operations, and cash flows for the years then ended of **Energy Earth Public Company Limited**, in accordance with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Notes 3 and Notes 7 to the financial statements. During the current year, the Group adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in its preparation and presentation of its financial statements.



(CHANUNKORN SATIRAPRAPAKUL)

Certified Public Accountant Registration No. 6554

Grand Audit Co., Ltd.

Bangkok

February 27, 2012

Financial Statements of Energy Earth Public Company Limited and its subsidiaries

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2011 AND 2010

		Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2011	2010	2011	2010
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	10	174,142,351	44,894,942	9,974,367	-
Short-term investment		-	12,000,000	-	-
Trade accounts receivable - net	11	1,280,741,613	283,879,696	97,752,676	449,750
Inventories - net	12	195,180,818	189,300,379	-	-
Advance payment from purchase of goods		389,908,882	127,915,470	108,279,416	-
Value added tax receivable		23,907,986	22,091,028	829,303	-
Other current assets		24,660,037	19,374,090	1,186,183	44,426
Total current assets		2,088,541,687	699,455,605	218,021,945	494,176
NON-CURRENT ASSETS					
Deposits pledged as collateral	13	426,079,487	178,490,502	70,789,501	150,224
Investments in subsidiaries	14	-	-	1,302,650,620	200,000,000
Property, plant and equipment - net	15	266,420,487	417,602,179	1,936,456	-
Assets not used operations	16	179,831,291	-	-	-
Mining property rights	17	1,104,108,666	-	-	-
Goodwill	14	36,478,256	36,478,256	-	-
Other non-current assets		1,046,725	408,572	267,113	-
Total non-current assets		2,013,964,912	632,979,509	1,375,643,690	200,150,224
TOTAL ASSETS		4,102,506,599	1,332,435,114	1,593,665,635	200,644,400

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2011 AND 2010

		Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2011	2010	2011	2010
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	18	1,896,567,096	543,848,612	247,105,807	-
Trade accounts payable		128,155,398	300,249,908	-	473,796
Current portion of long-term loans from financial institutions	19	14,129,696	12,453,421	-	-
Current portion of liabilities under hire-purchase agreements	20	3,288,085	5,509,584	278,254	-
Income tax payable		113,649,774	38,119,987	-	-
Accrued expenses		51,571,816	18,388,686	9,707,197	392,287
Other current liabilities		3,491,307	7,769,911	635,410	257,566
Total current liabilities		2,210,853,172	926,340,109	257,726,668	1,123,649
NON-CURRENT LIABILITIES					
Long-term loans from financial institutions - net	19	44,812,531	62,450,065	-	-
Liabilities under hire-purchase agreements - net	20	6,324,883	4,126,232	950,629	-
Employee benefit obligations	21	1,547,436	-	1,034,271	-
Total non-current liabilities		52,684,850	66,576,297	1,984,900	-
TOTAL LIABILITIES		2,263,538,022	992,916,406	259,711,568	1,123,649
<u>SHAREHOLDERS' EQUITY</u>					
Common shares					
Authorized shares - Baht 1 per value					
3,027,615,570 common shares					
as at December 31, 2011 and 2,222,712,675					
common shares as at December 31, 2010	22			3,027,615,570	2,222,712,675
Issued and paid-up common shares					
2,554,170,445 common shares					
as at December 31, 2011 and 2,222,712,675					
common shares as at December 31, 2010	22	531,457,770	200,000,000	2,554,170,445	2,222,712,675
Share discount	22	-	-	(1,800,000,000)	(1,800,000,000)
Share premium	22	772,296,604	-	772,296,604	-
Cost of business combination	14	36,095,873	36,095,873	-	-
Appropriated - legal reserve	23	2,950,000	2,950,000	-	-
Retained earnings (deficit)		431,143,864	36,917,731	(192,512,982)	(223,191,924)
Other components of shareholders' equity		63,920,615	63,555,104	-	-
Total parent's shareholders' equity		1,837,864,726	339,518,708	1,333,954,067	199,520,751
Non-controlling interests		1,103,851	-	-	-
TOTAL SHAREHOLDERS' EQUITY		1,838,968,577	339,518,708	1,333,954,067	199,520,751
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,102,506,599	1,332,435,114	1,593,665,635	200,644,400

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

		Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2011	2010	2011	2010
REVENUES					
	Sales	4,685,117,913	1,755,237,448	773,210,614	3,899,291
	Income from written-off liabilities account	-	-	-	13,423,293
	Profit on foreign exchange rate	15,982,305	33,802,947	-	-
	Other incomes	8,183,838	1,590,202	462,117	2,465,781
	Total revenues	4,709,284,056	1,790,630,597	773,672,731	19,788,365
EXPENSES					
	Cost of sales	3,898,669,202	1,517,507,704	666,976,367	12,686,181
	Selling expenses	89,551,118	69,429,923	10,189,682	35,340
	Administrative expenses	64,939,940	46,745,714	43,903,107	8,255,395
	Managements' remuneration	15,293,926	6,090,957	14,057,926	1,510,000
	Other expenses	26 14,216,616	7,429,652	-	(24,314,838)
	Total expenses	4,082,670,802	1,647,203,950	735,127,082	(1,827,922)
Profit before finance costs and income tax		626,613,254	143,426,647	38,545,649	21,616,287
	Finance costs	(67,882,338)	(32,357,014)	(7,054,874)	(3,280,848)
Profit before income tax		558,730,916	111,069,633	31,490,775	18,335,439
	Income tax	(163,417,803)	(40,288,209)	-	-
Profit for the years		395,313,113	70,781,424	31,490,775	18,335,439
	Surplus on revaluation of land	-	(24,744,896)	-	-
	Translation adjustments	365,877	-	-	-
Total comprehensive income		395,678,990	46,036,528	31,490,775	18,335,439
Profit for the years attributable to:					
	Equity holders of the parent company	395,313,382	70,781,424	31,490,775	18,335,439
	Non-controlling interests	(269)	-		
		395,313,113	70,781,424		
Total comprehensive income attributable to:					
	Equity holders of the parent company	395,678,893	46,036,528	31,490,775	18,335,439
	Non-controlling interests	97	-		
		395,678,990	46,036,528		
Earnings per share					
	Basic earnings - Equity holders of the parent company	25 0.17	0.04	0.01	0.06
	Diluted earnings - Equity holders of the parent company	25 0.16	0.04	0.01	0.06

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Baht							
Attributable to equity holders of the parent							
					Other component of shareholders' equity		
		Issued and paid-up	Cost of business	Retained earnings	Other comprehensive income		
		common shares	combination	Appropriated -	Surplus on		
Notes				Legal reserve	Unappropriated	revaluation of land	Total
Balance as at January 1, 2010		160,000,000	-	-	8,086,307	88,300,000	256,386,307
Increase in common shares	22	40,000,000	-	-	-	-	40,000,000
Legal reserve	23	-	-	2,950,000	(2,950,000)	-	-
Dividends paid	24	-	-	-	(39,000,000)	-	(39,000,000)
Cost of business combination		-	36,095,873	-	-	-	36,095,873
Total comprehensive income		-	-	-	70,781,424	(24,744,896)	46,036,528
Balance as at December 31, 2010		200,000,000	36,095,873	2,950,000	36,917,731	63,555,104	339,518,708

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Baht										
Attributable to equity holders of the parent										
	Notes	Issued and paid-up common shares	Share premium	Cost of business combination	Retained earnings		Other component of shareholders' equity		Non-controlling interests	Total
					Appropriated - Legal reserve	Unappropriated	Other comprehensive income			
							Surplus on revaluation of land	Translation adjustment		
Balance as at January 1, 2011 (As previously report)		200,000,000	-	36,095,873	2,950,000	36,917,731	63,555,104	-	-	339,518,708
Cumulative effect of change in accounting policy for employee benefits	7	-	-	-	-	-	-	-	-	-
		-	-	-	-	(1,087,249)	-	-	-	(1,087,249)
Balance as at January 1, 2011 (As restated)		200,000,000	-	36,095,873	2,950,000	35,830,482	63,555,104	-	-	338,431,459
Increase in common shares	22	331,457,770	772,296,604	-	-	-	-	-	-	1,103,754,374
Non-controlling interests in subsidiary		-	-	-	-	-	-	-	1,103,754	1,103,754
Total comprehensive income		-	-	-	-	395,313,382	-	365,511	97	395,678,990
Balance as at December 31, 2011		531,457,770	772,296,604	36,095,873	2,950,000	431,143,864	63,555,104	365,511	1,103,851	1,838,968,577

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

		Baht				
	Notes	Issued and paid-up common shares	Share discount	Premium on common shares	Deficit	Net
Balance as at January 1, 2010		222,692,675	-	-	(241,527,363)	(18,834,688)
Increase in share capital	22	2,000,020,000	(1,800,000,000)	-	-	200,020,000
Total comprehensive income		-	-	-	18,335,439	18,335,439
Balance as at December 31, 2010		<u>2,222,712,675</u>	<u>(1,800,000,000)</u>	<u>-</u>	<u>(223,191,924)</u>	<u>199,520,751</u>
Balance as at January 1, 2011 (As previously report)		2,222,712,675	(1,800,000,000)	-	(223,191,924)	199,520,751
Cumulative effect of change in accounting policy for employee benefits	7	-	-	-	(811,833)	(811,833)
Balance as at January 1, 2011 (As restated)		2,222,712,675	(1,800,000,000)	-	(224,003,757)	198,708,918
Increase in common shares	22	331,457,770	-	772,296,604	-	1,103,754,374
Total comprehensive income		-	-	-	31,490,775	31,490,775
Balance as at December 31, 2011		<u>2,554,170,445</u>	<u>(1,800,000,000)</u>	<u>772,296,604</u>	<u>(192,512,982)</u>	<u>1,333,954,067</u>

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	558,730,916	111,069,633	31,490,775	18,335,439
Adjustments to:				
Bad debts and doubtful debts	2,388,821	5,724,542	-	-
Loss from obsolescence inventories (reversal of)	-	1,109,628	-	(3,969,998)
Depreciation	23,829,825	9,496,981	192,537	5,400,294
(Gain) loss on disposal of fixed asset	(185,572)	494,962	-	(10,705)
Loss from sale and leaseback	50,260	100,520	-	-
Loss on impairment of fixed assets (reversal of)	11,777,535	-	-	(30,648,755)
Loss on transfer assets to settle with loans	-	-	-	10,303,915
Withholding tax written-off	-	-	-	18,000
Income from written-off liabilities account	-	-	-	(13,423,293)
Employee benefit expenses	460,187	-	222,438	-
Unrealized (gain) loss on foreign exchange rate	(26,562,872)	1,139,954	-	-
Interest expenses	59,560,712	28,984,522	6,875,403	3,280,848
Profit (loss) before changes in operating assets and liabilities	630,049,812	158,120,742	38,781,153	(10,714,255)
Decrease (increase) in operating assets				
Trade accounts receivable	(999,250,738)	37,206,209	(97,302,926)	249,983
Inventories	(5,880,439)	(77,050,385)	-	4,797,707
Advance payment from purchase of goods	(261,993,412)	(127,915,470)	(108,279,416)	-
Value added tax receivable	(1,816,958)	(15,382,404)	(829,303)	-
Other current assets	(5,285,947)	(7,583,760)	(1,141,097)	160,197
Other non-current assets	(638,153)	550,082	(267,113)	-
Increase (decrease) in operating liabilities				
Trade accounts payable - other companies	(172,094,510)	223,734,640	(473,796)	19,790
Accrued expenses	33,797,621	(2,932,502)	9,171,298	793,646
Other current liabilities	(4,278,604)	7,446,685	377,844	(349,821)
Cash receipts (paid) from operating activities	(787,391,328)	196,193,837	(159,963,356)	(5,042,753)
Cash paid for interest expenses	(60,313,905)	(27,915,649)	(6,839,647)	(22)
Cash paid for income tax and				
withholding tax deducted at source	(87,888,016)	(5,232,067)	(660)	-
Proceed from refundable of withholding tax deducted at source	-	-	-	18,000
Net cash provide by (used in) operating activities	(935,593,249)	163,046,121	(166,803,663)	(5,024,775)

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Note	Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2011	2010	2011	2010
CASH FLOWS FROM INVESTING ACTIVITIES					
Increase in short-term investment		-	(12,000,000)	-	-
(Increase) decrease in deposits pledged as collateral		(235,588,985)	(102,797,053)	(70,639,277)	120,581
Proceeds from disposal of investment in a subsidiary		-	-	1,103,754	-
Cash paid for purchase of property, plant and equipment	8	(61,067,766)	(290,074,704)	(673,053)	-
Proceeds from disposal of equipment		1,409,011	2,050,000	-	10,748
Net cash provide by (used in) investing activities		(295,247,740)	(402,821,757)	(70,208,576)	131,329
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase in overdraft and short-term loans					
from financial institutions		1,378,204,155	250,345,446	247,105,807	-
Increase (decrease) in short-term loans from related persons		-	(48,365,023)	-	4,861,471
Proceeds from long-term loans from financial institutions		-	80,000,000	-	-
Cash paid for long-term loans from financial institutions		(15,961,259)	(14,475,333)	-	-
Cash paid for liabilities under hire-purchase agreements		(4,377,884)	(4,525,951)	(119,201)	-
Proceeds from increase in share capital		-	40,000,000	-	20,000
Dividends paid		-	(39,000,000)	-	-
Proceeds from share subscription of non-controlling interests		1,103,754	-	-	-
Net cash provide by financing activities		1,358,968,766	263,979,139	246,986,606	4,881,471
Increase (decrease) in cash and cash equivalents - net		128,127,777	24,203,503	9,974,367	(11,975)
Exchange gain from cash and cash equivalents		1,087,174	839,613	-	-
Cash from acquisition of investment in a subsidiary		32,458	-	-	-
Cash and cash equivalents, beginning of years		44,894,942	19,851,826	-	11,975
Cash and cash equivalents, end of years		<u>174,142,351</u>	<u>44,894,942</u>	<u>9,974,367</u>	<u>-</u>

Notes to Financial Statements

1. GENERAL INFORMATION

Energy Earth Public Company Limited is listed on the Stock Exchange of Thailand on April 28, 1995, The principal business operations principally engaged in the manufacture and distribution of coal

The office is located on 889, 12th Floor Thai CC Tower, Room 125-128, South Sathorn Road, Yannawa, Bangkok.

On December 2, 2010, the Extraordinary Shareholders' meeting passed a resolution to change the Company's name from Advance Paint & Chemical (Thailand) Public Company Limited to Energy Earth Public Company Limited. The Company registered such change with the Department of Business Development on December 13, 2010.

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

2.1 BASIS OF FINANCIAL STATEMENTS

The consolidated and separate financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

An English version of the consolidated and separate financial statements has been prepared from the financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

2.2 BASIS OF FINANCIAL STATEMENTS

- a) The consolidated financial statements for the year ended December 31, 2011, has been included the financial statements of Energy Earth Public Company Limited and subsidiary and oversea subsidiary (PT. Tri Tunggal Pitriati) after eliminated significant inter-company transactions. The financial statements for such oversea subsidiary reflect total assets as of December 31, 2011 amount of Baht 28.01 million (equivalent to 0.68% of total assets in the consolidated financial statements), total liabilities amount of Baht 0.29 million (equivalent to 0.01% of total liabilities in the consolidated financial statements) and net loss for the year then ended amount of Baht 0.27 million (equivalent to 0.07% of net profit in the consolidated financial statements)
- b) "The Company" represents Energy Earth Public Company Limited, while "The Group" represents Energy Perfect Company Limited and subsidiaries as follows :

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIRIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Companies	Country of registration	Percentage of holding		Type of business
		2011	2010	
<u>Subsidiaries</u>				
Energy Perfect Co., Ltd.	Thailand	100.00	100.00	Manufacture and distribution of coal.
PT. Tri Tunggal Pitriati	Indonesia	99.99	-	Mining of coal.

The significant transactions between the Company and the subsidiary have been eliminated in the consolidated financial statements.

- c) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The assets and liabilities in the financial statements of oversea subsidiary are translated to Baht using the exchange rate prevailing on the statement of financial position date, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Translation adjustments" in the shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Minority interests represent the portion of net income or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position.
- g) The excess of the cost of investment in a subsidiary over the Company's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary acquired as at the investment date has been shown as "Goodwill" and included in other non-current assets in the consolidated statement of financial position and is measured at cost less any accumulated impairment losses.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

During the year, the Group adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions. The application of those accounting standards will not have significant impact to the financial statements being presented, except the following accounting standards :

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognized as expense in the period in which the service is performed by the employee. In particular, the Group has to evaluate and make a provision for post-employment benefits using actuarial techniques. The Group previously accounted for such employee benefits when they were incurred.

The Group has changed this accounting policy in the current year and recognized the liability in the transition period through an adjustment to the beginning balance of retained earnings as at January 1, 2011 (Note 7).

New interpretations of accounting standards during the year ended December 31, 2011

The new interpretations that were announced by in the Government Gazette during the year ended December 31, 2011 are as follows:

- a) Effective for the periods beginning on or after January 1, 2011

TSIC 31	Revenue - Barter Transactions Involving Advertising Services
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The Group's management has assessed and determined that this interpretation is currently not relevant to the Group.

- b) Effective for the periods beginning on or after January 1, 2013

TSIC 10	Government Assistance - No Specific Relation to Operating Activities
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TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
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TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
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The Group will not early adopt the above interpretations. The Group's management has assessed and determined that the impacts of those interpretations will not have significant impact to the financial statements being presented.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

4.2 Current investments

Current investments are bill of exchange with an original maturity of over one year after the acquisition date.

4.3 Trade accounts receivable

Trade accounts receivable are carried at original invoice amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified.

4.4 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined the first in - first out method (FIFO). The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

4.5 Investment in subsidiary

Subsidiary, which are those entities in which the Company has power to govern the financial and operating policies, are consolidated. Subsidiary is consolidated from the date on which controls is transferred to the Company and are no longer consolidated from the date that control ceases.

Investment in subsidiary is reported by using the cost method of accounting in the separate financial statements.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of comprehensive income.

4.6 Property, plant and equipment

Land is stated at revalued amount. Building and equipment are stated at historical cost less accumulated depreciation and impairment of asset (if any).

Land are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the statement of financial position date.

When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to equity under the heading of "Surplus on revaluation of land"

Depreciation is calculated on the straight line method to write off the cost, except for land which is considered to have an indefinite life, to its residual value over the estimated useful life as follows:

Building and building improvement	5 - 20 years
Office equipment and fixtures	5 years
Computer equipment	3 - 5 years
Machineries and equipment	5 - 10 years
Vehicles	5 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Repairs and maintenance are charged to the statements of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

Interest costs on borrowings to finance the construction of assets are capitalized as part of cost of the asset, during the period of time required to complete and prepare the property for its intended use. The borrowing costs include interest on long-term borrowing net of amortization of related deferred financial cost.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in operating profit.

4.7 Assets not used in operations

Assets are stated at revalued amount.

Land and land improvement are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the statement of financial position date.

When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to equity under the heading of "Revaluation surplus on assets".

4.8 Mining property rights

Mining property rights represent the excess of the cost of an acquisition over the fair value of net assets, which in managements' view represents future economic benefits attributable to the mining rights held by subsidiary. Mining property rights are amortised using the units of coal production.

4.9 Goodwill

At the acquisition date, the Company recorded goodwill in the business combination (Reverse Acquisition), which is the excess of the cost of the business combination over the Company's equity in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Goodwill is carried at cost less any impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

4.10 Impairment of assets

Property, plant and equipment, assets not used in operations, mining property rights, goodwill and other non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.11 Leases

Leases of assets which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under finance leases is depreciated over the useful life of the asset.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired any payment required to be made to the lessor by way the penalty is recognised as an expense in the period in which the termination takes place.

4.12 Provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

4.13 Employee benefits

The Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and by the Group. Contributions to the provident fund are charged to the statement of comprehensive income in the year to which they relate.

The Group provides for post-employment benefits, payable to employees under the Thai Labour Law. The amounts payable in the future depend on the salary and years of service of the respective employees. The liability arising as a result of such regulation is recorded as the present value of estimated future cash outflows using interest rates which have terms to maturities approximating the terms of the related liabilities.

4.14 Revenue recognition

Revenue comprises the invoiced value for the sale of goods and services net of value-added tax, rebates, discounts and transportation. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Sales of coal are quantified by weight at the front mine. The increment or reduction of coal values as a result of quality and weight noticed by customers will be recorded in the month of goods delivery.

Other income is recognized on an accrual basis.

4.15 Foreign currency translation

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Statements of comprehensive income and cash flows of foreign entities are translated into Thai Baht at the weighted average exchange rates for each month and statement of financial position are translated at the exchange rates ruling on the end of reporting period. Currency translation differences arising from the retranslation of the net investment in foreign entities are taken to shareholders' equity. On disposal of such foreign entity, accumulated currency translation differences are recognised in the consolidated statement of comprehensive income as part of the gain or loss on disposal.

4.16 Income tax

The Group records income tax based on the actual amount currently payable according to the tax legislation.

4.17 Basic earnings per share

Basic earnings per shares are calculated by dividing the net profit attributable to shareholders by the weighted average number of common shares during the year.

4.18 Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit for the year by the number of ordinary shares and the number of equivalent ordinary shares (Warrant) by weighted according to the period of time as if there were conversion of ordinary shares at the issued date of issuance of equivalent ordinary shares.

4.19 Financial instruments

Financial assets carried on the statement of financial position include cash and cash equivalents, short-term investment, trade accounts receivable, restricted deposits at financial institutions and some other current assets. Financial liabilities carried on the statement of financial position include overdraft and loans, trade accounts payable, income tax and accrued expenses, liabilities under hire-purchase agreements and some other current liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.20 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution of inventories

The Group maintains an allowance for diminution of inventories to reflect impairment of inventories. The allowance is based on consideration of market price of each category.

Plant and equipment / Depreciation

In determining depreciation of leasehold improvement and equipment, the management is required to make estimates of the useful lives and salvage values of the Company's leasehold improvement and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review leasehold improvement and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Allowance for loss from impairment of fixed assets.

In estimation of the allowance for impairment of fixed assets, the management would appraise the appraisal price of fixed assets every 3-5 years by the independent appraiser.

Retirement benefits

In determining reserve for retirement benefit costs, the management needs to make judgment and estimates based upon assumptions as to future salary increases, probability of working until retirement and discount rate, among others

6. CAPITAL RISK MANAGEMENT

The Group objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sells assets to reduce debt.

7. CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW ACCOUNTING STANDARDS

During the current period, the Group made the changes to its significant accounting policies described in Note 3, as a result of the adoption of revised and new accounting standards. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The adjustments affecting the statement of financial position as at December 31, 2011 and the statement of comprehensive income for year ended December 31, 2011 are summarized as follows

	Baht	
	Consolidated	Separate
	financial statements	financial statements
Statements of financial position		
as at December 31, 2011		
Increase in employee benefits obligations	1,547,436	1,034,271

	Baht	
	Consolidated financial statements	Separate financial statements
Decrease in unappropriated retained earnings	1,547,436	1,034,271

**Statement of comprehensive income
for the year ended December 31, 2011**

Increase in employee expenses	460,187	222,438
Decrease in profit attributable to equity holders of the parent	460,187	222,438
Decrease in basic earnings per share (Baht)	0.0002	0.0001
Decrease diluted earnings per share	0.0001	0.0001

8. SUPPLEMENTARY INFORMATION OF CASH FLOWS STATEMENTS

Supplementary information of cash flows statement for the years ended December 31, 2011 and 2010 is as follow :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Purchase of property, plant and equipment	(65,530,658)	(298,762,404)	(2,128,993)	-
<u>Adjust</u> Decrease in advance payment for purchase of assets	-	680,000	-	-
Increase in payable from acquisition of assets	107,856	-	107,856	-
Increase in liabilities under hire-purchase agreements	4,355,036	8,007,700	1,348,084	-
Cash paid for purchase of property, plant and equipment	<u>(61,067,766)</u>	<u>(290,074,704)</u>	<u>(673,053)</u>	<u>-</u>

9. RELATED PARTIES TRANSACTIONS

	Relationships	
	2011	2010
Related Companies		
Energy Perfect Co., Ltd.	Common director and shareholder	Common director and shareholder
Energy Mining Co., Ltd.	Common director and shareholder	Common director and shareholder
WTEC Co., Ltd.	Common director and shareholder	Common director and shareholder
Bioenergy Plus Co., Ltd.	-	Common director and shareholder (end of relationship on December 8, 2010)
Related persons		

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIRIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Relationships	
	2011	2010
Khun Khajohnpong Khamdee	Director and Shareholder of the Company	Director and Shareholder of the Company
Khun Phipat Phihakendr	Director and Shareholder of the Company	Director and Shareholder of the Company
Khun Pricha Punnakitikashem	-	Director and Shareholder of the Company (end of relationship on December 8, 2010)
Khun Kawinsara Khamdee	Close relative of directors	Close relative of directors
Khun Wisit Khamdee	Close relative of directors	Close relative of directors
Khun Amnuai Khamdee	Close relative of directors	Close relative of directors

The pricing policies between the Group with related parties are as follows:

	Price policy	
	2011	2010
Other income (rental and utility)	-	Mutually agreed price
Interest income	No interest charge	-
Purchase of goods	5% and 15% discount from selling price that Subsidiary sold to others	-
Professional consulting services	-	Mutually agreed price
Rental expenses	Baht 12,000 - 29,000 per month	-
Purchase of equipment	Mutually agreed price	Mutually agreed price
Interest expense	No interest charge	Interest at the rate of MOR+1% per annum

Outstanding balance between the Group with related parties

Outstanding balance between the Group with related parties as at December 31, 2011 and 2010, are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Advance payment to				
Khun Khajohnpong Khamdee	-	1,151,588	-	-
Khun Phipat Phihakendr	-	50,985	-	-
Khun Kawinsarat Khamdee	-	8,801	-	-
Khun Wisit Khamdee	-	147,563	-	-
Khun Amnuai Khamdee	-	347,066	-	-

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Total	-	1,706,003	-	-
Advance payment for goods				
Energy Perfect Co., Ltd.	-	-	24,398,701	-
Payable acquisition of assets				
WTEC Co., Ltd.	107,856	-	107,856	-
Accrued expenses.				
Energy Perfect Co., Ltd.	-	-	181,900	-
Other current liabilities				
Energy Perfect Co., Ltd.	-	-	-	97,090

The movement of short-term loans to related party in the separated financial statements for the year ended December 31, 2011 is as follow :

	Baht		
	As at	Movement	
	January 1, 2011	Increase	Decrease
Short-term loans to related company			
Energy Perfect Co., Ltd.	-	203,000,000	(203,000,000)

The movement of short-term loans from related person in the consolidated financial statements for the year ended December 31, 2011 is as follow :

	Baht		
	As at	Movement	
	January 1, 2011	Increase	Decrease
Short-term loan from			
Khun Khajohnpong Khamdee	-	260,923,361	(260,923,361)

Transactions between the company and related parties.

Revenues and expenses transactions with related parties for the years ended December 31, 2011 and 2010 are as follows :

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIRIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Other income (rental and utility)				
Bioenergy Plus Co., Ltd.	-	-	-	1,974,086
Purchase of goods				
Energy Perfect Co., Ltd.	-	-	666,979,026	-
Professional consulting services				
Energy Mining Co., Ltd.	-	120,000	-	-
Rental vehicle				
Energy Perfect Co., Ltd.	-	-	1,530,000	-
Purchase equipment				
Energy Perfect Co., Ltd.	-	-	348,940	-
WTEC Co., Ltd.	221,350	5,967,050	100,800	-
Total	221,350	5,967,050	449,740	-
Interest expenses				
Mr.Pricha Punnakitikashem	-	-	-	509,706

10. CASH AND CASH EQUIVALENTS

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Cash	85,915	62,844	18,715	-
Deposits at financial institutions - at call	174,056,436	44,832,098	9,955,652	-
Total	174,142,351	44,894,942	9,974,367	-

11. TRADE ACCOUNTS RECEIVABLE – NET

	Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
In due	68,947,595	158,827,059	68,919,782	190,936
Over due				
Up to 3 Months	1,209,180,961	115,923,374	28,206,349	258,814
Over 3 - 6 Months	595,534	5,040,316	595,534	-
Over 6 - 12 Months	397,189	5,193,358	31,011	-
Over 12 Months	10,493,582	5,531,505	-	151,489
Total	1,289,614,861	290,515,612	97,752,676	601,239
<u>Less</u> Allowance for doubtful accounts	(8,873,248)	(6,635,916)	-	(151,489)
Net	1,280,741,613	283,879,696	97,752,676	449,750

As at December 31, 2011 The Company has transferred the collection rights on trade accounts receivable to financial institutions amounting to Baht 15.37 million

As at December 31, 2010 The Subsidiary has transferred the collection rights on trade accounts receivable to financial institutions amounting to Baht 95.29 million.

12. INVENTORIES - NET

	Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Raw Materials	174,809,422	117,088,525	-	-
Gasoline	562,055	440,513	-	-
Finished goods	5,225,347	23,038,621	-	-
Goods in transit	15,693,622	49,842,348	-	-
Total	196,290,446	190,410,007	-	-
<u>Less</u> Allowance for obsolescence inventories	(1,109,628)	(1,109,628)	-	-
Net	195,180,818	189,300,379	-	-

13. DEPOSITS FROM FINANCIAL INSTITUTION PLEDGED AS COLLATERAL

As at December 31, 2011, In the consolidated and separate financial statements, the Group and the Company held fixed deposits with a financial institution amounting to Baht 426.08 million and Baht 70.79 million respectively, (2010: Baht 178.49 million and Baht 0.15 million, respectively) which

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were which were pledged as collateral for credit facilities from financial institutions (Note 18) and collateral for the usage of electricity.

14. INVESTMENTS IN SUBSIDIARIES

Separate financial statements

		<u>Paid-up capital (Million)</u>		<u>% Holdings</u>		<u>Baht</u>	
		<u>Currency</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>Cost method</u>
						<u>2011</u>	<u>2010</u>
Energy Perfect Co., Ltd. (Import coal and trading coal)	Baht	200	200	100	100	200,000,000	200,000,000
PT. Tri Tunggal Pitriati (Mining of coal)	Rupiah	8,521	-	99.99	-	1,102,650,620	-
Total						1,302,650,620	200,000,000

On December 2, 2010 the Extraordinary shareholders' meeting passed a resolution to allot the increased share capital amounting of 2,000,000,000 shares to exchange with 20,000,000 shares of Energy Perfect Co., Ltd. which cause in change of business operation on paints manufacturing to the business operation on import coal and trading coal. The Company has completed the business combination on December 8, 2010. All shareholders of Energy Perfect Co., Ltd. have become a major shareholders and obtain the control over the Company, hence the reverse acquisition in arisen following under Thai Accounting Standard No.43 (revised 2007).

The consolidated financial statements is prepared under the name of Energy Earth Public Company Limited as legal parent company but considered to be the acquiree in the accounting purpose. Recognition the aforesaid transactions are as follows:

- The assets and liabilities of Energy Perfect Co., Ltd. must be recorded at the book value in the consolidated financial statements before the business combination.
- Retained earnings and the outstanding balance of equities in the consolidated financial statements are recognized by the last amount of retained earnings and outstanding balance of other equities of Energy Perfect Co., Ltd. before the business combination plus the fair value of Energy Earth Public Company Limited. However, the number and type of share issued reflected the equity structure of Energy Earth Public Company Limited. including the shares issued by Energy Earth Public Company Limited. in the business combination.
- The owners' equity of Energy Perfect Co., Ltd. are adjusted by the exchange ratio specified in the share swap agreement to reflect the number of shares issued by Energy Earth Public Company Limited in the reverse acquisition.

The Company has calculated the basic earnings per share in the each reporting period of the consolidated financial statements for a reverse acquisition as follows:

- Basic earnings per share for the period that the reverse acquisition occurred is calculated by dividing the profit the period by the weighted average of number of common shares outstanding in the period based on:
 - The number of common shares outstanding from the beginning of the period to the date of acquisition is deemed to be the weighted average number of common shares issued by

Energy Perfect Co., Ltd. multiply with the exchange ratio specified in the share purchase agreement.

- The number of common shares outstanding from the date of acquisition to the end of the period is deemed to be the actual number of common shares outstanding of Energy Earth Public Company Limited in the period.
- Basic earnings (loss) per share in each comparative prior period before the date of acquisition is calculated by dividing the profit for the period of Energy Perfect Co., Ltd. before the business combination with the Company by the weighted average number of common shares issued by Energy Perfect Co., Ltd. multiply with the exchange ratio specified in the share swap agreement.

In the preparation of the consolidated financial statements, for the year ended on December 31, 2010, the Company has included revenues and expenses of Energy Earth Public Company Limited since December 8, 2010 (at the acquisition date) to December 31, 2010 (totaling 24 days) combined with revenues and expenses of Energy Perfect Co., Ltd. for the year ended on December 31, 2010. The consolidated financial statements for the year ended on December 31, 2009, that comparative information presented is the financial statements of Energy Perfect Co., Ltd.

	Baht
Cost of business combination - fair value at the acquisition date	
Energy Perfect Company Limited	
(2,178,387 shares with of Baht 16.57 per share)	36,095,873
Identifiable asset and liabilities at fair value at the acquisition date Energy	
Earth Public Company Limited:-	
Other current assets	494,175
Other non-current assets	150,000
Other current liabilities	(1,026,558)
Fair value	(382,383)
Goodwill	36,478,256

At the extraordinary shareholders' meeting on September 15, 2011, the shareholders has entered into sale and purchase agreements with the shareholders of PT. Tri Tunggal Pitriati for the purchase of all 1,000 shares at the par value of Indonesian Rupiah 8,521,000 Total purchase values were Indonesian Rupiah 8,521,000,000.

Details of net assets acquired at acquisition date are as follows:

	Rupiah	Baht
Cash and cash equivalents	10,000,000	32,458
Mining property rights	8,500,000,000	27,589,300
Fair value of net assets acquired	8,510,000,000	27,621,758
Total purchase consideration		
Less Common shares		(1,103,754,374)
Excess from acquisition		(1,076,132,616)

The management determined the excess from acquisition represents the value assigned by the company related coal reserves/resources of subsidiary in Indonesia.

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15. PROPERTY, PLANT AND EQUIPMENT - NET

Consolidated financial statements

	Baht							
	Land and land Improvement	Building and building Improvement	Office Equipment and Fixtures	Computer Equipment	Machineries and equipment	Vehicles	Construction In Progress	Total
As at December 31, 2009								
Cost	-	780,000	656,491	519,550	31,569,669	9,052,028.00	-	42,577,738
<u>Less</u> Accumulated depreciation	-	(361,917)	(314,526)	(376,754)	(7,975,434)	(1,217,597)	-	(10,246,228)
Net book value	-	418,083	341,965	142,796	23,594,235	7,834,431	-	32,331,510
Transactions during the year ended December 31, 2010								
Opening net book value	-	418,083	341,965	142,796	23,594,235	7,834,431	-	32,331,510
<u>Add</u> Purchase	120,968,442	54,943,981	1,036,120	1,168,550	10,370,906	9,541,645	100,732,760	298,762,404
Tranfer in (out)	16,445,350	34,111,410	-	-	50,176,000	-	(100,732,760)	-
Tranfer to land not use in operations	123,295,104	-	-	-	-	-	-	123,295,104
<u>Less</u> Disposals	-	-	-	-	-	(2,250,715)	-	(2,250,715)
Written off	-	(294,247)	-	-	-	-	-	(294,247)
Depreciation	-	(1,419,363)	(229,456)	(213,690)	(4,786,273)	(2,848,199)	-	(9,496,981)
Reversal of surplus on revaluation of land	(24,744,896)	-	-	-	-	-	-	(24,744,896)
Ending net book value	235,964,000	87,759,864	1,148,629	1,097,656	79,354,868	12,277,162	-	417,602,179
As at December 31, 2010								
Cost/Revalued amount	235,964,000	89,235,391	1,692,611	1,688,100	92,116,575	15,504,888	-	436,201,565
<u>Less</u> Accumulated depreciation	-	(1,475,527)	(543,982)	(590,444)	(12,761,707)	(3,227,726)	-	(18,599,386)
Net book value	235,964,000	87,759,864	1,148,629	1,097,656	79,354,868	12,277,162	-	417,602,179

Consolidated financial statements

	Baht							
	Land and land Improvement	Building and building Improvement	Office Equipment and Fixtures	Computer Equipment	Machineries and equipment	Vehicles	Machineries In Progress	Total
As at December 31, 2010								
Cost/Revalued amount	235,964,000	89,235,391	1,692,611	1,688,100	92,116,575	15,504,888	-	436,201,565
<u>Less</u> Accumulated depreciation	-	(1,475,527)	(543,982)	(590,444)	(12,761,707)	(3,227,726)	-	(18,599,386)
Net book value	<u>235,964,000</u>	<u>87,759,864</u>	<u>1,148,629</u>	<u>1,097,656</u>	<u>79,354,868</u>	<u>12,277,162</u>	<u>-</u>	<u>417,602,179</u>
Transactions during the year ended December 31, 2011								
Opening net book value	235,964,000	87,759,864	1,148,629	1,097,656	79,354,868	12,277,162	-	417,602,179
<u>Add</u> Purchase	39,331,291	2,139,020	195,763	197,426	250,109	6,136,297	17,280,752	65,530,658
Transfer in (out)	-	-	-	-	17,092,775	-	(17,092,775)	-
Transfer from land not used in operations	(179,831,291)	-	-	-	-	-	-	(179,831,291)
<u>Less</u> Disposals	-	-	-	-	-	(1,273,699)	-	(1,273,699)
Depreciation	-	(8,571,110)	(336,406)	(267,314)	(11,014,470)	(3,640,525)	-	(23,829,825)
Reversal of surplus on revaluation of land	-	-	-	-	(11,777,535)	-	-	(11,777,535)
Ending net book value	<u>95,464,000</u>	<u>81,327,774</u>	<u>1,007,986</u>	<u>1,027,768</u>	<u>73,905,747</u>	<u>13,499,235</u>	<u>187,977</u>	<u>266,420,487</u>
As at December 31, 2011								
Cost/Revalued amount	95,464,000	91,374,411	1,689,819	1,755,188	109,455,810	20,071,185	187,977	319,998,390
<u>Less</u> Accumulated depreciation	-	(10,046,637)	(681,833)	(727,420)	(23,772,528)	(6,571,950)	-	(41,800,368)
Loss on impairment of fixed assets	-	-	-	-	(11,777,535)	-	-	(11,777,535)
Net book value	<u>95,464,000</u>	<u>81,327,774</u>	<u>1,007,986</u>	<u>1,027,768</u>	<u>73,905,747</u>	<u>13,499,235</u>	<u>187,977</u>	<u>266,420,487</u>

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIRIES
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Separate financial statements

	Baht							
	Land and land improvement	Building	Building improvements	Machineries and equipment	Furniture and fixtures	Vehicles	Electronic systems in progress	Total
As at December 31, 2009								
Cost	30,000,000	71,433,740	12,082,068	4,535,018	67,694,252	14,774,397	1,212,839	201,732,314
Less Accumulated depreciation	-	(37,316,955)	-	(3,738,782)	(46,791,010)	(14,393,390)	(1,212,837)	(103,452,974)
Less Allowance for loss from assets revaluation	(3,872,500)	(11,370,086)	(12,082,068)	(244,534)	(14,904,608)	(257,027)	-	(42,730,823)
Net book value	26,127,500	22,746,699	-	551,702	5,998,634	123,980	2	55,548,517
Transactions during the year ended December 31, 2010								
Opening net book value	26,127,500	22,746,699	-	551,702	5,998,634	123,980	2	55,548,517
Add Reversal of loss from assets revaluation	3,872,500	11,370,086	12,082,068	244,534	14,904,608	257,027	-	42,730,823
Less Disposal	(30,000,000)	(31,881,419)	-	(600,121)	(18,204,045)	(111,391)	(2)	(80,796,978)
Write off	-	-	(12,082,068)	-	-	-	-	(12,082,068)
Depreciation	-	(2,235,366)	-	(196,115)	(2,699,197)	(269,616)	-	(5,400,294)
Ending net book value	-	-	-	-	-	-	-	-
As at December 31, 2010								
Cost	-	-	-	-	-	-	-	-
Less Accumulated depreciation	-	-	-	-	-	-	-	-
Less Allowance for loss from assets revaluation	-	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	-	-	-

Separate financial statements

	Baht			
	<u>Machineries and equipment</u>	<u>Furniture and fixtures</u>	<u>Vehicles</u>	<u>Total</u>
Transactions during the year ended December 31, 2011				
Opening net book value	-	-	-	-
<u>Add</u> Purchase	312,945	192,418	1,623,630	2,128,993
<u>Less</u> Depreciation	(45,624)	(12,626)	(134,287)	(192,537)
Ending net book value	<u>267,321</u>	<u>179,792</u>	<u>1,489,343</u>	<u>1,936,456</u>
As at December 31, 2011				
Cost	312,945	192,418	1,623,630	2,128,993
<u>Less</u> Accumulated depreciation	(45,624)	(12,626)	(134,287)	(192,537)
Ending net book value	<u>267,321</u>	<u>179,792</u>	<u>1,489,343</u>	<u>1,936,456</u>

Leased assets included above, where the Group is a lessee under hire purchase agreements, vehicle under installation are as follows:

	Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cost	17,371,284	14,794,888	1,623,630	-
<u>Less</u> Accumulated depreciation	(4,814,663)	(3,071,392)	(134,287)	-
Net book value	<u>12,556,621</u>	<u>11,723,496</u>	<u>1,489,343</u>	<u>-</u>

As at December 31, 2011 the Subsidiary has fully depreciated of fixed assets which are still in use, the cost of such assets has amounted to Baht 0.25 million (2010 : Baht 0.35 million).

As at December 31, 2011 and 2010, Property, plant and machineries of the Group in the consolidated financial statements amounting of Baht 368.53 million and Baht 237.02 million, respectively is mortgaged as collateral for short-term loans and long-term loans from financial institutions (Note 18 and 19).

The Company's land was revalued on January 5, 2011 by independent appraiser. Valuations were made on the basis of Market Approach. The book values of the land were adjusted to the revalued amounts and the surplus on revaluation of land decreased in amounting of Baht 24.74 million.

The Company recorded surplus on revaluation of land in shareholders' equity.

16. ASSETS NOT USED IN OPERATIONS

	Baht	
	Consolidated financial statements	
	2011	2010
Land	62,019,002	-
Land improvement	117,812,289	-
Total	179,831,291	-

As at December 31, 2011, The Subsidiary has land not use in operations amounting of Baht 179.83 million is mortgaged as collateral for short-term loans and long-term loans from financial institutions (Note 18 and 19).

17. MINING PROPERTY RIGHTS

Movements of mining property rights for the years ended 31 December 2011 are as follows:

	Baht	
	Consolidated financial statements	Separate financial statements
Opening net book amount	-	-
Increase from acquisition of subsidiary	1,103,721,916	-
Translation adjustment	386,750	-
Closing net book amount	1,104,108,666	-

18. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	Baht					
	Interest rates (%) of per annum		Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	2011	2010
Overdrafts	6.875 - 8.000	6.625 - 6.875	24,165,939	14,396,612	-	-
Promissory notes	3.750 - 7.625	7.000 - 7.125	535,017,918	81,495,767	148,917,918	-
Trust receipts	3.411 - 5.450	3.469 - 7.000	990,991,712	445,341,075	84,354,535	-
Accounts payable factoring	7.125 - 7.875	6.875 - 7.125	13,833,354	2,615,158	13,833,354	-
Packing Credit	3.291 - 7.400	-	332,558,173	-	-	-
Total			1,896,567,096	543,848,612	247,105,807	-

As at December 31, 2011, The Group and the Company has overdrafts facilities, packing credits and the short-term loans from financial institutions amounting to Baht 2,570.81 million and Baht 500.00 million, The loans charged interest at the rate of floating interest rate.

As at December 31, 2010, The Subsidiary has overdrafts facilities, packing credits and the short-term loans from financial institutions amounting to Baht 1,001.59 million, The loans charged interest at the rate of floating interest rate.

During the year ended December 31, 2011 the Company has used the Subsidiary's credit facilities in term of factoring.

The overdrafts facilities and the short-term loans from financial institutions facilities are secured over deposits from financial institutions (Note 13), property, plant and machineries (Note 15), assets not use in operations (Note 16) guaranteed by the Company and directors and letter of guaranteed issued by the Small Business Credit Guarantee Corporation.

Under the terms of the loan agreement, the Subsidiary must comply with the terms and conditions of certain loan agreements such as secured over current ratio etc.

19. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

	Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Long-term loans from financial institutions	58,942,227	74,903,486	-	-
<u>Less</u> Current portion	<u>(14,129,696)</u>	<u>(12,453,421)</u>	<u>-</u>	<u>-</u>
Net	<u>44,812,531</u>	<u>62,450,065</u>	<u>-</u>	<u>-</u>

The first line Loan amounted to Baht 15.00 million, which is monthly repayable within 48 equal installment dues of Baht 0.31 million each. The first payment was paid in June 2007. This loan bears interest at the rate of MLR+1% per annum. As at June 30, 2011, the Company fully settled such loan.

The second line Loan amounted to Baht 3.81 million, which is monthly repayable within 60 equal installment dues of Baht 0.07 million each. The first payment was paid in December 2009. This loan bears interest at the rate of MLR% per annum.

The third line Loan amounted to Baht 80.00 million, which is monthly repayable within 72 equal installment dues of Baht 1.12 million each. The first payment was paid in May 2010. This loan bears interest at the rate of MLR% per annum.

	Baht
The movement of long-term loans for the year ended December 31, 2011	
Beginning balance	74,903,486
<u>Less</u> Repayment of loan during the year	<u>(15,961,259)</u>
Ending balance	<u>58,942,227</u>

Such credit facilities are guaranteed by property, plant and machineries (Note 15), assets not used operations (Note 16) thereon and directors of company.

Under the loan agreement terms, the Subsidiary must comply with the condition of loan covenants such as maintain the current ratio, debt to equity ratio and debt service coverage etc.

20. LIABILITIES UNDER HIRE-PURCHASE AGREEMENTS - NET

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Liabilities under hire-purchase agreements	10,653,102	10,723,905	1,439,511	-
<u>Less</u> Deferred interest	(1,040,134)	(1,088,089)	(210,628)	-
	9,612,968	9,635,816	1,228,883	-
<u>Less</u> Current portion	(3,288,085)	(5,509,584)	(278,254)	-
Net	6,324,883	4,126,232	950,629	-

21. EMPLOYEE BENEFIT OBLIGATIONS

The Group adopted TAS 19 Employee Benefits with effect from January 1, 2011 and the effect on the financial statements is disclosed in note 7.

The Group operates a post employment benefit and pension based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits and other long term benefit to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined benefit obligations for the year ended December 31, 2011:

	Baht	
	Consolidated	Separate
	financial statements	financial statements
Defined benefit obligations as at January 1, 2011	1,087,249	811,833
Current service costs and interest	460,187	222,438
Defined benefit obligations as at December 31, 2011	1,547,436	1,034,271

Expense recognised in profit or loss for the year ended December 31, 2011 :

	Baht	
	Consolidated	Separate
	financial statements	financial statements
Current service costs	420,823	194,641
Interest on obligation	39,364	27,797
Total	460,187	222,438

The above expense recognised in the statement of comprehensive income for the year ended December 31, 2011 :

	Baht	
	Consolidated financial statements	Separate financial statements
Cost of sales	42,388	80
Selling expenses	15,396	15,396
Administrative expenses	402,403	206,962
Total	460,187	222,438

Principal actuarial assumptions at the reporting date for the year ended December 31, 2011.

	Consolidated and Separate financial statements
Discount rate	4.20 %
Salary increase rate	6.00 - 15.00 %
Mortality rate	TMO97 (Thailand Mortality Table in B.E. 2540)

22. SHARE CAPITAL

During the year 2011

On September 15, 2011, At the extraordinary shareholders' meeting, the shareholders has a resolution to approve an increase in the registered share capital from Baht 2,222,712,675 (2,222,712,675 common shares with a par value of Baht 1 each) to Baht 3,027,615,570 (3,027,615,570 common shares with a par value of Baht 1 each) by issuing 804,902,895 common shares with a par value of Baht 1.00 each to reserve for :

- 331,457,770 common shares (331,457,770 common shares with a par value of Baht 1.00 each) to statements of PT. Tri Tunggal Pitriati to share swap with 1,000 common shares of PT. Tri Tunggal Pitriati, (Note 14) resulting in a share premium of Baht 772,296,604.
- 444,542,535 common shares for the exercise of warrants (EARTH-W3) 444,542,535 common shares of the Company are to be reserved for the exercise of warrants issued and offered to the Company's existing shareholders in a ratio of 5 former common shares equivalent to 1 warrant at selling price of 0 per unit. A warrant can be used to buy 1 new common share at the exercise price of Baht 1.50.
- To allot 28,902,590 common shares for the adjustment of exercise of the warrants if any.

The Company registered the corresponding increase with the Ministry of Commerce on November 1, 2011.

As at 31 December 2011, the Company's issued and fully paid-up common shares has increased from Baht 2,222,712,675 (2,222,712,675 common shares with a par value of Baht 1 each) to Baht 2,554,170,445 (2,554,170,445 common shares with a par value of Baht 1 each) (Note 14) resulting in a share premium of Baht 772,296,604.

Warrants

Warrants to purchase new common shares of the Company issued to the Company's existing shareholders (EARTH-W3)

On September 15, 2011, the Extraordinary shareholders' meeting No. 1/2011 of the Company's shareholders passed a resolution to issue the warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (EARTH-W3) in a ratio of 1 warrant for every 5 existing ordinary shares

On October 25, 2011 the Company has adjusted the exercise of warrants (EARTH-W3) to warrant a unit can be used to buy common shares at 1.023 new common shares and warrant can be used to buy 1 new common share at the exercise price of Baht 1.466

Details of warrants are as follows:

Date of grant	September 23, 2011
Contractual lives	Less than 5 years from the issue date
Exercisable	15 March and 15 September of each years

During the year 2010

Consolidated financial statements

At the extraordinary shareholders' meeting of Energy Perfect Co., Ltd., held on February 6, 2010, the shareholders passed a resolution to approve the increase of authorized share capital from Baht 160 million (16 million common shares, Baht 10 per share) to Baht 200 million (20 million common shares, Baht 10 per share). The Company registered the increased share capital with the Department of Business Development on February 18, 2010.

Separate financial statements

- On December 2, 2010, the Extraordinary shareholders' meeting of the Company has approved a resolution:
 1. To reduce its authorized share registered capital from Baht 418,980,025 (418,980,025 common shares with a par value of Baht 1 per share) to Baht 222,712,675 (222,712,675 common shares with a par value of Baht 1 per share) by canceling unissued shares amounting of Baht 196,267,350 (196,267,350 common shares with a par value of Baht 1 per share).
 2. To allot additional common shares to Energy Perfect Co., Ltd., totaling Baht 2,000 million by issuing 2,000 new common shares at Baht 1 par value to swap with common shares of Energy Perfect Co., Ltd. at the total value of Baht 200 million, which is occurred share discount amounting of baht 1,800 million.

The Company has registered the capital increase with the Ministry of Commerce on December 13, 2010.

23. LEGAL RESERVE

Legal reserve shown in the consolidated financial statements is legal reserve in the financial statements of Energy Perfect Co., Ltd. as parent company for accounting purposes and considered to be the legal subsidiary.

The reserve was set up in compliance with the provisions of the Civil and Commercial code of Thailand which requires the appropriation as legal reserve of at least 5% of net income at each dividend declaration until the reserve reaches 10% of authorized capital. The reserve is not available for dividend distribution.

24. DIVIDENDS PAID

At the resolution of the Board of Directors' meeting of Energy Perfect Co., Ltd. on October 22, 2010, the board of directors' approved the resolution to pay the dividends for 20 million shares by Baht 0.95 per share totaling of Baht 19.00 million. Energy Perfect Co., Ltd. has already paid for such dividends on December 8, 2010.

At the resolution of the Board of Directors' meeting of Energy Perfect Co., Ltd. on December 2, 2010, the board of directors' approved the resolution to pay the dividends for 20 million shares by Baht 1 per share totaling of Baht 20.00 million. Energy Perfect Co., Ltd. has already paid for such dividends on December 8, 2010

25. DILUTED EARNINGS PER SHARE

Consolidated financial statement						
For the years ended December 31						
	Net earnings (Thousand of Baht)		Weighted average number of common shares (Thousand of Baht)		Earnings per share (Baht)	
	2011	2010	2011	2011	2010	2011
Basic earnings per share						
Net earnings	395,313	70,781	2,278,107	1,974,582	0.17	0.04
Effect of dilutive potential common shares						
Warrants						
278,457,475 units						
(2010 : - units)	-	-	278,457	-		
Diluted earnings per share						
Net earnings of ordinary shareholders (assuming conversion of potential common share)	395,313	70,781	2,556,564	1,974,582	0.16	0.04

ENERGY EARTH PUBLIC COMPANY LIMITED AND SUBSIDIRIES
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	Separate Financial Statement					
	For the years ended December 31					
	Net earnings (Thousand of Baht)		Weighted average number of common shares (Thousand of Baht)		Earnings per share (Baht)	
	2011	2010	2011	2011	2010	2011
Basic earnings per share						
Net earnings	31,491	18,335	2,278,107	326,808	0.01	0.06
Effect of dilutive potential common shares						
Warrants						
278,457,475 units						
(2010 : - units)	-	-	278,457	-		
Diluted earnings per share						
Net earnings of ordinary shareholders (assuming conversion of potential common share)	31,491	18,335	2,556,564	326,808	0.01	0.06

26. OTHER EXPENSES

Other expenses for the years ended December 31, 2011 and 2010 are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Bad debt and doubtful debts	2,388,821	5,724,542	-	-
Loss from obsolescence inventories				
(reversal)	-	1,109,628	-	(3,969,998)
Loss on impairment of fixed assets				
(reversal)	11,777,535	-	-	(30,648,755)
Loss on disposal by assets with loan accrued interest expense	-	-	-	10,303,915
Others	50,260	595,482	-	-
Total	14,216,616	7,429,652	-	(24,314,838)

27. SEGMENT FINANCIAL INFORMATION

The Group is engaged in the business of trading coal both Thailand and international.

The details of segment information in the Group for the years ended December 31, 2011 and 2010 are as follows.

	Million Baht		
	Thailand	International	Total
For the year ended December 31, 2011			
Sales	926.64	3,758.47	4,685.11
Cost of sales	(837.81)	(3,060.86)	(3,898.67)
Gross profit	88.83	697.61	786.44
Assets segment as at December 31, 2011			
Property, plant and equipment - net			266.42
Other assets			3,836.09
Total			4,102.51
For the year ended December 31, 2010			
Sales	622.19	1,133.05	1,755.24
Cost of sales	(587.11)	(930.40)	(1,517.51)
Gross profit	35.08	202.65	237.73
Assets segment as at December 31, 2010			
Property, plant and equipment - net			417.60
Other assets			914.84
Total			1,332.44

28. EXPENSES BY NATURE

Expenses by nature for the years December 31, 2011 and 2010 are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Changes in finished goods	17,813,274	(5,764,852)	-	3,199,107
Raw materials and consumable used	3,821,601,387	1,446,291,570	666,976,347	3,721,091
Managements' remuneration	15,293,926	6,090,957	14,057,926	1,510,000
Staff cost	26,322,060	19,253,267	13,464,882	790,575
Transportation expense	75,944,511	75,622,230	4,900	-
Depreciation	23,829,825	9,496,981	192,537	5,400,294

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	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Loss on obsolescence of inventories				
(reversal of)	-	1,109,628	-	(3,969,998)
Loss from assets revaluation (reversal of)	11,777,535	-	-	(30,648,755)
Loss on disposal by assets with loan accrued				
interest expense	-	-	-	10,303,915
Bad debt and doubtful debts	2,388,821	5,724,542	-	-

29. REGISTERED PROVIDENT FUND

The Company established a contributory registered provident fund in accordance with the Provident Fund Act.B.E. 2530. Under the plan, the Company and employees contribute to the fund at certain percentage of the employee's basic salary. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulation No.2 (B.E. 2532) issued under the Provident Fund Act B.E.2530.

The Company has paid contribution to provident fund for the years ended December 31, 2011 amount of Baht 0.44 million (December 31, 2011 : None)

30. FINANCIAL INSTRUMENTS

a) Liquidity risk

Liquidity risk, or funding risk, is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

b) Foreign Currency risk

The Group was exposed to the foreign currency risk because of their foreign currency transactions. The Group does not enter into any foreign currency derivative contract to hedge the currency risk.

As at December 31, 2011, The Group has monetary assets and liabilities in foreign currency which are not hedged are as follow :

	USD
Cash from financial institution	4,719,159
Trade accounts receivable	37,547,877
Trust receipt	31,132,029
Short-term loans	10,447,324
Trade accounts payable	3,488,127

c) Interest rate risk

The Group was exposed to interest risks because it held deposits to and bank overdraft and loans from financial institutions. However, such financial assets and liabilities are short-term, The Group believed that the future fluctuation on market interest rate would not provided significant effect to their operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

d) Credit risk

The Group was exposed to credit risk. However, due to the large number and diversity of the entities comprising the Company's customer base, The Group does not anticipate material losses from its debt collection. The Group estimated the allowance for doubtful accounts from the ending balance of accounts receivable. The estimate was made by considering the customer's past collection experiences.

e) Fair value of financial instruments

Fair value is defined as the amount that could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction. Fair values are obtained from quoted market prices, discounted cash flow models or net asset values as appropriate.

The following methods and assumptions are used to estimate the fair value of each class of financial assets and liabilities:

Cash and cash equivalents, short-term investment, accounts receivable, deposits pledged as collateral at financial institutions, trade accounts payable, income tax payable and accrued liabilities under hire-purchase agreements and bank overdraft and loans ; the carrying values approximate their fair values due to relatively short-term maturity of these financial instruments.

31. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2011, The Group commitments and contingent liabilities is as follows:

Commitments

- The Company has commitments to pay rental expense agreement amounting of Baht 1.45 million.
- The Subsidiary has commitments to pay factory rental agreements amounting of Baht 7.07 million.
- The Subsidiary has commitment to pay rental machinery and equipment amounting of Baht 12.72 million.
- The Group and the Company has commitments to pay service agreements amounting of Baht 0.95 million and amounting of Baht 0.69 million respectively.
- The Subsidiary has significant agreement for sale of steam coal with many foreign companies to sell steam coal in the quantity of 16.63 million tons in the market price within year 2015.

Contingent liabilities

- The Subsidiary has contingent liabilities for letters of guarantee issued by bank for the electricity usage and sale and purchase contract of steam coal amounting of Baht 0.41 million and USD 0.08 million respectively.
- The Subsidiary has contingent liabilities for letter of credit for guarantee is payment of goods amounting of USD 0.33 million.
- The Company has contingent liability from guarantee for subsidiary's credit line amounting of Baht 530.00 million.
- The Subsidiary has contingent liabilities from letter of guarantee issued by financial institution to guarantee for loans amounting of Baht 80.00 million.

32. SIGNIFICANT CONTRACT AND AGREEMENTS

Oversea subsidiary (PT. Tri Tunggal Pitriati) has significant contract and agreements as follows :

- The rights under a Coal Contract of Work (“CCOW”) mining license (545/013/IUP-OP/D.PF/2010) from the Indonesian government to explore for and exploit coal for a period of five years (From January 15, 2010 till January 15, 2015) in a total survey area of 16.30 hectares in Angsana, Tanah Bambu, Sount Kalimantan, Indonesia.
- The rights to conduct coal mining activities under a Coal Contract of Work (“CCOW”) mining license (545/106/IUP-OP/D.PF/2010) from the Indonesian government to explore for and exploit coal until coal reserves in the area is completely mined in a total survey area of 12.00 hectares in Simpang Empat, Tanah Bumbu, Sount Kalimantan, Indonesia.

33. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the authorized directors of company on February 27, 2012.

