

RATCH



RATCHABURI  
ELECTRICITY GENERATING  
HOLDING PCL.

# The Great Step Forward



ANNUAL REPORT 2011



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# VISION, MISSION and POLICIES

## Vision

To be a leading independent power producer in the region trusted by public

## Mission

To invest, develop and operate electricity generation and related business

## Policies

1. To expand electricity generation and selling with the following priorities;
  - 1.1 To meet local demand.
  - 1.2 To increase international production capacity to promote corporate growth.
2. To enter into the renewable energy and alternative energy businesses in order to create future business opportunities.
3. To enter into related businesses to increase return generation.
4. To create preferable returns for shareholders with commitment to the benefits of the society as a whole.
5. To invest in core business with at least 25 per cent stake in each project.
6. To strengthen positive relationship with strategic partners, stakeholders and networks based on mutual benefits.
7. To maintain on-going relationship with communities with environmental and social responsibility for being entrusted.
8. To strengthen competitive potential and promote employees' quality of work life.
9. To comply with all occupational health & safety standards.
10. To promote the good corporate governance and transparency.





# The Great Step **Forward**

## The Great Step Forward

Along with our commitment to enhance national energy security, Patchaburi Electricity Generating Holding Public Company Limited is taking a great step forward to grow our opportunity in the power and related businesses in the international arena. Thanks to our well rounded capability, strong commitment, clear vision, a great pool of highly capable professionals, healthy financial status, responsible corporate citizenship and strong commitment to the global society, we, as Thailand's leading energy producer, are in the right position to make substantial investment in the international market.



Clear Vision,  
Clear Determination

Think as the Leader,  
Act as the Professional

Strong Financial Foundation

Good Citizenship



# Clear

Vision,  
Determination

The road of success begins with the right vision. Our vision has been crafted to provide a clear picture of our future with a direction that is clear, highly possible and full of passion to drive sustainable growth in our business and society.





# Think as the **Leader**, Act as the **Professional**

Human resource is undoubtedly an indispensable asset that significantly drives the organization's growth towards its goal. With strong leadership and a synergy of highly committed and dedicated professionals with strong spirit, an organization would certainly move forward in the desired direction.





# Strong Financial Foundation

Healthy financial status provides very strong foundation for business progress.  
Transparency in all dimensions of operations significantly influences corporate success and trust paid by both local and international credit rating institutions.





# Good Citizenship

Social and environmental responsibilities are among our top priorities in running our business. All level of our staff members are trained to embrace to their own the sense of good citizenship, which significantly supports sustainable growth.







## Financial Overview

As of 31 December 2011, the Company total generating capacity is 5,173.96 megawatts derived from the power plants of its subsidiaries, jointly-controlled entities and other long-term investment as follows:

### Subsidiaries

1. Ratchaburi Electricity Generating Company Limited (RG) : 3,645 megawatts
2. RATCH-Australia Corporation Limited (RAC) and subsidiaries: 632.36 megawatts
3. Ratchaburi Energy Company Limited (RE) from PTO-A and its expansion project: 2.65 megawatts

### Jointly-Controlled Entities

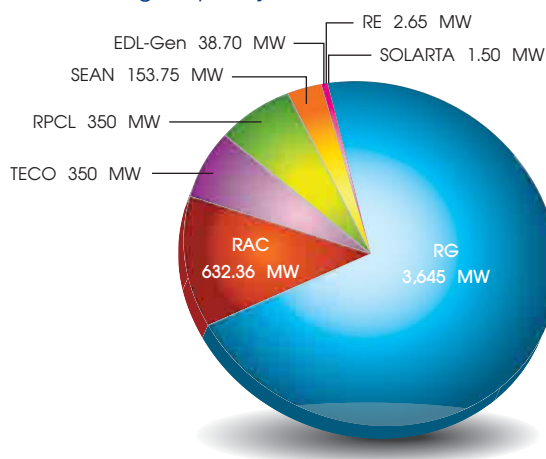
1. Tri Energy Company Limited (TECO) : 350 megawatts
2. Ratchaburi Power Company Limited (RPCL) : 350 megawatts
3. SouthEast Asia Energy Limited (SEAN) : from Nam Ngum 2 Hydroelectric Power Plant of 153.75 megawatts
4. Solarta Company Limited (SOLARTA) : from Solarta's Solar Power Plant of 1.50 megawatts

### Other Long-Term Investment

EDL-Generation Public Company (EDL-Gen) : 38.70 megawatts

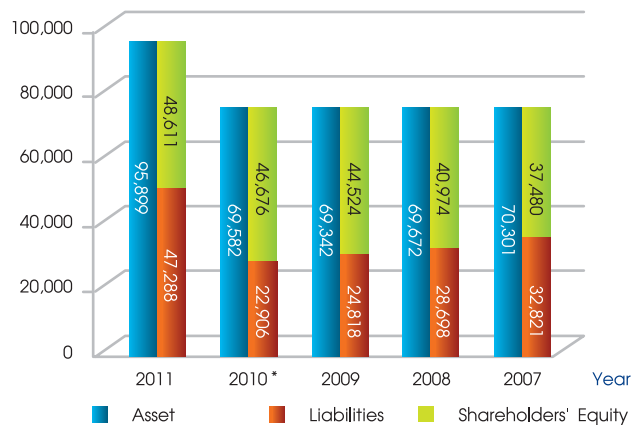
From the performance of the above companies, the Company's consolidated income for the year 2011 is as high as Baht 45,726.07 million and its profit is Baht 4,840.64 million. Total assets as of 31 December 2011 is at Baht 95,899.07 million.

### Total Generating Capacity



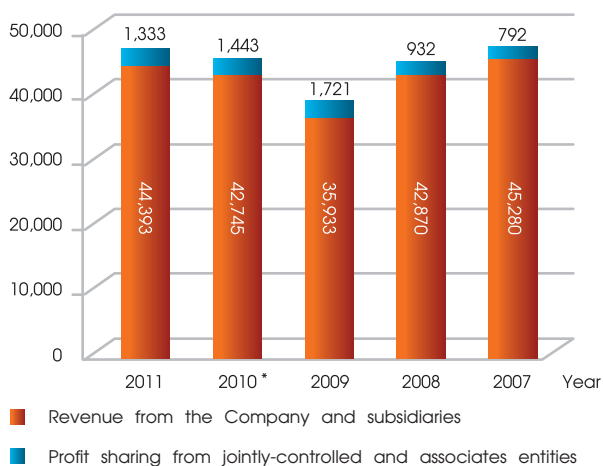
### Financial Position

Million Baht



### Total Revenues

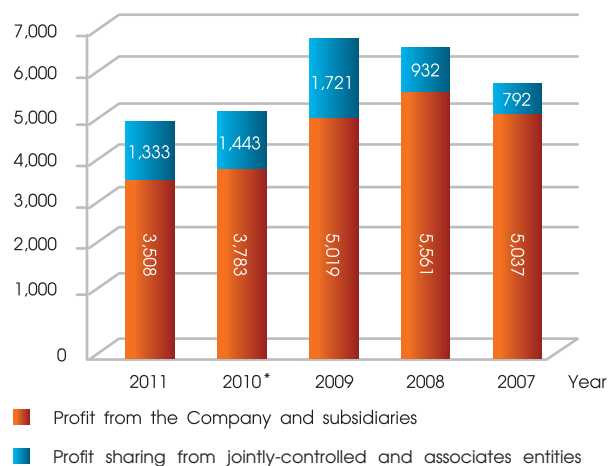
Million Baht

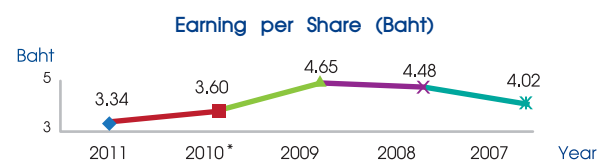
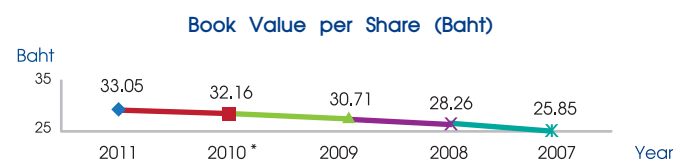
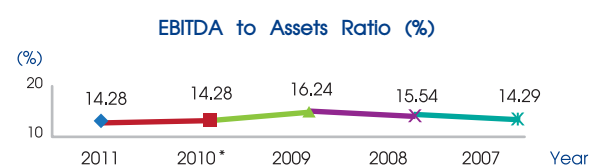
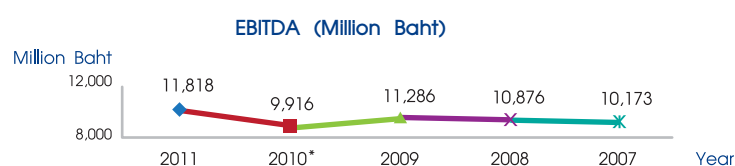
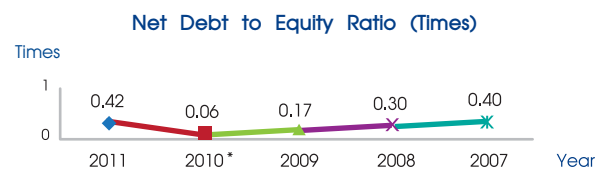
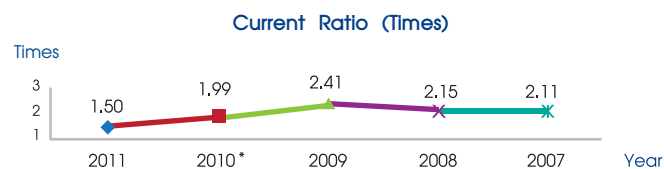


Remark : \* Year 2010 restated

### Profit for the Year

Million Baht





Remark : \* Year 2010 restated

Financial Overview					
	2011	2010 restated	2009	2008	2007
<b>Profit</b> (Million Baht)					
Total Revenues	45,726.07	44,187.68	37,653.83	43,801.85	46,072.34
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)	11,818.37	9,916.30	11,285.96	10,876.44	10,172.99
Profit attributable to Owner of the Company	4,840.64	5,225.91	6,739.60	6,492.90	5,829.40
<b>Financial Position</b> (Million Baht)					
Total Assets	95,899.07	69,581.82	69,341.82	69,672.44	70,300.93
Total Liabilities	47,287.93	22,905.51	24,817.69	28,697.90	32,821.13
Total Shareholders' Equity	48,611.14	46,676.31	44,524.13	40,974.54	37,479.80
<b>Information regarding to Ordinary Shares</b>					
Book Value per Share (Baht)	33.05	32.16	30.71	28.26	25.85
Earning per Share (Baht)	3.34	3.60	4.65	4.48	4.02
Dividend per Share (Baht)	2.25	2.25	2.25	2.20	2.10
Dividend Payout Ratio (%)	67.40	62.43	48.41	49.13	52.24
Share Price at Closing Date (Baht)	44.00	38.25	35.25	42.75	45.75
<b>Financial Ratios</b>					
Current Ratio (Times)	1.50	1.99	2.41	2.15	2.11
Net Profit Margin (%)	10.33	11.82	17.90	14.82	12.65
Return on Equity (%)	10.24	11.47	15.77	16.55	16.15
Return on Assets (%)	5.71	7.52	9.70	9.28	8.19
EBITDA to Assets Ratio (%)	14.28	14.28	16.24	15.54	14.29
Net Debt to Equity Ratio (Times)	0.42	0.06	0.17	0.30	0.40





## 2011 Operating Performance

The Company's operations goals, in terms of production capacity and profit, were met in 2011. The achievement clearly reflected the effectiveness of the Company's business strategies, focusing in expanding from electricity generation business to cover renewable energy and power generation related businesses. Investment in Thailand and overseas was more flexible. The Company concentrated both in direct investment, new projects development, and joint ventures and acquisition as well as investment in joint business through the Lao Securities Exchange. These new investment has successfully driven the Company's sustainable and stable growth and production capacity expansion.

### Generating Capacity Expansion

The Company focused its effort in achieving the business goals of expanding production capacity to 7,800 megawatts by 2016. At present, the Company's total generating capacity according to its investment proportion is 5,311.78 megawatts (as of January 2012). With a number of projects under development and construction which will have a total production capacity of more than 1,400 megawatts, the Company is strongly confident that the goals will be finally met.

### Investment in Core Business

#### 1. Domestic Electricity Development Projects

##### 1.1 Small Power Producer Project: Ratchaburi World Cogeneration Company Limited

Located in Ratchaburi Industrial Estate, the project has a total capacity to produce 2x112 megawatts of electricity, and 2x15 tonnes per hour of steam. The plant will sell 2x90 megawatts to the Electricity Generating Authority of Thailand (EGAT) and the rest of electricity and steam will be sold to business operators in Ratchaburi Industrial Estate. The Company holds 40 per cent stake in this joint venture.

The Scheduled Commercial Operation Date (SCOD) of Project 1 is 1 March 2014 and Project 2 on 1 March 2015. Both projects signed a power purchase agreement with EGAT in August 2011.



##### 1.2 Small Power Producer Project: Nava Nakorn Electricity Generation Company Limited

Located in Navanakorn Industrial Promotion Zone in Pathumthani Province, the project's total power generating capacity is 122 megawatts and its steam production capacity is 15 tonnes per hour. The Schedule Commercial Operation Date is 1 June 2016. The project agreed to sell 90 megawatts of electricity to EGAT and the excess electricity and steam will be sold to industrial plants in these Industrial Promotion Zone. The Company holds 40 per cent stake in the joint venture in which it co-invested with Nava Nakorn Public Company Limited and PTT Public Company Limited. The power purchase agreement between the project and EGAT is currently under the process.

##### 1.3 An Electricity Generating Project Using Associated Gas from Sao Thian-A Oil Rig

Through Ratchaburi Energy Company Limited, the Company invested in the Expansion of Sao Thian-A Oil Rig Project, which produces electricity from oil refinery byproducts at Sao Thian-A Oil Rig, Sukhothai Province, to supply to the Provincial Electricity Authority (PEA). The project has a combined production capacity of 3.6 megawatts. The construction is completed and started Commercial Operation on 26 January 2012.

## 2. Overseas Investment Projects

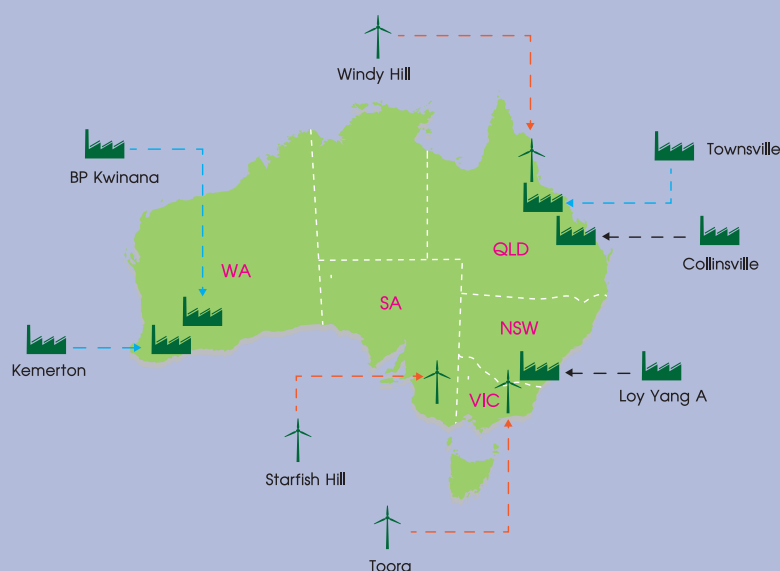
### 2.1 The Acquisition of Transfield Services Infrastructure Fund (TSI)

The Company by RH International (Singapore) Corporation Pte. Ltd. (RHIS) a subsidiary that the Company holds 99.99 per cent stake through RH International Corporation Limited and RH International (Mauritius) Corporation Limited has proposed the acquisition of Transfield Services Infrastructure Fund (TSI), which invests in infrastructure business in Australia and a listed company in Australian Securities Exchange (ASX). The acquisition was success in July 2011. The Company acquired 56.16 per cent in TSI Fund, which is Baht 6.7 billion. Later TSI Fund was delisted and renamed RATCH-Australia Corporation Limited (RAC). In January 2012, RHIS was increased in the RAC by 11.92 per cent, which is Baht 1,300 million. The Company intended to increase investment in RAC to 80 per cent within 2012.

RATCH-Australia Corporation Limited (RAC)'s assets include 8 power plants that located in various states in Australia. RAC has good distribution of risk related to fuel sources, such as natural gas, coal and wind. The production capacity according to investment proportion totals 900 megawatts. Their power purchase agreements continue to be valid for another 11 years.



RATCH-Australia Corporation Limited's  
Asset Portfolio in Australia



RAC currently has two shareholders, including RHIS, the major shareholder, and Transfield Services Limited (TSE) as the minor shareholder. TSE is a listed company in Australian Securities Exchange. It provides operation and maintenance service, asset management and project management for the industrial sector, especially the energy, real estate and basic infrastructure industries in Australia and other countries. The Company has a policy to use RAC as its base for business expansion in Australia due to its supportive investment structure and the availability of various types of fuel and potential for further investment expansion, especially in renewable energy.



## 2.2 The Acquisition of Ordinary Shares in EDL-Generation Public Company (EDL-Gen) offered in Lao Securities Exchange

Two subsidiaries, namely RATCH-Lao Services Company Limited and RH International (Singapore) Corporation Pte. Ltd. purchased 86,859,705 ordinary shares offered by EDL-Generation Public Company in Lao Securities Exchange. This represents 10 per cent of the total shares offered by EDL-Gen.

EDL-Gen is the first security traded in Lao Securities Exchange. The company is owned by Electricite Du Laos (EDL). It has more than 10 other projects under construction and development and a policy to pay no less than 50 per cent of its net profit for dividend.

## 2.3 Hongsa Thermal Power Plant Project

The 1,878-megawatt power plant produces electricity from lignite. Located in Hongsa, Xayaboury Province, Lao PDR, the project is a joint venture between the Company and Banpu Power Limited, each holding 40 per cent stake in this joint venture, and Lao Holding State Enterprise (LHSE) holding 20 per cent stake. The joint venture operates two companies, including Hongsa Power Company Limited, which handles electricity generating concession, and Phu Fai Mining Company Limited that handles 25-year mining concession to supply coals for the power plant. Hongsa Thermal Power Plant Project has been awarded "Project Finance Deal of the Year 2010" from the Project Finance Magazine in affiliation with Euromoney. This is due to its achievement of fund filing of syndication loan in total of USD 2,783 million or approximately Baht 94,620 million.

In 2011, the project built a dam to keep water for the cooling system of its power plant, a road from Thai-Lao border to the project site, prepared the ground for power plant construction, an area for coal loading activity, sourcing coal mining machinery and equipment for coal supply to the power plant, and preparing construction ground for relocation of villagers affected by the project development. The operation of the project has progressed as planned.

## 2.4 Nam Ngum 3 Hydroelectricity Power Plant Project

The 440-megawatt project is located in Xaysomboun Province, Lao PDR. The joint developers are the Company holding 25 per cent, GMS Lao Company Limited holding 27 per cent, Marubeni Corporation holding 25 per cent and Lao Holding State Enterprise holding 23 per cent.

In 2011, the negotiation of power purchase agreement with EGAT completed and pending for approval from Office of the Attorney General. It is also negotiating on Engineering, Procurement and Construction (EPC) agreement. Commercial operation is scheduled for 2017.



### 2.5 Xe-Pian Xe-Namnoy Hydroelectric Power Plant Project

The 390-megawatt project is located in Attapue and Jampasak Provinces in Lao PDR. The joint developers for this project are the Company holding 25 per cent, Korea-based SK Engineering & Construction Company Limited holding 26 per cent, Korea Western Power Company Limited holding 25 per cent and the government of Lao PDR holding 24 per cent.

Significant progress in the past year included the initial signing on the main text of the power purchase agreement and presented the agreement for Office of the Attorney General's Office for consideration. Commercial operation is scheduled to begin in 2018.

## 3. Investment in Renewable Energy

To support the Government's policy in developing renewable energy to substitute fossil fuel which is currently used as the major energy source for the country, the Company set a clear goal to increase the production capacity of electricity generated from renewable energy to 100 megawatts by 2016. This will help the country reduce its dependence on fossil fuel in power production, resulting in more security in the country's electricity generation and distribution system. More importantly, by using renewable energy, carbon dioxide emission will be reduced by 115,000\* tonnes per annum. The Company currently has projects under development and investment as follows:

### 3.1 Solar Power Project

#### Solarta Company Limited

The solar power production project comprises 8 subprojects with a total production capacity of 34.25 megawatts. Located in Phra Nakhon Sri Ayutthaya, Supanburi and Nakhon Pathom Provinces and all of them have non-firm power purchase agreements for very small power producer with the Provincial Electricity Authority with 10-year subsidy of Baht 8 per unit adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission

The joint developers are Yanhee Solar Power Company Limited holding 25 per cent and the Company holding 49 per cent. Sai Sena Project in Phra Nakhon Sri Ayutthaya Province with 3-megawatt capacity has already begun commercial production since 7 April 2011. The remaining 7 projects are under construction and expected to begin commercial operation in 2012.

Once all the 8 projects begin commercial operation, they will be able to reduce carbon dioxide emission by 17,000\* tonnes per annum.





### 3.2 Solar Power Generation Projects

Solar Power (Korat 3) Company Limited,  
Solar Power (Korat 4) Company Limited, and  
Solar Power (Korat 7) Company Limited

The Company signed a shareholders' agreement on 4 August 2011 with Solar Power Company Limited to jointly develop 3 solar power generation projects that operated by Solar Power (Korat 3) Company Limited, Solar Power (Korat 4) Company Limited and Solar Power (Korat 7) Company Limited. The Company holds 40 per cent and Solar Power Company Limited holds 60 per cent in each project.

Each project has production capacity of 6 megawatts, totaling 18 megawatts. All projects have already signed power purchase agreements for very small power producer with the Provincial Electricity Authority with 10-year subsidy of Baht 8 per unit adder from Office of the Energy Regulatory Commission. The projects are now in the process of securing loans from financial institutions and are scheduled for commercial operation in 2012. When all the projects begin commercial operations, they will be able to help reduce carbon dioxide emission by approximately 7,000\* tonnes per year.

### 3.3 Khao Kor Wind Farm Project, Phetchabun Province Sustainable Energy Corporation Limited

The Company by Ratchaburi Energy Company Limited has invested 55.18 per cent in Sustainable Energy Corporation Limited's Khao Kor Wind Farm Project. The 60-megawatt plant project is located in Khao Kor District, Phetchabun Province.

The project is now under the process of loan securing and is granted Baht 3.5 adder per unit for 10 years from Office of the Energy Regulatory Commission. The project generates electricity from its wind farm with 26 wind turbines, each with 2.3 megawatts capacity. Through the project, carbon dioxide emission will be cut by 28,000\* tonnes per year.



### 3.4 Huaybong 3 Wind-Turbine Power Project First Korat Wind Company Limited and Huaybong 2 Wind-Turbine Power Project K.R. Two Company Limited

Each of the Huaybong 3 and Huaybong 2 Wind-Turbine Power Projects are categorized as the Wind Farm electricity generation type. They are comprised of 45 wind turbines with 2.3 megawatts capacity each. Located in Nakhon Ratchasima Province, Each project has a capacity of 103.5 megawatts. The Company holding 20 per cent while Aeolus Power Company Limited holding 60 per cent and Chubu Electric Power Korat, BV holding 20 per cent in the projects.

In 2011 the two projects sign significant agreements, including machinery sourcing and construction agreements. The projects have also secured Non-Firm power purchase agreement between very small power producer and EGAT. It also receives Baht 3.5 adder per kilowatt hour for 10 years from Office of the Energy Regulatory Commission. The Huaybong 3 signed a loan agreement on 26 July 2011 and is scheduled for commercial operation in 2012. The Huaybong 2 signed a loan agreement on 30 November 2011 and is scheduled for commercial operation in 2013.



The Huaybong Wind-Turbine Power Projects are Thailand's first wind farm projects and Southeast Asia's largest production capacity. Each projects expected to help reduce carbon dioxide emission by 24,000\* tonnes per year.

### 3.5 Songkhla Biomass Power Plant Project

#### Songkhla Biomass Company Limited

Located in Songkhla province, the 9.9-megawatt project uses rubber wood residues as fuel. The Company and Precise Power Producer Company Limited each holds 40 per cent stake while the Assiddeek Savings Cooperative Limited 20 per cent stake in the project.

In 2011 the project signed a memorandum of understanding with a group of fuel suppliers. The Initial Environmental Examination (IEE) report and the Environmental and Safety Assessment (ESA) reports have been completed to secure confidence among community surrounding the power plant.

Scheduled for commercial operation in 2014, the project will help reduce carbon dioxide emission by 15,000\* tonnes per year.

Remark \* in regards to the Company investment proportion



## 4. Investment in Related Business

### 4.1 Power Plant Operation and Maintenance

#### (1) RATCH-Lao Services Company Limited

RATCH-Lao Services Company Limited, in which the Company holds 99.99 per cent stake and was registered in Lao PDR, has been awarded the contract by Nam Ngum 2 Power Company Limited to operate and maintain the 615-megawatt Nam Ngum 2 Hydroelectric Power Plant, starting from 1 July 2009 till the end of the concession period. EGAT is the subcontractor for the operations and maintenance of the power plant and dam.

In 2011, the operation service for Nam Ngum 2 Hydroelectric Power plant was very successful. The plant was able to produce 12 per cent more primary energy than planned while generating secondary energy at 50 per cent higher than planned. With higher ability to distribute electricity, the Nam Ngum 2 Hydroelectric Power Plant can effectively serve EGAT's electricity generation demand. In April-May 2011, the plant operated at its full capacity 24 hours. Coupled with higher water level in the dam, the plant was able to produce 650 Gwh excess energy which contributes additional revenue in 2011 and the rest will be used for revenue guarantee in the following years.

RATCH-Lao Services Company Limited, which represents the Company's business in Lao PDR, conducted a feasibility study for other electricity generation projects in Lao PDR and recruited locals to operate and maintain Hongsa Thermal Power Plant.





## (2) Chubu Ratchaburi Electric Services Company Limited

Each of the Company and Chubu Electric Power (Thailand) Company Limited invested equally (50 per cent) in Chubu Ratchaburi Electric Services Company Limited (CRESCO). The company has a contract with Ratchaburi Power Company Limited to operate and provide maintenance service to the latter's 1,400-megawatt power plant. The contract lasts for 14 years, starting in 2008. EGAT is hired as a subcontractor to provide the power plant operations and maintenance service.

In 2011, CRESCO met target under the power plant operation and maintenance service. Its operation and maintenance service for the Ratchaburi Power Plant Unit 1 and Unit 2 achieved the better result than planned. The Unit 1's capability to supply electricity is 99.29 per cent against the planned target of 88.87 per cent. The Unit capability to supply electricity is 94.68 percent against the target of 92.71 per cent. The power plant operation achieved better fuel efficiency than planned while operating the plant for 1.5 million hours without loss time injury as of 31 January 2011.

## (3) Gas Turbine Maintenance Plant of EGAT Diamond Service Company Limited

The Company jointly invested to establish EGAT Diamond Service Company Limited in October 2008 to provide maintenance service for the gas turbine for electricity generating system. The service contract covers various Asian countries. Shareholders of EGAT Diamond Service Company Limited include EGAT holding 45 per cent, Mitsubishi Heavy Industries Limited holding 30 per cent, Mitsubishi Corporation holding 15 per cent and the Company holding 10 per cent.

Investment in this project helps reduce time and expenses related to gas turbine maintenance which was normally done in other countries. As a result, the power plant is more capable of electricity generating. In addition, it promotes advanced-technology transfer, which helps improve skills of local engineers and promotes future independence.

The gas turbine maintenance workshop construction was completed in April 2011. Its operation performance is slightly below target as a result from the massive flood crisis that damaged Navanakhorn Industrial Estate where the plant is located. The Company tried all its best to protect the machinery in the plant. However, parts of the plant and machinery were damaged, but were compensated by insurance companies.



## Management of the Business in Which the Company Invests and Jointly Invests

The Company's assets, including power plant and related businesses, are in many countries and operated by its subsidiaries and joint ventures. The Company regularly monitors and follows up with the operations and performance of the businesses in which it invested as well as actively involved in setting policy, goals and budget to suit the needs of each business. In order to be involved in policy and goal setting, management and monitoring of its investment projects' operating performance during construction and commercial operation periods, the Board of Directors assigned its directors and executives to be representative directors in the board of directors and management of its subsidiaries and joint ventures. The Company's involvement in the operations of these businesses is based mainly on good corporate governance principles with respect to equal shareholders and stakeholder treatment in order to achieve the investment objectives. In 2011, significant performance results are as follows:

### Ratchaburi Power Plant

Ratchaburi Power Plant was assessed and has received the OHSAS 18001:2007 certification from Det Norske Veritas (Thailand) Company Limited. The plant has implemented such standard in its plant since April 2010. The OHSAS 18001 certification is valid from 22 March 2011 - 22 March 2014.

On 31 March 2011, Ratchaburi Electricity Generating Company Limited engaged in a refinancing scheme for Baht 16,110 million, which is equal to its remaining loan. The refinance scheme will enable to save Baht 276 million on interests for the remaining period of the loan agreement.

In 2011, the Plant received Ratsadakornpipat Award, a merit award granted to outstanding tax payers. The Revenue Department carefully selected the award winners based on responsibilities in a good citizenship.

### Ratchaburi Power Electricity Generating Plant

On 31 January 2011, the Ratchaburi Power Electricity Generating Plant has achieved a significant milestone in operating its plant continuously for 1.5 million hours without loss time injury. In addition the OHSAS/TIS 18001 standard has been effectively implemented since 14 February 2011. The plant expects to receive certification within 2012.

In 2011, Ratchaburi Power Company Limited has been rated FITCH Rating at AA-, which is considered a high rank when compared to the energy business in Thailand as well as successful concluded negotiations with existing financial institutions to reduce the original loan terms, interest has been low for a period of six years.

### Tri Energy Power Plant

Tri Energy Power Plant was able to maintain its operations well under the Safety Man-Hour policy and rules for 1.4 million hours (as of 26 June 2011) without loss time incident. The plant also received the Outstanding Enterprise Award 2011 - Occupational Health, Safety and Environment from the Ministry of Labor and Social Welfare and has passed the ISO 14001 standard 2011. The Company earlier received the ISO14001 certification in 2003.





### PTO-A Power Plant

PTO-A Power Plant was certified with the ISO 9001:2008 on 30 March 2011. The certification will be valid until 2014. In addition, the Project was certified as the "Green Industry - Green Activity Level 2" from the Ministry of Industry, with the certification valid until 2013.

### Nam Ngum 2 Hydroelectric Power Plant

The Nam Ngum 2 Hydroelectric Power Plant commenced its initial operations on 26 March 2011 under the power purchase agreement signed with EGAT. The operations under the supervision of RATCH-Lao Services Company Limited are very efficient. Primary energy and secondary energy production have reached higher than target and can produce as much as 650 Gwh of excess energy. In addition to additional revenue received last year, the excess revenue will also be used for guaranteeing revenue in the following years.

## Financial Management

The Company focuses on capital sufficiency to support its plan to increase investment considering the changes in local and international money markets. In 2011, significant financial management activities of the group are as follows:

### 1. Loan Refinance of Ratchaburi Electricity Generating Company Limited

On 31 March 2011, the Company issued and offered corporate bonds and bill of exchanges worth Baht 16,110 million, 1-4 year maturity period. The plan was aimed at refinancing the entire existing loans. The plan enabled the Company to save Baht 276 million on interest rate. At the same time, it gives the Company greater flexibility in business operations from freeing collateral and improving the corporate bond conditions.



### 2. Raising Funds for the Acquisition of Transfield Services Infrastructure Fund, Australia

The Company issued Yen 15,000 million debenture with 15-year maturity period, one time repayment in 2023, and at the interest rate of 2.72 per cent per year. The debenture was issued and offered by RH International (Singapore) Corporation Pte. Ltd. on 24 August 2011. The plan was initiated considering the cash from investment activity and therefore focuses on long-term fund raising and one time repayment in order to increase additional investment opportunities for its subsidiaries based on their revenue. In addition, interest rate is low, compared to those offered by other issuers with equal credit level. Financial instrument were also used as risk management mechanism in order to minimize impact from Australian dollar fluctuation, compared to the Japanese yen.

### 3. Corporate Credit Rating in 2011

- S&P Rating: The Company's credit rating was upgraded to "BBB+" with "Stable" trend from BBB in 2010
- Moody's Investors Service: Moody's maintained the Company's credit rating at "Baa1" with "Stable" trend
- TRIS Rating: TRIS announced the Company's credit rating at "AA" with "Stable" trend, compared to "AA-" in the previous year

The credit ratings clearly reflected the positive expectation for fixed dividend from the Company's investment in electricity generating projects and quality assets, as well as confidence in the Company's careful investment policy.

## Organizational Management

### 1. Organizational Restructure

To better support the strategic plan to expand investment overseas in order to increase production capacity, the Company launched an organizational restructure plan. The restructuring helps increase management and operations efficiency while ensuring clear scope of responsibilities and measurable performance of each business unit.

### 2. Corporate Culture

In addition to enhancing employees' capability, knowledge and skills, the Company emphasizes on creating harmony among its employees to drive business in the same direction. With desired behaviors, employees will be able to perform their best and enable the Company to successfully achieve its target. Four core values and desired behaviors include professionalism, passion for excellence, collaboration, and good governance. The four core values were derived from a thorough screening process with participation from employees of all levels. The Company is now creating awareness and tailoring employees' behaviors to match with the current core values.





### 3. Permanent Office Construction

Since its inception 2000, the Company has constantly expanded its business. With the increasing number of subsidiaries and joint ventures as well as workforce, the Company has to move to a new and bigger office from time to time. In order to ensure unity and optimum space management efficiency, the Company began the construction of its own office on Ngamwongwan Road, Muaeng District, Nonthaburi province. The foundation stone laying ceremony was organized on 7 October 2011 and the construction is scheduled for completion within 2012.

### 4. Social and Environmental Responsibility

Continuous social and environmental responsibility activities have been continued uninterruptedly. Efficient management of carbon dioxide emission from the production process was in focus in an effort to lower impact from global warming. Natural resource preservation and ability for business and community to live in harmony with the environment are also among the top priorities of the Company. Details of social and environmental responsibility activities are published in the Corporate Social Responsibility Report 2011.



## Awards and Recognition

The Company has constantly and seriously complied with corporate governance principles to achieve sustainable growth. The commitment has enabled the Company to achieve significant milestones and received awards and recognitions as follows:

(1) Ratchaburi Electricity Generating Holding Public Company Limited received awards and recognition as follows:

- The Company was recognized as "Good Example" at the Corporate Governance Report of Thai Listed Companies (CGR) 2011 for the fourth consecutive year.
- The Company was rated "Excellence and Good Example" at the 2011 shareholders meeting assessment by the Thai Investors Association. At the assessment, the Company received 100 scoring for the fourth consecutive year.
- The Company received a plaque in recognition for its contribution to children and youth development for the year 2011 in the area of sports and recreation from the Ministry of Social Development and Human Security on the occasion of National Youth Day 2011.
- The Company received "The Asset Triple A Country Awards 2011 Southeast Asia" in "Best Deal" award from The Asset magazine's customer and investors' qualitative and quantitative survey. The award was considered from the Company's success in the acquisition of Transfield Services Infrastructure Fund in Australia, which is a significant investment expansion to the Asia Pacific, which also increases the breadth the depth of the Company's investment, resulting in stronger cash flow.

(2) Ratchaburi Electricity Generating Company Limited received awards and recognition as follows:

- Outstanding Enterprise Award - Labor Relations and Employees' Benefit 2011 from the Ministry of Labor for the fourth consecutive year
- Ratsadakompipat or the Taxpayer Recognition Award 2011 from the Revenue Department. The award is granted to outstanding tax payer with commitment to the responsibility as a good citizenship.
- White Plant 2011 Award from the Department of Labor Benefits and Protection and Ratchaburi Provincial Administration
- A certificate on Prevention and Suppression of Narcotic Drug under the White Plant Campaign from the Governor of Ratchaburi province
- A certificate for Zero Accident Campaign from the Ministry of Labor







## Message from the Chairman of the Board of Directors

### Dear Shareholders

Being the country's leading private power producer, Ratchaburi Electricity Generating Holding Public Company Limited plays a significant role in enhancing the country's electricity security. Electricity is undoubtedly a crucial basis that drives national economic and social development progress. In addition to such mission, the Company is focusing its efforts in further developing and expanding our investment to drive growth and generate healthy return on investment while ensuring mutual benefits of all stakeholders.

#### Significant Business Milestones

Our key strategies and investment target emphasize on investment and development in three core businesses - electricity generating, renewable energy and electricity production related business. In 2011, the Company achieved a significant milestone in entering into Australia through the acquisition of Transfield Services Infrastructure Fund (TSI). The TSI is a huge infrastructure fund with large asset portfolio, including eight power plants, three of which are natural gas, two coal and three wind power electricity generating plants. The acquisition of TSI resulted in a huge increase of approximately 900-megawatt installed capacity, according to our shareholding proportion. TSI is currently renamed RATCH Australia Corporation Limited. The new venture will be an important channel for the Company to expand our investment in Australia and nearby area, especially in renewable energy business. The Australian Government set a goal of increasing electricity generated from renewable energy by 20 per cent of the total domestic capacity by 2020. This opens wide the windows of opportunity. More importantly, the Company has strong potential to make further investment in the near future.

The success in Nam Ngum 2 Hydroelectric Power Plant in Lao PDR brings about good support towards the Company's growth in terms of production capacity and revenue. The Nam Ngum 2 Power Plant has 615-megawatt installed capacity and began its commercial operation in March 2011. Throughout the year 2011, the power plant has high water level in its reservoir and can therefore better serve EGAT's demand for electricity generating activity in excess of the volume stated in the power purchase agreement.

The renewable energy business can effectively support the Government's energy security policy through the use of various fuel sources while reducing fossil fuel consumption in electricity generating activity. In 2011, the Company considerably achieved our renewable energy development target of 100 megawatts earlier than the time frame as set in our business plan. The Company has invested in 8 wind farm, solar farm and biomass projects which accounting for the Company's generating capacity of 102.45 megawatts. The 3-megawatt Sai Sena Solar Power Generating Project, located in Phra Nakhon Sri Ayutthaya province, began commercial production and distributed power to the Provincial Electricity Authority in April 2011.

The success clearly implies the effectiveness of our growth strategy in term of concrete yield. As for investment risk management, the Company spent considerable time in reviewing all related risk factors by taking into account the opinions of experts in various fields in and outside the Company, including foreign experts, to ensure that the investment we make would bring about cost-effective return on investment and has appropriate level of risk management.

#### Continual Strong Performance

The Company continues to enjoy strong profitability. In 2011, the revenue from jointly-controlled entities was Baht 1,333.09 million. In addition to revenue from Ratchaburi Power Plant, Ratchaburi Power Company's Power Plant and Tri Energy Power Plant, the Company also recognized revenue from Nam Ngum 2 Hydroelectric Power Plant, RATCH-Australia Corporation Limited and EDL-Generation Public Company (EDL-Gen). Net profit for 2011 was Baht 4,840.64 million. As of 31 December 2011, our financial position remains strong with total assets at Baht 95,899.07 million, total liabilities at Baht 47,287.93 million, total equity at Baht 48,611.14 million, while earnings before interest expense, financial costs, taxes, depreciation and amortization (EBITDA) was Baht 11,818.37 million, EBITDA to total assets ratio is 14.28 per cent, reflecting strong financial status and ability to raise funds to support future investment and growth.

#### Optimum and Fair Shareholders' Returns

One of our top priorities in driving Company's growth is to ensure optimum and fair shareholders' return. Throughout these years, the Company has reasonable return to shareholders in dividend payment, approximately 50 per cent and more of the profit or an average return of more than 5.11 per cent which is higher than average return on other general investment. In September 2011, the Company paid Baht 1,595 million interim dividend from half-year operations to shareholders based on a total of 1,450 million ordinary shares. The Company will propose to the Annual General Shareholders' Meeting to consider and approve dividend payment for 2011 which is expected to be in the same range as in the previous years.

### Commitment to Society and Environment

Since its inception in 2000, the Company has strictly adhered to the good corporate governance principles and fair and equitable treatment to all stakeholders. The social and environmental responsibility activities have been continued for years because we strongly believe that business, community and environment shall be developed and grow in parallel towards sustainability. A special unit was established to take full responsibility of social and environmental development. In the past year, the Company paid more emphasis on management of carbon dioxide emission from production process with an aim to help reduce global warming. For in production process, the Company began a research and experiment in using carbon dioxide from power generation process in growing spirulina algae in order to minimize carbon dioxide emission. The experiment was quite successful. It is found that spirulina algae are very effective in absorbing and using carbon dioxide. When compared to trees grown in the equal size of land, spirulina algae are proven to absorb use 9 times more carbon dioxide in its photosynthesis system. Based on this finding, the Company is studying the possibility to further expand such research in depth and in width. For non-production process, the Company emphasizes on preserving, restoring and maintaining the country's forest areas. Through community forest initiative, the Company has cooperated with the Forestry Department in conducting the "Love the Forests and the Community" project for the fourth consecutive years. We are proud to announce that the project is an effective catalyst that more than doubles the number of community forests from 3,000 communities and one million rai area to more than 8,000 communities covering three million rai within only four years. More trees are also planted in the 84 existing community areas, totaling 840,000 trees. The additional 4,200 rai of forest area will in the future play an important role in absorbing carbon dioxide. Small corners in selected temples and schools were allocated to promote self-learning about trees and encourage young people and community to embrace the knowledge and awareness of the importance of trees and forest preservation. With this project, forests will be retained as the source of water, food, energy and natural resources for everyone in the country.

On behalf of the Board of Directors, I feel gratitude for all the management and employees' contribution in driving the Company towards the brighter and more sustainable future. With their dedication, the Company is in a strong position to maintain our leadership in the electricity generating industry. More importantly, I wish to express my sincerest appreciation to shareholders, communities, government agencies both in central and local areas, and all stakeholders who have been in full support and providing valuable recommendations for the Company's operations. These are the major strokes that give us greater strength and energy to move on beyond our goal for faster growth in years to come.

Sincerely yours,



(Mr. Kurujit Nakornthap)  
Chairman of the Board of Directors







## The Company's Directors



Mr. Kurujit Nakornthap

- Chairman of the Board of Directors



Mr. Nathi Premrasmi

- Independent Director
- Chairman of the Audit Committee
- Investment Committee Member



**Mr. Atchada Kesornsook**

- Independent Director
- Chairman of the Human Resources and Remuneration Committee
- Investment Committee Member

**Mr. Metta Banturungsuk**

- Independent Director
- Chairman of the Risk Management Committee
- Human Resources and Remuneration Committee Member

**Mr. Sutut Patmasiriwat**

- Director





Mr. Wirash Kanchanapibul

- Director
- Risk Management Committee Member
- Investment Committee Member



Mr. Satit Rungkasiri

- Independent Director
- Audit Committee Member



Mr. Weera Sriwathanatrakoon

- Independent Director
- Audit Committee Member



Mr. Ariyawich Ek-Ularnpun

- Director

Mr. Trakul Winitnaiyapak

- Director

Mr. Noppol Milinhanggoon

- Director  
- Chief Executive Officer  
- Secretary to the Board of Directors





## The Company's Management and Company Secretary



1. **Mr. Noppol Milinthanggoon**

- Chief Executive Officer

2. **Mr. Prachuab Ujjin**

- Deputy Chief Executive Officer  
- Seconded to be the Managing Director  
of Ratchaburi Electricity Generating Company Limited

3. **Mr. Peerawat Pumthong**

- Chief Operating Officer

4. **Mr. Suchart Avusosakul**

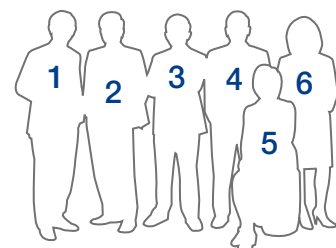
- Executive Vice President - Domestic Business Development  
- Acting Chief Finance Officer

5. **Mrs. Sunee Rajatamutha**

- Executive Vice President - Finance

6. **Mrs. Boontiva Dansamasatid**

- Executive Vice President - Corporate Administration  
- Acting Vice President - Head of Corporate Secretary Office  
- Company Secretary





1. **Mr. Somnuk Jindasup**

- Executive Vice President
- Seconded to be the Managing Director of Tri Energy Company Limited

2. **Mr. Prayut Thongsuwan**

- Executive Vice President
- Seconded to be the Managing Director of Ratchaburi Energy Company Limited

3. **Mr. Ni-run Wongchanglor**

- Executive Vice President
- Seconded to be the Chief Financial Officer of Ratchaburi Power Company Limited

4. **Mr. Raluke Satayaporn**

- Senior Vice President - Head of Laos Investment Division
- Acting Executive Vice President-International Business Development

5. **Mr. Sommai Poosanachakorn**

- Vice President - Head of Accounting Division

6. **Ms. Raywadee Srikongyos**

- Vice President - Head of Treasury Division

7. **Mrs. Wadeerat Charoencoop**

- Vice President - Head of Financial Planning and Management Division







## Nature of Business

Established on 7 March 2000, the Company currently has Baht 14,500 million paid-up registered capital. Being a holding company that invests in its subsidiaries, jointly-controlled entities and capital investment, the Company earned revenue mainly from dividend from these investments. The Company holds stakes in 12 subsidiaries and 18 jointly-controlled entities including 1 capital investment as follows.

### Ownership in Subsidiaries, Jointly-Controlled Entities and Capital Investment

No.	Company	Shareholding (%)	Type of business
<b>Subsidiaries</b>			
1.	Ratchaburi Electricity Generating Company Limited	99.99	Electricity generating
2.	Ratchaburi Gas Company Limited	99.99	Investing in electricity generating business
3.	Ratch Udom Power Company Limited	99.99	Investing in electricity generating business
4.	Ratchaburi Alliances Company Limited	99.99	Investing in electricity generating business (held by Ratch Udom Power Company Limited)
5.	Ratchaburi Energy Company Limited	99.99	Investing in renewable energy power generating business and related businesses
6.	RATCH-Lao Services Company Limited	99.99	Providing power plant operation and maintenance services, and investing and operating other businesses related to the Company's investment projects in Lao PDR
7.	RH International Corporation Limited	99.99	Investing, developing and operating electricity generating and related businesses in other countries
8.	RH International (Mauritius) Corporation Limited	99.99	Investing, developing and operating electricity generating and related businesses in other countries (held by RH International Corporation Limited)
9.	RH International (Singapore) Corporation Pte. Ltd.	99.99	Investing, developing and operating electricity generating and related businesses in other countries (held by RH International (Mauritius) Corporation Limited)
10.	RATCH-Australia Corporation Limited	80.00	Investing, developing and operating electricity generating and related businesses.
11.	Sustainable Energy Corporation Company Limited	55.18	Investing, developing and operating electricity generating businesses (held by Ratchaburi Energy Company Limited)
12.	Khao Kor Wind Power Company Limited	55.18	Electricity generating (held by Sustainable Energy Corporation Limited)

No.	Company	Shareholding (%)	Type of business
<b>Jointly-Controlled Entities</b>			
1.	Tri Energy Company Limited	50.00	Electricity generating (held by Ratchaburi Gas Company Limited)
2.	Ratchaburi Power Company Limited	25.00	Electricity generating (held by Ratchaburi Alliances Company Limited)
3.	SouthEast Asia Energy Limited	33.33	Investing, developing and operating electricity generating business in Lao PDR
4.	Nam Ngum 2 Power Company Limited	25.00	Electricity generating (held by SouthEast Asia Energy Company Limited)
5.	Chubu Ratchaburi Electric Services Company Limited	50.00	Providing power plant operation and maintenance services.
6.	EGAT Diamond Service Company Limited	10.00	Gas turbine repair and maintenance service
7.	Hongsa Power Company Limited	40.00	Electricity generating
8.	Phu Fai Mining Company Limited	37.50	Coal mining
9.	Nam Ngum 3 Power Company Limited	25.00	Electricity generating
10.	Ratchaburi World Cogeneration Company Limited	40.00	Electricity generating
11.	Nava Nakorn Electricity Generating Company Limited	40.00	Electricity generating
12.	Solaria Company Limited	49.00	Electricity generating
13.	First Korat Wind Company Limited	20.00	Electricity generating
14.	K.R. Two Company Limited	20.00	Electricity generating
15.	Solar Power (Korat 3) Company Limited	40.00	Electricity generating
16.	Solar Power (Korat 4) Company Limited	40.00	Electricity generating
17.	Solar Power (Korat 7) Company Limited	40.00	Electricity generating
18.	Songkhla Biomass Company Limited	40.00	Electricity generating
<b>Capital Investment</b>			
1.	EDL-Generation Public Company	10.00	Electricity generating (Acquisition share through the Lao Securities Exchange, 6.46 per cent held by RATCH-Lao Services Company Limited, and 3.54 per cent held by RH International (Singapore) Corporation Pte. Ltd.

*(Information about subsidiaries, jointly-controlled entities and other capital investment are disclosed in General Information about the Company, Subsidiaries and Jointly-Controlled Entities section)*

The Company's policies and strategies, which focus mainly on investing and developing electricity generating business, are formulated to support the Company's development and expansion targets. Its strategies and policies concentrate on diversity of resources, ranging from natural gas, oil, coal, hydro, renewable energy. The Company is also interested in expanding into related businesses, such as operation and maintenance and coal mining. It also execute joint investment with partners in various projects both domestically and internationally, especially in Lao PDR which has provides huge potential for electricity generating projects. In 2011 a concrete investment have been made in Australia where potential and vast investment opportunities exist and serve the Company's growth.



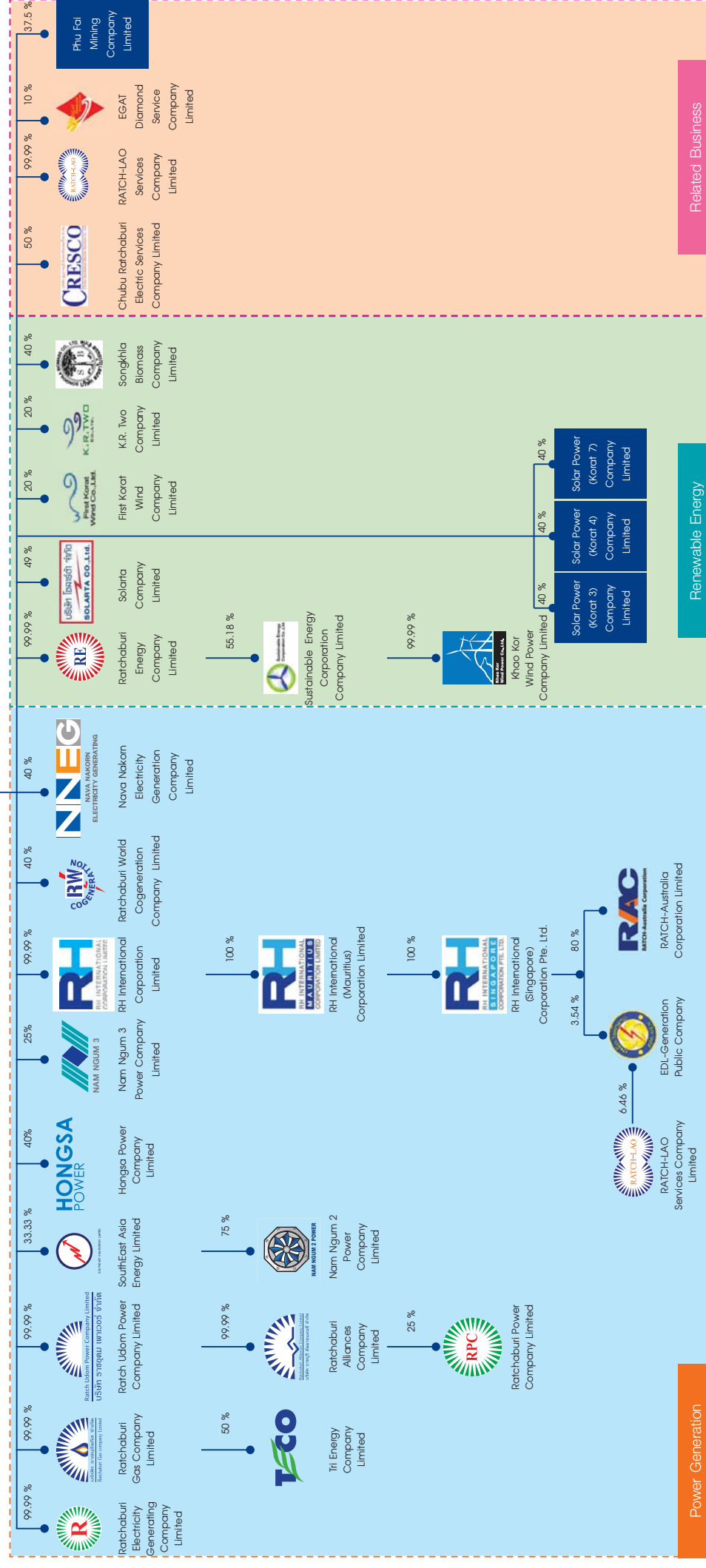


## Investment Portfolio

# RATCH



RATCHABURI  
ELECTRICITY GENERATING  
HOLDING PCL.





## Major Shareholders

As of 30<sup>th</sup> August 2011

No.	Shareholders	Number of Share	Percentage
1	The Electricity Generating Authority of Thailand (EGAT)	652,500,000	45.00
2	NORTRUST NOMINEES LIMITED (Grouped)	141,332,200	9.75
	NORTRUST NOMINEES LTD. 140,735,600		
	NORTRUST NOMINEES LIMITED-NTGS 380,700		
	NORTRUST NOMINEES LIMITED-MELBOURNE BRANCH FUTURE FUND CLIENTS 215,900		
3	LITLEDOWN NOMINEES LIMITED	94,250,000	6.50
4	Social Security Office (Grouped)	67,982,600	4.69
	Social Security Office (2 sources) 58,360,560		
	Social Security Office (4 sources) 9,622,040		
5	AMERICAN INTERNATIONAL ASSURANCE COMPANY LIMITED (Grouped)	50,968,500	3.52
	AMERICAN INTERNATIONAL ASSURANCE COMPANY, LIMITED-APEX 18,400,000		
	AMERICAN INTERNATIONAL ASSURANCE COMPANY, LIMITED - AIA D-PLUS 17,517,100		
	AMERICAN INTERNATIONAL ASSURANCE COMPANY, LIMITED-TIGER 15,000,000		
	AMERICAN INTERNATIONAL ASSURANCE COMPANY, LIMITED-2 PAY 10 51,400		
6	Bangkok Life Assurance Public Company Limited	30,000,000	2.07
7	Thai NVDR Company Limited	29,006,678	2.00
8	The Government Savings Bank Fund	22,211,000	1.53
9	THE BANK OF NEW YORK (Grouped)	16,805,089	1.16
	THE BANK OF NEW YORK (NOMINEES) LIMITED 11,648,689		
	THE BANK OF NEW YORK NOMINEES LTD-CGT EXEMPT 2,634,500		
	THE BANK OF NEW YORK MELLON 1,752,100		
	THE BANK OF NY NOMINEES LTD SUB A/C CS CO. GLOBAL UK CLIENT A/C 450,000		
	THE BANK OF NEWYORK NOMINEE (UK) WISDOMTREE TRUST WISDOM		
	TREE GLOBAL EX-US UTILITIES FUND 273,800		
	THE BANK OF NEW YORK MELLON 46,000		
10	STATE STREET BANK (Grouped)	12,668,697	0.87
	STATE STREET BANK EUROPE LIMITED 4,504,542		
	STATE STREET BANK AND TRUST COMPANY 4,232,455		
	STATE STREET BANK AND TRUST COMPANY FOR AUSTRALIA 3,931,700		
	Total of Shares held by Top 10 Major Shareholders	1,117,724,764	77.09
	Portion of Shares held by Minor Shareholders	332,275,236	22.91
	Total of Shares	1,450,000,000	100.00

Note: The Electricity Generating Authority of Thailand is a stated-owned enterprise that operates and co-invests with other parties in electricity power and related business. EGAT is the largest shareholder of the Company, it has 6 representatives in the Company's 11-member Board of Directors.

Share Distribution by Nationality	Number of Shareholders	Number of Share	Percentage
Thai	17,465	1,101,224,039	75.95
Foreign*	84	348,775,961	24.05
Total of Shareholders	17,549	1,450,000,000	100.00

\* Ratchaburi Electricity Generating Holding Public Company Limited's Article of Association has forbidden the foreign shareholders not to hold the Company's shares in excess of 25 per cent from the total of shares sold.





## Management Structure

### 1. Board of Directors

The Company's management structure comprises the Board of Directors, four committees appointed by the Board of Directors to screen special matters as assigned. The committees are the Audit Committee, Human Resources and Remuneration Committee, Risk Management Committee and Investment Committee. The Company's Chief Executive Officer (CEO) is the top executive position in the Company.

As of 31 December 2011, the Board of Directors consisted of 11 members whose names are listed as follows:

- |                                |   |
|--------------------------------|---|
| 1. Mr. Kurujit Nakornthap      | Chairman of the Board of Directors  |
| 2. Mr. Nathi Premrasmi         | Independent Director, Chairman of the Audit Committee, and member of the Investment Committee                                 |
| 3. Mr. Metta Banturingsuk      | Independent Director, Chairman of the Risk Management Committee, and member of the Human Resources and Remuneration Committee |
| 4. Mr. Atchada Kesornsook      | Independent Director, Chairman of the Human Resources and Remuneration Committee, and member of the Investment Committee      |
| 5. Mr. Sutat Patmasiriwat      | Director  |
| 6. Mr. Wirash Kanchanapibul    | Director, member of the Risk Management Committee, and the Investment Committee   |
| 7. Mr. Satit Rungkasiri        | Independent Director and member of the Audit Committee  |
| 8. Mr. Weera Sriwathanatrakoon | Independent Director and member of the Audit Committee  |
| 9. Mr. Trakul Winitnaiyapak    | Director  |
| 10. Mr. Ariyawich Ek-Ularnpun  | Director  |
| 11. Mr. Noppol Milinthaggoon   | Director and Chief Executive Officer  |

Members of the Board of Directors are specialists with vast experience in different fields. They were appointed through the recruitment and selection process in order to ensure their ability to perform their duties in formulating and supervising the Company management's performance. (Profile and Information about the directors are published in the Profile of the Company's Directors section and the Company's website.)

### 2. Authorized Directors as the Company's Signatory

According to the Company's policy and order to provide practical flexibility and independence of Independent Directors, the authorized directors as the Company's signatory are either the Chairman of the Board of Directors or Chief Executive Officer (CEO), with the Company's Seal; or two other directors, except Independent Directors, with joint signatures and the Company's Seal.

### 3. Composition of the Board of Directors

#### 3.1. Composition of the Board of Directors

For the best efficiency and effectiveness in the Company's operations and in compliance with the enforced regulations, the number of Directors shall be no less than 7 but not exceed 13. No more than one-third of all Directors shall be Executive Directors. No less than one-third of all Directors shall be Independent Directors with a minimum number of three Independent Directors. No less than half of all Directors shall be the residents of Thailand. Chairman of the Board shall be a Non-Executive Director and not the same person as the CEO. The shareholders' meeting or the Board meeting shall appoint directors as the Chairman of the Board of Directors and CEO.

#### 3.2. Qualifications of Directors

A Director shall have the stated qualifications and shall not have prohibited qualifications by law. A Director shall not be a bankrupt person, an incapable or quasi-incompetent person, shall not have been convicted in a legal proceeding to have violated laws related to assets in a fraudulent action, never be terminated from a government or private organizations due to malpractice, have never been deprived from being a director, manager, employee or an authorized executive in other organization, not be a politician, a members of the Parliament, senator, or a member of a local administrative office or administrator, have educational and work experience or other experience as specified by the Company, devote sufficient time and full capability for the best benefits of the Company, and have duties to attend regular meetings. While in office, a Director can hold directorship in no more than five other listed companies. A Director shall not manage or make any arrangement that would conflict with the Company's interest or would provide advantages to other person or entity, and for personal or other person's benefit.

### 3.3. Appointment and Terms of Directors

Directors are appointed by the Annual General Meeting of Shareholders (AGM). At every AGM, one-third of the Directors shall retire from office. Directors with the longest stay in office shall retire. A retiring Director by a rotation of office may be re-elected. In case any Director resigns by reasons other than a rotation of office, the Board of Directors shall elect any person to replace the resigned Director. The Director so appointed shall retain his/her office during such time only as the resigned Director is entitled to retain. Directors of the Company shall remain in their offices for no more than three consecutive terms and his/her age shall not exceed 72 years old.

## 4. Directors' Authority and Duties

As shareholders' representatives, the Board of Directors has a duty to ensure that all the Company's businesses strictly comply with the policies under legal framework, objectives, regulations and resolutions of the Shareholders' Meeting. The Board of Directors is authorized to take action as stated in the Articles of Association and has roles, duties and responsibilities to manage the Company with integrity and avoid conflict of interest to protect the organization's benefits rather than any particular shareholder or group. The Board of Directors' duties and responsibilities are formulating strategies, business plan and budget policy; monitoring and following-up the Management's activities and checking against the target or forecast, at least every quarter; managing human resources, including appointing or removing Director or high level executives and appraising performance against the earlier agreed target which is linked with remuneration; being responsible for the completion of activities in compliance with rules and regulations, Code of Business Ethics and the corporate governance principles, with focus on effective and sufficient internal control; communicating with the stakeholders and the public by providing effective and appropriate communication channels; and establishing and setting roles and responsibilities of committees; and appraising performance of the Board of Directors, which requires self-appraisal on yearly basis.

*(The Company publishes the duty and responsibilities of the Board of Directors in the Company's regulation on the Board of Directors and on the Company's website. The Board of Directors meeting record and meeting attendance of individual Director is provided under the Good Corporate Governance Report section.)*

## 5. Independent Directors

The Company has clearly defined "Independent Director" in the Company's regulation on The Board of Directors that is published on the Company's website. The definition is in compliance with the Capital Market Supervisory Board, including no participation in business management; no relationship, by family or by law; no business relations with the Company and its subsidiaries in a manner that may cause conflict of interest; not being the auditor or professional service provider, including legal or financial advisors; and no relations with the major shareholders and no other qualities that prevent them from providing independent opinion on the Company's operations. The Company's regulation on shareholding of the Company's shares is stricter than that regulated by the Capital Market Supervisory Board. Under the Company's regulation, an Independent Director can hold no more than 0.5 per cent of the total shares with voting rights of the Company, subsidiaries and joint ventures or other legal entity that may have conflict of interest while the Capital Market Supervisory allows up to one per cent of the total shares.

To recruit an Independent Director, the Company follows the nomination procedures in recruiting directors and top executives, the details of which are described under the same topic. On 31 December 2011, the Company has five Independent Directors based on the definition described above, which accounts for more than one third of the total members of the Board. They are Mr. Nathi Premrasmi, Mr. Metta Banturungsuk, Mr. Atchada Kesornsook, Mr. Satit Rungkasiri and Mr. Weera Sriwathanatrakoon.





## 6. The Audit Committee

The Audit Committee was appointed by the Board of Directors and stays in office for three years. The three committee members are Independent Directors with knowledge, experience and qualifications as defined by the regulation of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission Thailand (SEC). The current committee members are Mr. Nathi Premrasmi, the Committee Chairman, Mr. Weera Sriwathanatrakoon and Mr. Satit Rungkasiri (who has knowledge and experience in auditing the Company's financial statements) as Committee members. Mr. Pornchai Chamnongdet, Vice President - Head of Internal Audit Division, acts as the Committee's secretary.

The Committee reports directly to the Board of Directors. Its major duty and responsibility as assigned by the Board of Directors and that are in line with the rules and regulations of SEC and SET. Its duties include review and ensure that the Company has accurate and adequate financial reports; review and make sure the Company has an appropriate and effective internal control system; review and ensure that the Company complies with the Securities and Exchange Commission Acts and the Stock Exchange of Thailand's rules and regulations and other laws relating to the Company's business; select and nominate independent persons to be the auditors of the Company and recommend the auditor's fee, and attend at least one meeting per year with the auditors without presence of the Management; review connected transaction or items that may have conflict of interest based on existing laws and the Stock Exchange of Thailand's rules and regulations; prepare the Audit Committee's report to be published in the annual report; review the Internal Audit Division's performance; consider and review audit criteria and process to ensure that they always comply with current business environment; and summarize and report the Audit Committee's tasks and movement to the Board of Directors; report issues discovered or in doubt, which may have significant impact on the Company's financial status or operating performance, to the Board of Directors in order to correct it within the timeframe agreed by the Audit Committee.

(The Company publishes the duty and responsibilities of the Audit Committee in the Company's regulation on the Audit Committee and on the Company's website. The the Audit Committee's meeting record and meeting attendance of individual committee member is provided under the Corporate Governance section.)

## 7. Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee's term is three years. It consists of three directors who are appointed by the Board of Directors. The committee members are Mr. Atchada Kesornsook, Chairman of the Committee, Mr. Metta Banturngsuk, as Committee member and Mr. Noppol Milinhangoon, Chief Executive Officer, acts as the Committee's secretary.

The Human Resources and Remuneration Committee reports directly to the Board of Directors. Its authorities and responsibilities as assigned by the Board of Directors cover the entire tasks concerning the management of human resources and remuneration of the Board of Directors, committees, and top executives of the Company's group (meaning the Chief Executive Officer, Senior Executive Vice President and Executive Vice President). Its tasks include formulating the visions and strategies on human resources management of the Company's group as well as their Management Development Plan; reviewing and ensuring that the Board of Directors of the Company's group has appropriate size and good components responsively to the changing environment; and formulating appropriate policy, criteria and procedure in nominating, selecting, removing or terminating Directors establishing the clear, transparent and top management of the Company's group to ensure that all companies in the Company's group have management team who have appropriate qualifications, knowledge, competency and experiences to run the group of the Company's business successfully and effectively. The Committee is also responsible for selecting and nominating persons with required qualifications to be the CEO and top executives of the Company's group; and preparing succession plan for key executive posts. It establishes a policy and strategies on compensation which include salary, meeting allowance, per diem, bonus and other benefits to Directors and top executives in the Company's group before proposing them to the Board of Directors for further approval. Consideration and approval will be based on clear and transparent criteria in order to induce, retain and motivate high qualified and high potential human resources. The committee at the same time formulates effective guidelines, criteria, procedures and process for assessing the performance of the Board of Directors and top executives of the Company against the target mutually agreed in advance each year. These targets shall be relevant to the Company's Business Plan and set up in order to review the Management's annual remunerations by taking duties, responsibilities, related risks and long term values to shareholders into consideration. The Committee ensures that policy related to remuneration as well as amount of remunerations for the Board of Directors and top executives are disclosed in the Company's annual report.

(The Company publishes the duty and responsibilities of the Human Resources and Remuneration Committee in the Company's regulation on the Human Resources Management and Remuneration Committee and on the Company's website. The Human Resources Management and Remuneration's meetings report and meeting attendance of individual Committee member is provided under the Good Corporate Governance Report section.)

## 8. Risk Management Committee

The Risk Management Committee's term is three years. Appointed by the Board of Directors, the Committee members include Mr. Metta Banturungsuk, Chairman of the Committee, Mr. Wirash Kanchanapibul, Committee member, and Mr. Suchart Avusosakul, Executive Vice President - Domestic Business Development and acting Chief Finance Officer, acts as the Committee's secretary.

The Committee reports directly to the Board of Directors and performs its tasks as assigned by the Board of Directors. Its responsibilities include reviewing the Company's risk management policy and framework, which would cover all the major risks; namely financial risk, investment risk, and corporate reputation risk, before proposing them to the Board of Directors for approval, and formulating risk management strategies and framework in compliance with the Company's risk management policy. The Committee shall assess, monitor and control the impact of risk at the appropriate level. The Committee monitors and ensures that risk management activities are in line with the Company's policy and framework approved by the Board of Directors; sets risk measurement criteria and limit at the acceptable level; sets appropriate risk management measures for different situations; review the sufficiency and effectiveness of risk management policy and system; and reports regularly to the Board of Directors about the management, operation, risk status, changes and areas of improvement to keep risk management in line with the Company's policy and strategy.

The Risk Management Committee appointed the "Risk Management Working Group" comprising the Chief Operating Officer who is the Chairman of the Working Group, with executives from all disciplines as the members and the Assistant Vice President - Head of Corporate Planning Division acts as the secretary. The working group is mainly responsible for identifying nature of risks and risks factors, studying and analyzing internal and external factors that may affect the Company's operations, monitoring and studying risk management practice in accordance with the international standards and the government's requirement; recommending risk management guideline to the Risk Management Committee for consideration and approval, monitoring and ensuring risk management activities are in line with the guideline approved by the Risk Management Committee; and preparing the report on the Company's risk management for the Board of Directors' acknowledgement every quarter.

*(The scope of responsibilities of the Risk Management Committee is included in the Company's regulations on the Risk Management Committee and published on the Company's website. The reports of the Risk Management Committee's meetings and meeting attendance of individual Risk Management Committee member are published under the Good Corporate Governance Report section.)*

## 9. Investment Committee

The Investment Committee, with three-year term, is appointed by the Board of Directors. Its members include Mr. Nathi Premrasmi and Mr. Atchada Kesornsook, Committee members while Mr. Peerawat Pumthong, Chief Operating Officer, acts as the Committee's secretary.

The Committee reports directly to the Board of Directors with responsibilities as assigned by the Board of Directors. Its major responsibilities include determining strategic plan, goal, investment plan, investment budget, optimum investment return and other benefits from project investment to increase the Company's generating capacity and growth; carefully reviewing and scrutinizing project investment proposed by the Management to ensure that it is consistent with the Company's policy and target stated in its investment plan with the consideration on cost-effective investment return and on management of other risk factors at acceptable level; and monitoring, following up and evaluating the approved investment project and report to the Board of Directors.

*(The scope of responsibilities of the Investment Committee is included in the Company's regulations on the Investment Committee and published on the Company's website. The reports of the Investment Committee's meetings and meeting attendance of individual Investment Committee are published under the Good Corporate Governance Report section.)*

## 10. Structure of the Management

The Board of Directors specifies the scope of responsibility and authority of the Board of Directors separately from the Management. The Board of Directors is responsible for formulating policy and monitoring the performances of the Management. The Management is responsible for implementing and executing the policies and reporting performance results to the Board of Directors.

CEO is the top executive position in the Management and is authorized to manage daily operations of the Company. His responsibilities are governing employees and staff members; managing, hiring, appointing, punishing and terminating employees and staff members; considering promotion or adjusting salary of employees and staff members, excluding top-level executives who are Executive Vice President and upper; issuing management process or other operations of the Company that do not conflict with the Company's regulations and the Board of Directors' resolution; and deciding on the scope of work and work conditions for employees to strictly follow.



In terms of external affairs, CEO is authorized to act as a signatory except in any matters that CEO or persons who have relationship with him may have conflict of interests. Such action can be taken only when approved by the Board of Directors with the presence of Independent Directors. In such case, CEO may authorize any other person to act on his/her behalf, except for any matter that may hold the Company's liable as a borrower, buyer or hirer engaged in more than Baht 30 million. For any contract that is wrongfully made by CEO which breaches the resolution of the Board of Directors, the Company will not be held liable, except in case of ratification by the Board of Directors.

The Board of Directors authorized CEO to approve projects below Baht 30 million in total value. Projects with greater value shall be considered and approved by the Board of Directors. CEO is authorized to approve donation of no more than Baht 200,000 each. Charitable donation of up to Baht 400,000 shall be approved by the Board of Directors' Chairman while donation exceeding Baht 400,000 shall be approved by the Board of Directors.

In case that Chief Executive Officer is not available or cannot perform his duty or when the position is vacant, the Board of Directors assigned Mr. Prachuab Ujjin, Deputy Chief Executive Officer, and Mr. Peerawat Pumthong, Chief Operating Officer, to act as the Acting Chief Executive Officer respectively with full authority, except for CEO's responsibility as a member of the Board of Directors.

The Company's Management is divided into four disciplines - Portfolio Management, Planning and Business Development, Finance, and Corporate Administration. The Portfolio Management, Planning and Business Development, and Finance are led by Senior Executive Vice Presidents. The Corporate Administration discipline is led by Executive Vice President. There are three units led by Executive Vice President level and division level which are under Chief Executive Officer, namely Executive Vice President - Foreign Affairs, Corporate Secretary Office and the Internal Audit Division. The Internal Audit Division reports directly to the Audit Committee.

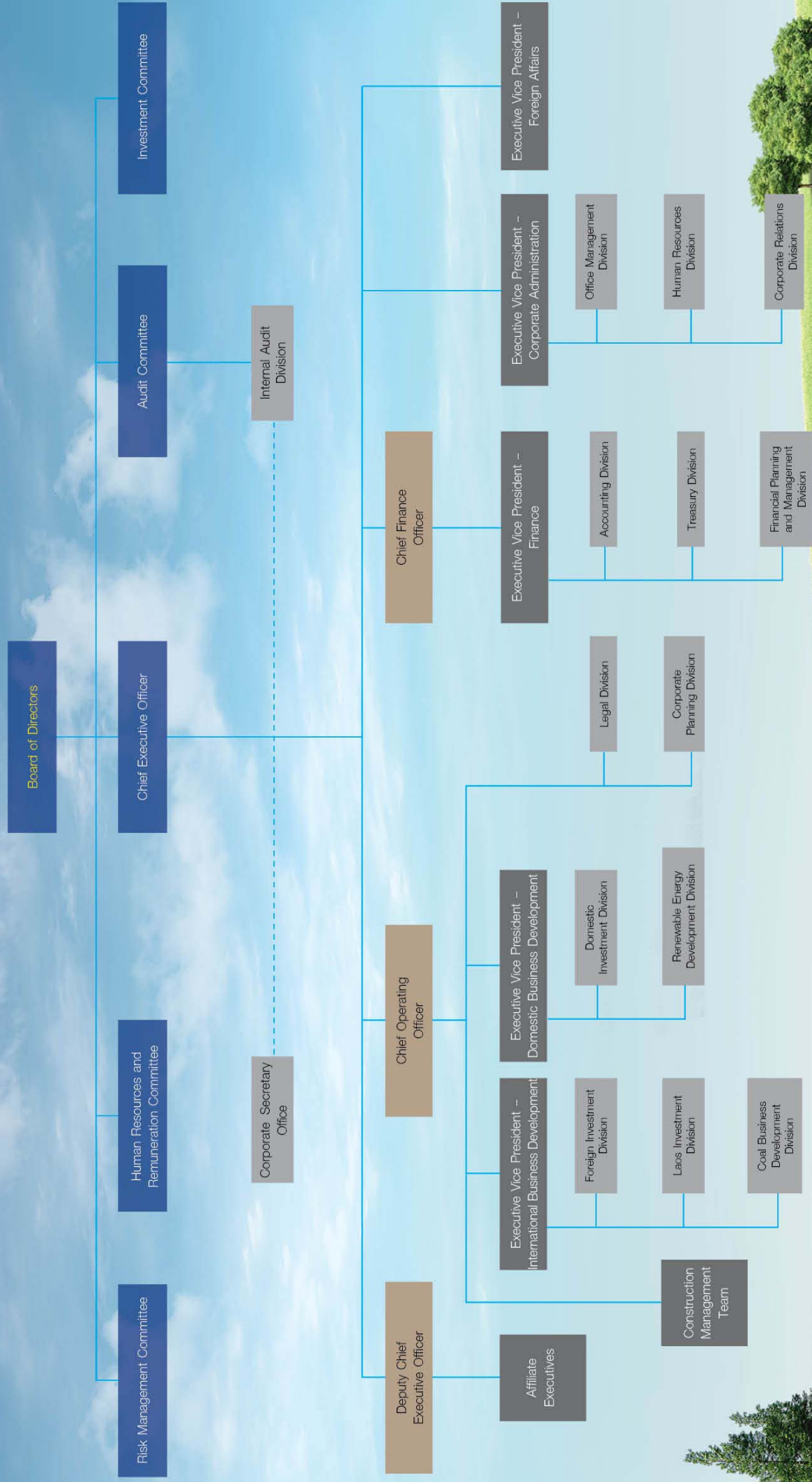
As of 31 December 2011, the Company's "Management" according to the Securities and Exchange Act are as follows:

- |                               |  |
|-------------------------------|--|
| 1. Mr. Noppol Milinthangoon   | Chief Executive Officer  |
| 2. Mr. Prachuab Ujjin         | Deputy Chief Executive Officer                                       |
| 3. Mr. Peerawat Pumthong      | Chief Operating Officer  |
| 4. Mr. Suchart Avusosakul     | Executive Vice President - Domestic Business Development             |
|                               | Acting Chief Finance Officer   |
| 5. Mrs. Sunee Rajatamutha     | Executive Vice President - Finance                                   |
| 6. Mrs. Boontiva Dansamasatid | Executive Vice President - Corporate Administration                  |
| 7. Mr. Somnuk Jindasup        | Executive Vice President   |
| 8. Mr. Prayut Thongsuwan      | Executive Vice President   |
| 9. Mr. Ni-run Wongchanglor    | Executive Vice President   |
| 10. Mr. Raluke Satayaporn     | Acting Executive Vice President - International Business Development |
| 11. Mr. Sommai Poosanachakorn | Vice President - Head of Accounting Division                         |
| 12. Ms. Raywadee Srikongyos   | Vice President - Head of Treasury Division                           |
| 13. Mrs. Wadeerat Charoencoop | Vice President - Head of Financial Planning and Management Division  |

(Profile and Information about executives are published in the Profile of Company's Management and Company Secretary section and on the Company's website)

The Company's organizational structure is as follows:

# Organization Chart





## 11. Secretary to the Board of Directors and Company Secretary

### Secretary to the Board of Directors

The Board of Directors appointed Chief Executive Officer as its Secretary. The "Corporate Secretary Office" which reports directly to Chief Executive Officer is responsible for arranging meetings, administration and coordination for the Board of Directors.

### Company Secretary

The Management has appointed Mrs. Boontiva Dansamasatid, Executive Vice President - Corporate Administration and Acting Vice President - Head of Corporate Secretary Office as the Company Secretary. The Company Secretary's responsibilities as specified by the Securities and Exchange Act include arranging the Board of Directors and shareholders' meetings; providing initial advice to facilitate the Board of Directors' meetings and activities in order to comply with related rules and regulations; handling secretariat works for the Board of Directors and facilitating the Board of Directors' activities; ensuring that the Board of Directors' resolutions are strictly executed; handling activities related to shareholders' rights and proper disclosure of information as regulated by related organization. (Profile and information about the Company Secretary are published in the Profile of Company Management and Company Secretary section.)

## 12. Recruitment and Nomination Procedures of Directors and Top Executives

### 12.1 Board of Directors' Selection

The Company considers director recruitment a very important task because directors who sit in the Board of Directors will participate in policy formulation and regulating the management and operations for the best benefits of the Company. Qualifications of Directors and Independent Directors are specified in accordance with the regulations set by related regulating agencies, legal requirements and the Company's Articles of Association which have already been described. The Company also considers educational background, training, work experience, specialized areas and skills that best suit the tasks and willingness to contribute time and efforts to their designated missions that will strengthen the Board of Directors.

The Human Resources and Remuneration Committee is responsible for selecting, recruiting and screening nominees for the Board of Directors' consideration. Directors' appointment includes

*Case 1:* A Director position is vacant due to reasons other than rotation of office: The Directors has the authority to elect any person to replace the resigned Director. The Director so appointed shall retain his/her office during such time only as the resigned Director is entitled to retain. At least three fourths of the remaining Directors shall approve the appointment.

*Case 2:* A Director position is vacant due to rotation of office: The Board of Directors shall propose to the shareholders' meeting for consideration at the annual shareholders' meeting. Criteria and process are specified in the Company's rules.

Committed to encouraging equal treatment of shareholders, the Board of Directors encourages minority shareholders to nominate a person with proper qualifications for the Board to consider and propose to the Annual General Shareholder's Meeting. This practice has been implemented since 2008. Details are specified in the Good Corporate Governance Report section.

### 12.2 Nomination and Recruitment of the Top Executives

"Top Executives" means a person who holds the position of Chief Executive Officer, Senior Executive Vice President and Executive Vice President.

The Human Resources and Remuneration Committee is assigned to recruit the Directors and top executives of the Company's Group by reviewing the nominee's educational background, knowledge, skills and work experiences, which should benefit their designated missions and the Company's overall operations to support the Company's group's efficiency, effectiveness and growth.

Directors representing the major shareholder, EGAT has been appointed after the same selection procedure. Background and qualifications that are proper and necessary in governing the Company's businesses are taken into consideration. The CEO, who is EGAT's top executive and seconded to work at the Company, has also been nominated to the Human Resources and Remuneration Committee for consideration and screening prior to the Board of Directors' consideration and/or the shareholders' meeting consideration according to the proper selection procedure.

### 13. Policy on Appointing Directors and Executives to be Directors and the Management of Other Subsidiaries and Jointly-Controlled Entities

The Company has established subsidiaries to manage and operate designated missions as well as invested in many companies (information about subsidiaries and jointly-controlled entities are detailed in the General Information section.) To ensure that the Management and supervision of all companies are in line with the Company's policy and to effectively monitor and assess operational performance of the subsidiaries and jointly-controlled entities, the Company has a policy to appoint its directors and executives to be directors and/or executives in those companies.

### 14. Remuneration for the Directors and Executives

#### 14.1 Policy and Criteria on Directors and Executives' Remuneration

The Board of Directors has made the policy and criteria on remuneration of Directors and high level executives in writing since 2005. This enables the Company to ensure that remuneration is based on clear, appropriate transparent and updated criteria and procedure as well as the best benefits of the Company's operations and ability to attract and retain quality human resources. Remuneration is linked to goals and performances of the Company's group, dependent on level of designated responsibilities, comparable to the remuneration offered by organizations in similar industry and size, able to attract and inspire persons with appropriate educational background, knowledge, capability, skills and experience that enhance the Company's group's success. The Human Resources and Remuneration Committee screens and proposes the remuneration of the Company's Directors and members of all committees before seeking approval from the Board of Directors and later from the Annual General Shareholder's Meeting.

At present, Directors receive two types of remunerations as follows:

- (1) Bonus - depending on the length of directorship and on the attendance to the Board of Directors' meetings. When a Director holds directorship more than one position in the Company and its subsidiaries, the Director shall receive bonus from the company that allocates the highest bonus at that point in time.
- (2) The retainer for the Company's Board of Directors paid on monthly basis and divided into two portions. The first 75 per cent, is fixed and the rest 25 per cent is paid when the Director attend meetings. As for the Committees, the payment is made on attendance basis to the Committee's meeting. At present, the retainer as approved by the shareholders' meeting is as follows:
  - The retainer for the Board of Directors' Chairman is Baht 50,000 and for Directors is Baht 40,000 each.
  - The retainer for committee members (The Audit Committee, the Human Resources and Remuneration Committee, the Risk Management Committee and the investment Committee): Baht 30,000 for a committee's chairman and Baht 24,000 for a committee member.
- (3) Executive Director does not receive fixed retainer but is entitled to receive bonus as a Director.

Remuneration for high level executives is in line with the criteria and policy set earlier by the Board of Directors and must be considered and screened by the Human Resources and Remuneration Committee. The remuneration is linked with the performance appraisal against the earlier agreed target and must seek approval from the Board of Directors.



## 14.2 Remuneration of Directors and top executives

## 14.2.1 Ratchaburi Electricity Generating Holding Public Company Limited

(1) Remuneration for the Board of Directors and Committee members

Unit : Baht

No.	Names	Board Retainer for 2011					2010 Bonus <sup>1</sup>	Total
		Company's Directors	The Audit Committee	The Human Resources and Remuneration Committee	The Risk Management Committee	The Investment Committee		
1	Mr. Kurujit Nakornthap <sup>12</sup>						265,205.48	265,205.48
2	Mr. Nathi Premrasmi <sup>14 10 11</sup>	480,000.00	120,000.00			24,000.00	1,100,000.00	1,724,000.00
3	Mr. Metta Banturngsuk <sup>15 12 10 11</sup>	480,000.00	24,000.00	96,000.00	120,000.00		1,100,000.00	1,820,000.00
4	Mr. Atchada Kesornsook <sup>13 10 11</sup>	480,000.00		168,000.00		24,000.00	1,100,000.00	1,772,000.00
5	Mr. Sutat Patamasiriwat	470,000.00					834,794.52	1,304,794.52
6	Mr. Wirash Kanchanapibul <sup>18 10</sup>	480,000.00			72,000.00	24,000.00	834,794.52	1,410,794.52
7	Mr. Satit Rungkasiri <sup>12 11</sup>	440,000.00	96,000.00				834,794.52	1,370,794.52
8	Mr. Weera Sriwathanatrakoon <sup>12 11</sup>	360,000.00	72,000.00					432,000.00
9	Mr. Trakul Winitnaiyapak	360,000.00						360,000.00
10	Mr. Ariyawich Ek-Ularnpun							
11	Mr. Noppol Milinhanggoon <sup>12</sup>						1,100,000.00	1,100,000.00
12	Mr. Sommai Khowkachaporn <sup>18 10 11</sup>	40,000.00			24,000.00		834,794.52	898,794.52
13	Mr. Lae Dilokvidhyarat <sup>13</sup>	120,000.00		60,000.00			1,100,000.00	1,280,000.00
14	Mr. Chanin Vongkusolkiet <sup>12</sup>	110,000.00		48,000.00			1,015,373.33	1,173,373.33
15	Mrs. Sineenat Sittiratanarangsee <sup>18</sup>	400,000.00			48,000.00			448,000.00
16	Mr. Witoon Simachokedee <sup>12 16</sup>	512,500.00				30,000.00	1,308,698.63	1,851,198.63
17	Mr. Vitavas Srivihok <sup>12</sup>	320,000.00		96,000.00				416,000.00
Total		5,052,500.00	312,000.00	468,000.00	264,000.00	102,000.00	11,428,455.52	17,626,955.52

Remarks <sup>11</sup> 2010 Directors' Bonus paid in April 2011 according to the 2011 Annual General Meeting of Shareholders' resolution on 28 March 2011

<sup>12</sup> Chairman of the Board of Directors

<sup>13</sup> Chairman of the Human Resources and Remuneration Committee

<sup>14</sup> Chairman of the Audit Committee

- <sup>15</sup> Chairman of the Risk Management Committee
- <sup>16</sup> Chairman of the Investment Committee
- <sup>17</sup> Member of the Audit Committee
- <sup>18</sup> Member of the Risk Management Committee
- <sup>19</sup> Member of the Human Resources and Remuneration Committee
- <sup>110</sup> Member of the Investment Committee
- <sup>111</sup> Independent Director
- <sup>112</sup> Executive Director

In 2011, there were changes to the Board of Directors and Committees as follows:

- Mr. Kurujit Nakornthap was elected as the Chairman of the Board of Directors on 19 December 2011.
- Mr. Nathi Premrasmi was appointed the Chairman of the Audit Committee on 29 March 2011, and a member of the Investment Committee on 18 April 2011.
- Mr. Metta Banturngsuk retired from Audit Committee member since 18 April 2011 and was appointed the Chairman of the Risk Management Committee and a member of the Human Resources and Remuneration Committee on 18 April 2011.
- Mr. Atchada Kesornsook was appointed the Chairman of the Human Resources and Remuneration and a member of the Investment Committee on 18 April 2011.
- Mr. Wirash Kanchanapibul was appointed a member of the Investment Committee and the Risk Management Committee on 18 April 2011.
- Mr. Satit Rungkasiri was appointed a member of the Audit Committee on 29 March 2011.
- Mr. Weera Sriwathanatrakoon was appointed a Director and a member of the Audit Committee on 29 March 2011.
- Mr. Trakul Winitnaiyapak was appointed a Director on 29 March 2011.
- Mr. Ariyawich Ek-Ularpun was appointed a Director on 19 December 2011.
- Mr. Sommai Khowkachaporn resigned from Director and retired from the Risk Management Committee on 10 February 2011.
- Mr. Lae Dilokvidhyarat retired from Director and Chairman of the Human Resources and Remuneration Committee due to end of term on 29 March 2011.
- Mr. Chanin Vongkusolkiet retired from Director and the Human Resources and Remuneration Committee due to end of term on 29 March 2011.
- Mrs. Sineenat Sittiratanarangsee resigned from Director and retired from the Risk Management Committee on 20 October 2011.
- Mr. Witoon Simachokedee resigned from the Chairman of the Board and retired from the Chairman of the Investment Committee on 1 December 2011.
- Mr. Vitavas Srivihok resigned from Director and Human Resources and Remuneration Committee on 1 December 2011.

## (2) The Company's Executives Remuneration

Unit : Million Baht

Remuneration	Number (persons)	Total
Salary	14 <sup>1</sup>	49,071
Bonus	14 <sup>1</sup>	27,227
Contribution to Provident Fund	14 <sup>1</sup>	4,071
<b>Total</b>		<b>80,369</b>

**Remarks** <sup>1</sup> The Company Management comprises 14 executives.

1. Excluding the remuneration of 1 executive that is under secondment and receive his remuneration from Ratchaburi Electricity Generation Company Limited.
2. Including the remuneration of 2 resigned executives during the year.
3. Including remuneration of 1 executive that is rotated from Ratchaburi Electricity Generation

## 14.2.2 Ratchaburi Electricity Generating Company limited

Unit : Million Baht

Remuneration	Number (persons)	Total
Directors		
Retainer	11 <sup>1</sup>	3,284
2010 Bonus	12 <sup>2</sup>	7,917
<b>Total</b>		<b>11,201</b>
Management		
Salary	5 <sup>3</sup>	13,954
Bonus	4	6,471
Contribution to Provident Fund	5 <sup>3</sup>	1,297
<b>Total</b>		<b>21,722</b>

**Remarks** <sup>1</sup> Ratchaburi Electricity Generating Company Limited has 11 Directors. In 2011, 5 Directors retired and appointed during the year. Executive director did not receive regular remuneration according to the preset rule

<sup>2</sup> Some of them are Directors of Ratchaburi Electricity Generating Holding Public Company Limited and thus did not receive bonus from Ratchaburi Electricity Generating Company Limited

<sup>3</sup> 1 of the Executives was rotated to Ratchaburi Electricity Generating Holding Public Company Limited.

## 14.2.3 Ratchaburi Gas Company Limited, Ratch Udom Power Company Limited, Ratchaburi Alliances Company Limited, Ratchaburi Power Company Limited, RATCH-Lao Services Company Limited and RH International Corporation Limited

Directors in these subsidiaries were appointed from executives of the group of Ratchaburi Electricity Generating Holding Public Company Limited and do not receive the Director remuneration.





## Power Industry and Competitions

### 1. Domestic Power Consumption

Energy Forecast and Information Technology Center, the Energy Policy and Planning Office under the Ministry of Energy reported that the Gross Energy Generation by the Electricity Generating Authority of Thailand (EGAT) in the first 10 months of 2011 was 137,624 gigawatt hour. This represented a 0.21 per cent lower than the previous year's gross energy generation of 137,913 gigawatt hour. The reduction is a result of lower temperature during the beginning of the year and the reduction of manufacturing activities due to severe impact from the tsunami in Japan in the 2<sup>nd</sup> quarter and the massive flood in Thailand later last year, especially in Bangkok and suburban area where major industrial estates and business areas are located. In October 2011, electricity generation was 13,384 gigawatt hour, a reduction of 1.9 per cent compared to the same period of the year before. The Gross Peak Generation for 2011 occurred on Tuesday 24 May 2011 at 14.00 hrs. at 24,518 megawatt, which was lower than the 2010 peak of 24,630 megawatt, or 0.5 per cent lower.

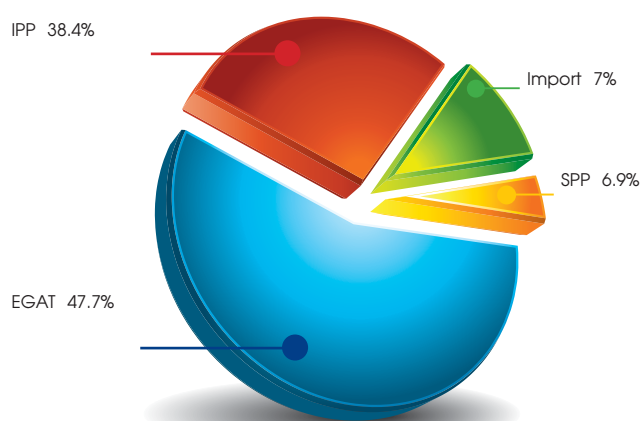
#### Competitions

Local electricity generating industry is part of the basic infrastructure sector under the supervision of the National Energy Policy Committee, the Ministry of Energy, and the National Energy Regulatory Board. These organizations promoted and encouraged the private sector in increasing power production through adder which varies according to the type of fuel used. Competition among small power producers, especially those producing energy from solar power, is very high due to attractive adder of Baht 8 per unit. In addition, the cost of solar cells imported from China was lower. However, power production from other source of alternative energy remains below target, leading to higher demand for the Government to increase adder for this group. Electricity generated from other sources of energy continue to have high costs and face with complicated environmental conditions. As a result, investment in this area is mainly limited to large power producers.

As of 31 December 2011, the country's total installed capacity was 31,446.71 megawatts. Out of this, 14,998.22 megawatts (47.7 per cent) was contributed by EGAT while 12,081.59 megawatts (38.4 per cent) was purchased from independent power producers (IPPs), 2,182.3 megawatt (6.9 per cent) from small power producers (SPPs) and 2,184.6 megawatts (7 per cent) were purchased from neighboring countries. Major energy sources are from natural gas (66.5 per cent) and coal/lignite (19.6 per cent)

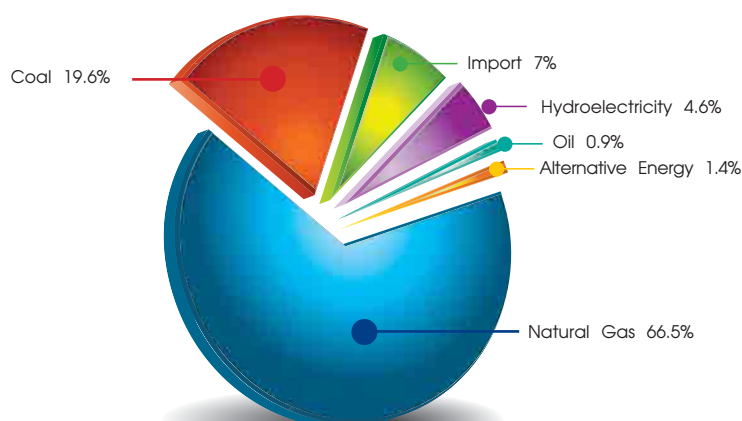
Chart 1: Installed Capacity and Major Sources of Fuel for Power Production as of 31 December 2011

Installed Capacity as of 31 December 2011



Source : Electricity Generating Authority of Thailand (EGAT)

Proportion of Fuel Sources in 2011



Source : The Energy Policy and Planning Office, the Ministry of Energy

The Government has a policy to clearly promote renewable energy development in electricity generation in an effort to substitute major source of energy, which is natural gas. The Company supported the policy by setting a clear goal of producing 100 megawatts from renewable energy by 2016. This will significantly help the country reduce its dependence on fossil fuel in electricity generation while strengthening the country's electricity security. More importantly, this will prominently reduce carbon dioxide emission which helps reduce impact from the global warming. The Company's projects, which are in the investment and development phase, include solar farms by Solar Power (Korat 3) Company Limited, Solar Power (Korat 4) Company Limited and Solar Power (Korat 7) Company Limited. Each project has an installed capacity of 6 megawatts, totaling 18 megawatts and Solarta Company Limited's solar power projects of which total installed capacity is 34.25 megawatts.

For wind power projects, the Company jointly invested in the Huaybong 3 and Huaybong 2 Wind-Turbine Power Projects in Nakhon Ratchasima Province. Each project has 103.5 megawatts generating capacity while another project in Petchaboon Province has 60 megawatts installed capacity.

In terms of the biomass power project, the Company made joint investment in Songkhla Biomass Company Limited in Songkhla Province with installed capacity of 9.9 megawatts.

The country's Power Development Plan (PDP) (2010-2030) is being amended and updated to better address the changing economic, social and environmental conditions. It is possible that a bid for power purchase from independent power producer will be called. Focusing on clean coal with lower production costs, this project will help alleviate possible impact from the three-year delay of electricity generation by a nuclear power plant (from 2023 to 2026). The project also helps distribute fuel risks and reduce dependence on natural gas in electricity generation. This also provides vast opportunity in investment for the Company.

## 2. Power Consumption in Other Countries

In 2011, there were many factors affecting the global economy. Beginning with the U.S. economic growth which grew below its potential and the debt crisis in Europe and Eurozone that were major cause of money market volatility, the global economic growth was retarded due to the volatile money market.

Despite fluctuating situation in the U.S. and Eurozone, Asia continued to maintain its economic growth momentum. Despite slight drop in growth rate, big countries with huge population, such as India, China and Japan will continue to encourage economic growth in Asia. Given this condition, the Company extended its overseas investment, especially in neighboring countries like Lao PDR and Oceania (Australia and New Zealand) that have clear rules and regulations and high production potential. The Company invested in many forms, including investing overseas and selling electricity back to Thailand and investing and selling electricity in such countries.

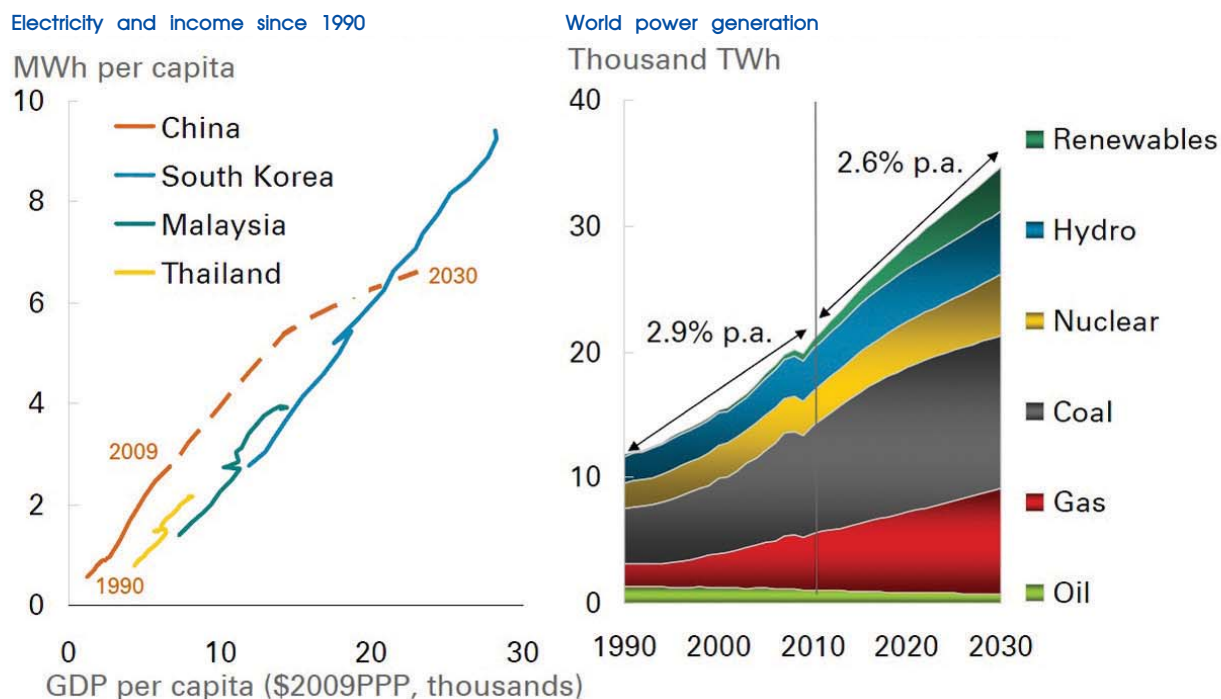
### Power Industry and Competition in Asia and Asia Pacific

Asian and Asia Pacific power industry growth trend is inclined by economic development. China and India have high economic growth rate, driving high electricity consumption in the industrial and service sectors. As a result, power plant and infrastructure development in related industries have increased.

In 2011 and in the future, electricity generation using renewable energy will extensively expand in many countries. The trend is driven by the tighter control of fossil fuel consumption and international agreement on the Greenhouse Effect or the Climate Change. This will substantially encourage Asia, Asia Pacific and other parts of the world to focus more on green energy with more use of renewable energy in electricity generation.



Chart 2: Electricity Demand in Asia and Asia Pacific



Source : BP Statistical Review, BP Energy Outlook 2030, January 2011

#### Government Policy on Imported Electricity

Thai government has a clear policy to cooperate with its neighboring countries, including Lao PDR, Myanmar, China, Cambodia and Malaysia in power purchase. The Thai Government has already signed Memorandum of Understanding with Lao PDR, Myanmar and China, to purchase 7,000 megawatts, 1,500 megawatts, and 3,000 megawatts of electricity from these countries respectively.

#### Competition

While the Country's electricity generating plan is being updated and there is no clear deadline for implementation plus various protests against power plant and large industrial plants in many areas, the Company seized the investment opportunity in the neighboring countries, Asia, Asia Pacific and Oceania (Australia and New Zealand) which are resource-rich and have advantages in terms of geographical location, production potential and accommodating regulations. These factors have encouraged the Company to study, develop and make investment in various types of electricity generating projects. These projects will become crucial energy reserve sources for the country's future power demand while supporting the Company's business growth plan.

In Lao PDR, the Company invested in various projects, for example, Nam Ngum 2 Hydroelectric Power Plant which has already begun its commercial operation, Nam Ngum 3 Hydroelectric Power Plant Project, Hongsa Thermal Power Plant Project and Xe-Pian Xe-Namnoy Hydroelectric Power Plant Project that have been under construction. The Company is also engaged in various projects which are under feasibility study.

In Australia, the Company was successful in acquiring Transfield Services Infrastructure Fund, which has been renamed the RATCH-Australia Corporation Limited (RAC). It is also studying the possibility for investment in New Zealand which is considered a highly potential investment destination.





## Risks from Business Operations

The Company is confident and aware of the importance of effective risk management and control, which will enable the Company to run its business with stability, continuity, and an acceptable level of risk. Risk management is used as a tool to enhance the Company's success, while minimizing the possibility of failure and loss, and reduce the uncertainty in the Company's overall performance. All these will help the Company achieve its business objectives.

In operating business to achieve stable and sustainable growth, the Company experiences a variety of challenges and risk factors due to high competition and economic fluctuation in the country and in the global market. To meet the international standards of risk management and the Company's vision and mission through good corporate governance, the Company has set the philosophy and policy for risk management as follows:

1. Promoting the culture of risk management to stimulate understanding, conscience and responsibility concerning risk, control and the effect of risk on the Company in the process of management and operations throughout the Company.
2. Having in place sufficient and accepted international standard process, framework and measures for indicating, analyzing, assessing, ranking, managing, controlling, monitoring, reporting, evaluating and communicating the information of risks continuously, regularly and across the board in the Company.
3. Measuring the risk both in terms of quality, such as the Company's reputation and image, and in terms of quantity, such as loss, revenue decrease, and expense increase based on the possibility that could happen and affect the Company.
4. Setting risk limit at the level that the Company accepts to control the level of damage, and also identifying circumstances and risk degrees that are warning signs for the operators to manage risk within the controllable level.
5. Having operational regulations in writing for the executives and operators to abide by in order to control the operational risk.

The Company's Board of Directors has appointed the "Risk Management Committee" who are in charge of screening policy, setting strategies and risk management framework, controlling, following up, maintaining risk level, and effectively managing risks of the entire organization.

The Company has established the "Risk Management Working Committee", comprising the Company's executives. The Working Committee is responsible for risk analysis and assessment, risk management in compliance with the policy as agreed by the Risk Management Committee, and preparation of quarterly risk management report for the Company's Risk Management Committee's review.

In assessing organizational risk, the Company's Board of Directors adopted 6 areas of risks as proposed by the Risk Management Committee. The details are as follows:

### 1. Competition Risks

Competition risks include 3 major factors - impact from the policies of the Government and regulatory body, the Company's operation plan which does not reflect the changing market competition situation and the intense of the competition. These factors significantly affect the Company's business expansion under its investment goal. The Company's investment



expansion plan covers investment in small power producer business projects, very small power producer business projects and renewable energy projects which have received strong support from the Government. In addition to business expansion plan in the country, the Company always considers new investment opportunities overseas. In 2011, the Company achieved significant milestone in its investment in Australia and in other related businesses. The Risk Management Committee has closely governed the risk management activities related to investment, taking into account the information obtained through close monitoring of economic development and the Government's policy, which enabled the Company to adjust its strategic and operational plans to best address the changing situation.

## 2. Financial Risks

### *2.1. Risk Related to Financial Liquidity*

The Company invested in many projects of various sizes, in and outside Thailand. These activities require high investment value and effective financial planning. The Company also had to seek short and long-term loans in order to achieve cost efficiency and to best address the Company's capital needs. The Company therefore prepared appropriate financial and liquidity management plans to sufficiently support its capital needs during each period of time with a range of short and long term funding sources.

### *2.2 Risk Related to Interest Rate*

The Company has constantly studied and monitored interest rate trend in Thailand and in the global market to support its cash flow management and existing loan management plan, as well as to seek short and long-term loan to achieve cost efficiency. Financial tools, such as interest rate swap, have been adopted to reduce risks related to interest rate fluctuation.

### *2.3 Risk Related to Foreign Exchange Rate*

The Company considered and studied foreign exchange rate fluctuation related to the Group's income, expenses and loans. Existing financial tools, including foreign currency exchange forward contracts and various hedging activities, have been implemented to further improved financial management efficiency.

## 3. Operational Risks

The Company's Board of Directors and Management consider operational risk management as one of the top priorities. Given the Company's investment in many projects, it has to closely monitor progress of business activities handled by its subsidiaries and joint ventures in order to ensure that business goals are achieved. The Group Company Management is responsible for monitoring and reporting operational performance of projects in which the Company made investment.

The Board of Directors and the Management jointly considered and appointed the Company's representatives to sit in the board of directors and management of the companies and projects in which the Company invested. Such appointment enabled the Company to participate in formulating policy, directing project development and monitoring and regularly reporting project progress to the Company's Board of Directors. Key information closely monitored under long-term management contracts made with its partners to maintain income and profit are availability payment and production efficiency of machinery and equipment, scheduled maintenance, volume, quality and efficiency of energy consumption, control of



water used in the production activities, control of waste releasing within the allowed level, insurance and safety. Political, economic and legal changes in countries in which the Company invested in were also closely monitored in order to maintain possible impact with in the acceptable level.

#### 4. Human Resource Risks

The Company realizes that employees are the most important resources that drive the Company to success and, therefore, gives high importance to the management of risks related to human resource. The Company ensures effective recruitment in order to secure qualified employees, provides appropriate and fair remunerations and benefits that are within industry average range, develops people capability, and regularly reviews operational process and system to support the Company's future business expansion.

In 2011, the Company launched organizational restructure to better support its new business direction which focuses in developing businesses in other countries and related businesses. The restructure was also aimed to provide better support for management and decision-making efficiency enhancement within each business unit. At the same time, clear scope of duty and responsibility, operational performance of each unit and practical and flexibility are in focus. This year, the Company introduces operational plan to promote organizational culture through participation of employees in all levels in shared value and desired practice, which will drive the Company in the desired direction and support the Company's strategy.

#### 5. Corporate Reputation Risks

As the country's leading power producer, the Company gives high importance to enhancing corporate image and reputation which are crucial to maintain the Company's credibility and success. In the past year, the Company has conducted various activities in order to reduce risks related to corporate image as follows:

- Disclosing significant information that is sufficient, timely and equitably to all stakeholders through various channels and media to ensure that the information reaches the widest possible audience. The Company's clear procedure and approval process for information disclosure require that all publicly distributed information has to be considered by related persons and approved by the top executives. Authorized persons were designated to provide information to outsiders. Corporate Relations, the Corporate Secretary Office and Investor Relations Department are also assigned to work as the contact points for target groups with related rules and procedure clearly set.
- Social responsibility is used as another corporate risk management tool. The Company has paid high importance to and constantly handled social responsibility activities to strengthen recognition, trust and good corporate image in the eyes of the public. Cooperation with outside organizations with different specializations has enabled our social responsibility initiatives to achieve goals. Such activities also clearly demonstrate the Company's commitment to the society among partnering organizations, communities and the general public. These initiatives have significantly contributed to high recognition, credibility and good corporate image. In 2011, the Company continued the "Love Forest and the Community" Project for





the fourth consecutive year. Through cooperation with the Forestry Department, the project aims at promoting and encouraging community's participation in forest conservation by initiating community forest projects nationwide. Another initiatives include the cooperation with the Faculty of Forestry, Kasetsart University, in conducting a research and evaluation of the "Love the Forests and the Community Project"; a cooperation with the Ministry of Energy in a project to help reduce impact from the global warming; a cooperation with Kasetsart University, Chiang Mai University and Maejo University in a research on using carbon dioxide to grow spirulina as part of the "Algae Cultivation for Global Warming Reduction Project"; and other social development projects conducted in cooperation with local government offices, local administration, district administration offices, temples and schools, etc.

- Community relations activities were handled to secure recognition and trust from surrounding communities. These activities help reduce risks of public disagreement which affect corporate image. The Company takes this as one of its major tasks and introduced the "Good Neighbor" policy as a guideline for community relations activities. In addition to ensuring that strict environmental management measures meet with legal requirements and international standards, the Company last year focused its activities in public education related to power production, public participation in monitoring the power plant operations, and promotion and improvement of quality of life of people living near Ratchaburi Power Plant, Ratchaburi Power Electricity Generating Plant, Tri Energy Power Plant and PTO-A Power Plant.

## 6. Compliance Risks

The Company operates its business by adhering strictly to the related rules, regulations and laws and giving high importance to managing environment quality in the nearby communities around its power plants in compliance with related laws and requirements under the ISO 14001 standards. The Company constantly supervises and encourages all power plants within the group to closely and strictly monitor the quality of the environment, from air, water, noise and biodiversity.

In 2011, Ratchaburi Power Plant received the OHSAS 18001 (Occupational Health and Safety Assessment Series) that will be implemented in parallel with ISO 14001 to enhance occupational health system efficiency. By adopting such standards, the Company also aimed to reduce accidents and accident and occupational health in the workplace, which will finally bring greater benefits to the public.





## Revenue Structure

### Revenue Structure of the Company, Subsidiaries and Jointly-Controlled Entities in 2011

In 2011, the Company's major revenue came from electricity sales by Ratchaburi Electricity Generating Company Limited which sell to EGAT under the 25-year long-term Power Purchase Agreement ("PPA"). Revenue structure under such PPA is divided into two parts as follows:

#### 1. Availability Payment ("AP")

Availability Payment is set to cover all investment fund, including loan, interest, return to shareholders and fixed operating expenses such as maintenance and administration costs etc. In general, AP depends on the power plant's availability in electricity generation and distribution as required by EGAT.

#### 2. Energy Payment ("EP")

Energy Payment is received when electricity is generated and distributed to EGAT's system. Two major parts of EP are as follows:

- 1) Fuel Payment
- 2) Variable Operating and Maintenance Payment

In addition to electricity sales from Ratchaburi Power Plant, in 2011 the Company also included sale revenue from RATCH-Australia Corporation Limited (RAC), which its major revenue came from the long-term power purchase agreement. Such long-term power purchase agreement for Thermal power plant consists of:

1. Capacity Charge is set to cover total investment, maintenance cost and adjusted according to the Actual Capacity Availability in generating and distributing electricity as in the power purchase agreement
2. Energy Charge is received when electricity is generated. This includes fuel cost and variable operating and maintenance etc. Regarding to electricity sales from RAC's wind power plant, Revenue is calculated by the total electricity generation multiply by sales per unit.

Moreover, other revenue from sales and rendering services are as follows.

1. Electricity sales from PTO-A Power Plant and its expansion in Kong Krailat District, Sukhothai Province, which operated by Ratchaburi Energy Company Limited have installed capacity of 1.75 megawatts and 0.9 megawatts and started commercial operations since 27 June 2007 and 2 December 2010 respectively. Such power plants generate electricity from flare gas which are byproducts of oil refining and sell to EGAT.

2. Revenue from operation and maintenance services by RATCH-Lao Services Company Limited, a subsidiary, established on 8 May 2009 under Lao PDR's law. RATCH-Lao Services Company Limited entered into the Operation and Maintenance Agreement in the hydroelectric power plant with Nam Ngum 2 Power Company Limited, effective from 1 July 2009 until the end of the concession period.

Other revenue generated from jointly-controlled entities that invest in electricity generating business are as follows:

1. Tri Energy Company Limited, in which Ratchaburi Gas Company Limited holds 50 per cent stake, and Ratchaburi Power Company Limited, in which Ratchaburi Alliances Company Limited holds 25 per cent stake, are jointly-controlled entities and their sales revenue consist of availability payment and electricity payment, which are the same as the revenue structure of Ratchaburi Electricity Generating Company Limited.

2. Chubu Ratchaburi Electric Services Company Limited, the Company holds 50 per cent stake, earns revenue from providing operation and maintenance services to the two blocks of Combined Cycle Power Plants of Ratchaburi Power Company Limited which has installed capacity at 700 megawatt per each, according to 14-year service agreement starting from commercial operation date. Such power plants started commercial operation from 1 March 2008 and 1 June 2008 respectively.

3. SouthEast Asia Energy Limited, the Company holds 33.33 per cent stake, received electricity sales from Nam Ngum 2 Hydroelectric Power Plant in Lao PDR under the 25-year power purchase agreement with EGAT starting from the date of commercial operation and has initial operation date on 26 March 2011.

### Revenue Structure 2011 and 2010

Types of Revenue	Generated By	Company's stake	Revenue			
			2011		2010 (Restated)	
			Million Baht	%	Million Baht	%
Revenue from sale and rendering of services						
- AP	Ratchaburi Electricity Generating Company Limited	99.99	11,856.06	25.93	10,844.45	24.54
- AP	RH International Corporation Limited	99.99	1,666.68	3.64	-	-
- EP	Ratchaburi Electricity Generating Company Limited	99.99	29,348.58	64.18	31,259.06	70.74
- EP	RH International Corporation Limited	99.99	422.14	0.92	-	-
- EP	Ratchaburi Energy Company Limited	99.99	48.40	0.11	35.35	0.08
- O&M	RATCH-Lao Services Company Limited	99.99	115.00	0.25	42.26	0.10

Types of Revenue	Generated By	Company's stake	Revenue			
			2011		2010 (Restated)	
			Million Baht	%	Million Baht	%
Share of profit (loss) of jointly-controlled and associated entities	Tri Energy Company Limited	50.00	389.63	0.85	616.54	1.40
	Ratchaburi Power Company Limited	25.00	615.07	1.35	957.45	2.17
	Chubu Ratchaburi Electric Services Company Limited	50.00	16.00	0.03	29.59	0.07
	SouthEast Asia Energy Limited	33.33	314.49	0.69	(22.02)	(0.05)
	Sustainable Energy Company Limited *	55.18	-	-	(1.87)	(0.01)
	Hongsa Power Company Limited	40.00	(38.48)	(0.08)	(136.48)	(0.31)
	Phu Fai Mining Company Limited	37.50	(0.08)	-	(0.08)	(0.01)
	Nam Ngum 3 Power Company Limited	25.00	(0.08)	-	-	-
	Nava Nakorn Electricity Generation Company Limited	40.00	(1.35)	-	-	-
	Ratchaburi World Cogeneration Company Limited	40.00	(5.51)	(0.01)	-	-
	Solarita Company Limited	49.00	5.79	0.01	-	-
	Solar Power (Korat 3) Company Limited	40.00	(8.39)	(0.02)	-	-
	Solar Power (Korat 4) Company Limited	40.00	(2.18)	-	-	-
	Solar Power (Korat 7) Company Limited	40.00	(0.59)	-	-	-
	Songkhla Biomass Company Limited	40.00	(1.10)	-	-	-
	First Korat Wind Company Limited	20.00	(0.41)	-	-	-
	K.R. Two Company Limited	20.00	(0.09)	-	-	-
	Pert Power Partnership (RATCH Australia's Jointly-Controlled Entity)	30.00	50.37	0.11	-	-
Management service income	Ratchaburi Electricity Generating Holding Public Company Limited		188.55	0.41	258.66	0.59
Interest income	Ratchaburi Electricity Generating Holding Public Company Limited		245.29	0.54	197.72	0.45
	Ratchaburi Electricity Generating Company Limited	99.99	75.17	0.16	30.77	0.07
	Ratchaburi Energy Company Limited	99.99	14.63	0.03	3.68	0.01
	RATCH-Lao Services Company Limited	99.99	0.83	-	-	-
	Ratch Udon Power Company Limited	99.99	0.05	-	-	-
	Ratchaburi Gas Company Limited	99.99	1.46	-	0.20	-
	RH International Corporation Limited	99.99	240.27	0.53	0.01	-
Dividend income	RATCH-Lao Services Company Limited	99.99	38.94	0.08	-	-
	RH International Corporation Limited	99.99	21.12	0.04	-	-
Other income	Ratchaburi Electricity Generating Holding Public Company Limited		1.58	0.01	13.15	0.03
	Ratchaburi Electricity Generating Company Limited	99.99	99.53	0.22	59.12	0.13
	Ratchaburi Energy Company Limited	99.99	0.05	-	0.05	-
	RATCH-Lao Services Company Limited	99.99	-	-	0.07	-
	RH International Corporation Limited	99.99	8.65	0.02	-	-
Total			45,726.07	100.00	44,187.68	100.00

\* Sustainable Energy Company Limited had been changed its status from the jointly-controlled entity to subsidiary since 16 August 2010 which the company hold 51 per cent stake and has purchased the increased ordinary shares to hold 55.18 per cent stake on 29 December 2011.





## Dividend Policy

Ratchaburi Electricity Generating Holding Public Company Limited has a policy to pay dividend at no less than 40 per cent of its total net profit according to the consolidated financial statements after legal reserve and other reserves. However, such dividend payment also depends on the Company's cash flow.

Dividend paid to shareholders is as follows:

Year	Profit (Million Baht)	Profit after legal reserves <sup>1</sup> (Million Baht)	% of dividend payment	Paid Dividend (Million Baht)	No. of shares (Million)	Dividend per share (Baht)
2001	3,060	2,907	49.9	1,450	1,450	1.00
2002	4,729	4,492	48.4	2,175	1,450	1.50
2003	5,424	5,153	49.2	2,537	1,450	1.75
2004	6,487	6,162	47.1	2,900	1,450	2.00
2005	6,066	5,763	50.3	2,900	1,450	2.00
2006	6,106	5,955	51.1	3,045	1,450	2.10
2007	5,829	5,829	52.2	3,045	1,450	2.10
2008	6,493	6,493	49.1	3,190	1,450	2.20
2009	6,740	6,740	48.4	3,263	1,450	2.25
2010	5,226 <sup>3</sup>	5,226	62.4	3,263	1,450	2.25
2011	4,841	4,841	67.4	3,263	1,450	2.25 <sup>2</sup>

### Remarks

<sup>1</sup> The Company has to deduct no less than 5 per cent of profit for legal reserve until such reserve is no less than 10 per cent of the registered capital or Baht 1,450 million. The Company has achieved this since 2006.

<sup>2</sup> An agenda propose for shareholders' approval in the 2012 Annual General Meeting of Shareholders' meeting to be held on 26 March 2012. The Company paid interim dividend at Baht 1.10 per share on 14 September 2011.

Ratchaburi Electricity Generating Company Limited, the principle subsidiary, has a policy to pay dividend to the Company at 100 per cent of its net profit after legal reserves and other reserves.

<sup>3</sup> Year 2010 restated



## 2011 Social and Environmental Responsibility

Ratchaburi Electricity Generating Holding Public Company Limited strictly adheres to the laws and regulations related to environment management for all its power plants. In addition, the Company has continued its social and environmental responsibility activities. In 2011, the Company focused its efforts in carbon dioxide emission management with an aim to help reduce impact from global warming while maintaining natural resources and ensuring that business and environment can live in harmony. With this commitment, the Company gives high importance to preserve and rehabilitate forests which are the world's most effective natural sources in carbon dioxide absorption. The Company initiated a new way to minimize carbon dioxide emission from the electricity generating process by using carbon dioxide to grow spirulina algae. In terms of social contribution, the Company provided assistance to communities affected by the massive flood late last year. More importantly, the Company encouraged its employees to participate in various activities for social benefits, which is part of the Company's efforts to create awareness and consciousness as well as corporate value on social and environmental responsibility.

In 2011, the Company introduced special projects to celebrate His Majesty the King's 84<sup>th</sup> birthday anniversary on 5 December 2011. Under the projects, various activities were initiated based on His Majesty the King's theory on natural solution to global warming. Key social and environment projects held in 2011 are as follows:

### Natural Resources and Environment

#### 1. Love the Forests and the Community Project

The project supports communities in forest preservation through community forest with an aim to maintain forest areas while allowing communities to utilize the community forest in a sustainable manner. Held in cooperation with the Forestry Department, the project has been continued since 2008. The three key activities under this project includes Community Forest Contest, Kla Yim Youth Camp and Community Forest Network Seminar.

**1.1 Community Forest Contest** (for HRH Princess Maha Chakri Sirindhorn trophy): Continuing for the 4<sup>th</sup> consecutive year, the project helps find the best managed community forests. Well managed forests are considered based on participation of key stakeholders in forest management and the appropriate use of the community forest for sufficient living and as the source of food that help reduce expenses and increase revenue for community. In 2011, there were 1,162 community forests nationwide participated in this contest, 134 of which won awards. Ban Klang Community Forest, Phang Nga Province won the grand prize.

**1.2 Kla Yim Youth Camp:** In creating awareness and instilling consciousness on forest preservation among youth living near community forests, the project created an effective learning process with focus on the nature of forests, ecosystem, the benefits of forests towards human life, and the use of forest in a sustainable manner. Participating youth are aged between 13-15 years, all of them were selected from various regions. In 2011, the Company held two camps, one in the north and the other one in the central region. A total of 162 young people participated in the activities. The goal of this project is to ensure a new generation of people who can effectively continue forest preservation activities and promote public mind.



**1.3 Community Forest Leaders' Network Seminar** : this activity mainly promotes exchange and sharing of knowledge and learning on community forest management. The sharing of knowledge will in the long run promote more sustainable and more effective forest preservation. In addition, the activity helps strengthen the community forest network which plays an important role in maintaining the country's forests. In 2011, the Company organized two seminars - one in the northeast and the other in the south, with a total of 160 seminar participants.

**2. 84 Community Forests Reforest for the King in Celebration of His Majesty the King's 7<sup>th</sup> Cycle Birthday Anniversary on 5 December 2011:**

Held in cooperation between the Company and the Forestry Department, the project aims to expand community forests. More trees are planted in 84 participating community forests across the country. At the end of the projects, 840,000 new trees were planted, covering 4,200 rai. They will be able to absorb 10,000 tonnes of carbon dioxide per year when they are fully grown.

**3. Kla Yim Urban Forest for Education Project held in Celebration of His Majesty the King's 7<sup>th</sup> Cycle Birthday Anniversary on 5 December 2011:**

In cooperation with the Forestry Department, the Company created plant learning centers in schools and temples nationwide. The plant learning centers are used to support education in schools while enhancing community's awareness and consciousness in forest conservation and inspiring communities to value the benefits of forests in human living. In addition, green areas are added to communities. Under this project, various species of plants, such as trees that are symbols of different provinces, rare and almost extinct plants, local plants, plants in Thai literature and those associated with the Lord Buddha, were planted in the centers. Schools and temples where these centers are located then prepare signage to provide information about the name, meaning and importance of each plant. In 2011, the Company finished 12 plant learning centers and will continue in 2012 until 72 centers are completed.

**4. Algae Cultivation for Global Warming Reduction Project in Celebration of His Majesty the King's 7<sup>th</sup> Cycle Birthday Anniversary on 5 December 2011:**

The project is an innovation created by the Company's efforts to manage carbon dioxide from its power production process in order to reduce the impact on the environment. The Company began a research and experiment in using carbon dioxide from its production process to grow spirulina algae. The research team, comprising experts and academics from Chiang Mai University, Kasetsart University and Mae Jo University found that spirulina algae grown in one rai plot of land can absorb carbon dioxide nine times better than trees grown in the same size of area. The Company is studying further on the appropriate conditions and environment that best enhance the algae growth and capability in carbon dioxide absorption.





## Social Development

### 1. Education for Career Empowerment Project in Lao PDR:

This is to demonstrate the Company's promise to being a social responsible organization with a commitment to participating in economic and social development in Lao PDR which is one of its major business hubs apart from Thailand. In 2011, the Company began the Education for Career Improvement Project, aiming at providing and creating educational opportunities for students and vocational education level personnel in Lao PDR. In carrying out this project, an agreement between the Company and Lao PDR's Education and Sports Ministry. Under the agreement, the Company promises to provide trainings in electrical and mechanical engineering as well as techniques necessary to enhance teachers' teaching skills and student's readiness to enter into the labor market. The project also effectively supports Lao PDR's education development strategy. In the past year, the Company held a training and workshop on electrical, mechanical engineering and techniques to 30 teachers at vocational colleges across Lao PDR. The training, held at Udon Thani Vocational College, enabled participants to efficiently and effectively transfer the learning from this training further to their colleagues and to develop the curriculum and teaching aids.

### 2. RATCH Employee Volunteers:

In 2011, the Company continued to encourage its employees to volunteer in participating in social development activities. It encourages employees to join such activities for 3 days. Participation in these activities will also be counted as a special contribution as part of the annual performance appraisal. In 2011, the Company held 17 social development activities for its employees to participate. Out of these 15 are initiated by the Company and two by employee club. There are 121 out of 140 employees participating in the activities, accounting for 86 per cent of the total employees (excluding Director level and upper).

### 3. Flood Relief:

The severe flood in 2011 created huge damages and losses to the country and its people. Realizing its responsibility as a good citizen of the society, the Company tried to assist affected people through donation in financial terms, food, drinking water, flood relief bags, mobile toilets, barges and labour. Such contributions were done both directly and indirectly through government agencies and private organizations. Rehabilitation activities after flood were also organized.

*\* Details of social and environmental responsibility are published in the Company's Corporate Social Responsibility Report 2011.*





## Human Resources Management

Human resource is considered a crucial driven to the Company's growth and ability to achieve its goals in a sustainable manner. The Company therefore gives high importance to human resources management, from recruiting the right persons with required qualifications and experience as well as the right attitude, value and practice that are in line with the Company's corporate culture. Continuous human resource development has been emphasized through internal and external trainings and seminars and systematic work rotation. Remuneration is fair and appropriate on a performance basis. Regular individual performance appraisal is considered based on scope of responsibilities and potential. The Company's goals in human resources management is to instill the sense of corporate loyalty, strengthen employees brother-and-sisterhood relationship, and inspire staff members to contribute fully to the assigned tasks and responsibility as well as to be a social responsible persons with righteousness.

### Employees' Policy

1. To enhance good working life quality by providing good working environment, occupational hygiene and safety comparable to international standards
2. To continuously develop knowledge and capabilities of the employees in order that they shall be prompt to serve the Company's growth
3. To promote the employees occupational growth with regards to their capabilities and potentials
4. To properly and fairly manage the remuneration system and welfare
5. To encourage employees participation in developing organization

Human resources development plan, which has continuously implemented, is clearly set out for all level staff members. Remuneration and benefits are regularly reviewed and adjusted to ensure they are appropriate and fair. Employees are given opportunities to share their opinion for operational development. In addition, various activities has been introduced to promote employees' ethics and morale.

### Organization Restructuring

To achieve the Company's business goals and strategies with emphasis on constant growth, the Company reorganized its operations effective since 1 May 2011. The reorganization was based on the Company's business direction and strategies and support efficiency enhancement in management and decision making. In addition, scope of responsibility and performance appraisal for different business unit are clearly set. Under the reorganization, the business development is divided into two areas which are "domestic business development" and "international business development". Furthermore, operational units responsible for business development and finance were set up to better address the Company's current situation and challenges.

### Corporate Culture Promotion

In 2011, the Company modified its core value, through all participation of all levels of employees, to support the Company's business development future via expansion to overseas market. The core values are as follows:



(1) Professionalism - the readiness to cope with changes and ability to be an active learner for constant self-development in order to become a professional by international standard

(2) Passion for Excellence - the commitment to working for accomplishment and benefits of the organization, including keeping promise and planning for proactive actions to effectively handle changes

(3) Collaboration - through trust, accountability, sincerely helping each others, openly listening to others and valuing individual difference

(4) Good Governance - the commitment to transparent practice, integrity and righteousness with responsibility towards the society and environment

These core values will bring together the Company's employees and establish shared belief, commitment and practice, which will lead to the corporate culture that drives the Company to achieve its goals in a stable and sustainable manner.

### Personnel Recruitment

The Company has improved its personnel recruitment process through the use of various tests and tools, including analytical ability and psychological tests, to maintain a pool of quality staff members who have the required knowledge, skills and quality that best suit the nature of the work and support the Company's goal and business strategy. Employees must also be flexible, versatile and ready for any assignment while active in learning that promotes effective performance in their current assignments.

The recruitment process involves both internal and external recruitment. New set of knowledge and experiences are acquired to help employees perform their tasks better. At the same time, employees with high potential, commitment and outstanding performance are offered opportunity to make good progress in their career, which also help promote employees' morale and loyalty.

In 2011, the Company adjusted manpower plan to better support its business strategies that focus more in overseas investment. Through this plan, the Company is confident that it has sufficient employees, both in terms of quality and quantity, to achieve its goals.

### People's Development Based on Competency and Capability

In human resources development, the Company focuses on individual competency, which comprises two parts as follows:

1. Core Competency meaning shared competency specified by the Company to create mutual value and desired practice that support the Company's vision and mission. The Core Competency are commitment to excellence, strategic thinking, teamwork and ethics
2. Functional Competency meaning specific qualities that aspires employees to perform or demonstrate their capabilities that best suit their assignment and enhance their performance. Each discipline specifies the desired competency and capability that are appropriate to the nature of their operations.

At the annual performance appraisal, which is done once a year, individual employee's competency is appraised. The supervisor and employee have to do the appraisal together and the result will be used for further individual employee development.





In 2011, the Company arranged trainings in various inhouse and external courses. The training included Leadership Development for Executives, 7 Habits for Highly Effective People, the National Defence College Association of Thailand's Advance National Security Training Course for the Company's President, King Prajadhipok Institute's Public Administration and Public Law Course, and foreign language, skill training and other knowledge enhancement courses for employees.

### Remuneration, Welfares and Benefits

The Company has a policy to pay remuneration at a competitive level in the labor market and in the same level offered by other companies in the same industry in terms of type of business and size. Remuneration based on fairness, scope of responsibility and individual capability remain the Company's guideline in offering fair remuneration to attract capable outsiders to support the Company's growth.

In terms of employees' welfares, the Company offered appropriate benefits for employees and families, considering the changing economic, social and business environment. Employees' welfare and benefit improvement is systematically carried out through recommendation of the "Employees' Welfares Committee" in cooperation with representatives from the employer. The recommendations are later submitted to Management and the Board of Directors for respectively consideration. The Company also offered assistance to employees in various critical time. During the massive flood in Bangkok and suburban area in late 2011, for example, the Company provided temporary safe accommodation, accommodation expense and transport expenses and necessity for living to affected employees.

As of 31 December 2011, the Company and its subsidiaries have a combined workforce of 306 persons with a total Baht 478,733,741.72 personnel-related expenses, representing 34.36 per cent of the total administration costs.

### Overseas Posting

The Company has a policy to assign the persons with desired qualifications to work in other countries, allowing them to gain more experience in the international work environment. At present, a number of the Company's personnel is working in Lao PDR and Australia. A manual was prepared and distributed to the employees with international assignment to help them learn more about tradition, culture and geographical environment of the country they are posted.

### Opinion Sharing and Complaints

#### 1. Opinion Sharing

Meetings: Formal meetings, namely the Board of Directors' Meeting, Top Executives Meeting and mid-level unit heads' meeting, were held on monthly basis, while front line level of unit heads' meeting is held every three months. Meeting agenda were communicated to the participants ahead of the meeting date. During the meeting, all participants were given opportunity to share their opinions and answer all questions. "Synergy Meeting", an informal meeting between employees from different disciplines was initiated as another



platform for employees to meet and update progress of their operations, new movements in the Company, share opinion, and brainstorm to promote understanding, prevent and find solutions to problems and create new activities.

Opinion sharing through employees' representatives: the Company arranged for the establishment of "Employees' Welfares Committee", comprising representatives from the employer, and employees who are appointed through an election. The committee is responsible for recommending appropriate employees' welfares and benefits. The committee meets regularly every three months.

Other internal communications channels, including Intranet, were developed to communicate with its employees. The Company's Intranet is developed to easily support the Elearning and Knowledge Management systems that will be implemented later. HR Employee Self Service system was introduced to make all human resources management process and coordination online, resulting in less paper consumption while increasing efficiency and speed of services related to human resources management.

## 2. Complaint

The Company has clearly specified employees' complaint methods, as well as steps and timeframe for the appealing or solution or elimination of problems stated in the complaint and informed the person who lodges the complaint of the solution. In case that the complaint has impact on the Company, the employee who reports the information and evidence related to the complaint and/or the person who considers the complaint will not be terminated, punished or taken action that may harm the person if the action is done with good intention.

## Social Responsibility

The Company strongly values employees' volunteer spirit, public mind, contribution to the public and social responsibility, and therefore encourages employees to participate in social responsibility activities initiated by the Company and various employee clubs. Goal for such activities is to improve quality of work life, both physically and mentally and encourage harmony living. Participation in these activities is also considered as part of performance appraisal.

In addition, there are other activities that promote good relations, understanding and team spirit among employees, such as the Company's Establishment Day and cultural activities throughout the year.





# Good Corporate Governance Report

## 1. Business Ethics and Corporate Governance Policy

### 1.1 Preparation and Implementation of Business Ethics

The Board of Directors has prepared the Business Ethics in writing and has implemented it since the Company's inception in 2000. The Business Ethics comprises three documents including the *Code of Conduct*, *Executive Ethics* and *Employee Ethics*. Each document provides guideline of practice for the Company, executives and employees towards different stakeholder groups, such as shareholders, employees, creditors, business partners, competitors, community and the general public, the government and environment. The Company has regularly reviewed the Business Ethics to address the constantly changing environment while supporting the Company's vision, mission and policy as well as the Company's sustainable growth. (The three documents are published on the Company's website.)

### 1.2 Preparation and Implementation of Corporate Governance Policy

The Board of Directors uses the corporate governance principles of Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) as guidelines. The implementation of the policy enhances the Company's efficiency and ethics as well as responsibility towards the society, communities and the environment, which all form strong foundation for sustainable growth. Since 2003, the Company's *Corporate Governance Policy* has been published in writing and reviewed on yearly basis to best address the current situation. To enable the group of Ratchaburi Electricity Generating Holding Public Company Limited maintain international operational standards that earn recognition and trust from shareholders, investors and stakeholders, the Company's remains committed to operating the business with responsibility, fair treatment to all stakeholders, operational transparency, quality information disclosure, short and long term added value creation and promotion of quality operations, ethics of executives and employees, and responsibility towards the society and environment.

The Company also announced other policies to ensure guidelines for proper treatment of all stakeholder groups. Some of the policies are the risk management, shareholders, employees, social and environment, computer and network usage policies. (All are published on the Company's website.)

### 1.3 Communications and Monitoring Performance to Ensure Full Compliance with the Corporate Governance and Business Ethics Policies

Every new Director and employee will receive ethics and policies as part of their orientation kit which will be used as guideline and reference when performing their duties. All employees and directors have to sign on the document to increase awareness, acknowledge their responsibility and reinforce their commitment to respect the Company's policies and ethics.

The Company established the "*Corporate Governance Committee*", comprising executives from all units, to act as a key mechanism to communicate the corporate governance policy from the Board of Directors and Top Management to all level of employees, to listen to problems, difficulties and recommendations from all employees for further action, and to assess the execution results and ensure that the result comply well with the policy.

Various channels, including the Intranet, email system that employees have easy access and internal meetings, are provided to effectively communicate and disseminate the Company's policy and corporate governance news to employees.

The *Internal Audit Division*, in addition to regular meetings with all units, is responsible for monitoring and following up with the implementation of corporate governance policy by preparing annual audit plan and a quarterly report has been made to the Audit Committee together with recommendation on solution and prevention of possible damages.

The "*Compliance Database*" was prepared, distributed to the Board of Directors and published on the Company's internal database which is easily accessible for use by all employees. The database comprises guidelines for important areas of practice and operations of the Company as a listed company, such as the disclosure of information, connected transaction, the acquisition or disposal of assets. The information is regularly updated.

The Board of Directors prepared the "*Report of Directors' and Executives' Interests*" and instructed the Directors and Executives to report their and related persons' interests to the Company's Secretary for reference and record. The Corporate Secretary shall copy and submit the report to the Board Chairman and the Chairman of the Audit Committee, according to the Securities and Exchange Act. The report will be used when considering who shall not have voting rights in the Board of Directors and shareholders' meetings.

### 1.4 Shared Value

To achieve sustainable success and maintain leading position in the market, the Company believes that business ethics is a very important area, in addition to operational commitment, technology advancement, Management excellence and corporate governance. The Company, therefore, strongly values ethical practice and integrity which also means not involving in any direct or



indirect fraudulent action while maintaining the Company's confidentiality, benefits and assets; provides true and correct information; and respects and complies with the Company's rules and regulations. The development in this area started from the formulation and preparing in writing the Corporate Governance and Business Ethics, which are used as guidelines for the Board of Directors, the Management and employees. Following this is the promotion of "Core Values" that have to be embraced by all employees and support the Company's growth which are Professionalism, Passion for Excellence, Collaboration, and Good Governance. (Details of the Core Values are specified in the Human Resources Management section).

The Company has indicated "Integrity" as one of the core competency. Employees whose responsibility involves the Company's significant information are required to sign the confidentiality agreement. As a listed company, the Company has in place a rule prohibiting the use of insider information for abusive self-dealing, and requiring its executives, employees, and temporary staff to directly report any changes in the Company's portfolio and interests of themselves and concerned person, according to the regulations of the Stock Exchange of Thailand (SET) and the Securities Exchange Commission Thailand (SEC). Other rules and regulations on procurement, accounting, budgeting, finance and human resources Management are clearly established.

*Throughout the year 2011, there is no event or action that is against the Company's Business Ethics and Corporate Governance Policy.*

## 2. Shareholders' Right

The Board of Directors implemented the "Shareholder's Right" in 2007. The policy is used as a guideline for treating its shareholders who are the owners of the business. This reflects the Company's high respect of the basic rights of shareholders and commitment to ensuring that shareholders' basic rights are well protected. With the Board of Directors' commitment to continuously protecting the shareholders' rights, the Company has not found any event or action that suggests the infringement of shareholders' right throughout the year 2011. The Company also ensured that its policy is strictly implemented as follows:

### 2.1 Right to Receive Information and Significant Information in Accurate, Sufficient and Timely Manner

The Company views that quality of the disclosure of information and significant information, both financial and non-financial, is very important. The information shall be accurate, clear, updated, timely, transparent, and not be one-sided but include both positive and negative information. The information must be equally accessible to all shareholders. However, the disclosure of information shall not create too much cost for the Company or cause the Company to lose its competitiveness. The Board of Directors gives high priority to significant information disclosure that strictly follows related rules and regulations. Examples are immediate disclosure of significant information, equitable disclosure of significant information to the general public, immediate clarification in case of rumors or related news, action taken in case of irregular stock trading; no disclosure of information without reasons and insider's trading.

The Company clearly appointed persons who are responsible for information disclosure as follows:

- *The persons authorized to disclose information and significant information* are the Chairman of the Board, Directors, Chief Executive Officer (CEO), Chief Operating Officer, Chief Finance Officer and Deputy Chief Executive Officer
- *The Corporate Secretary Officer* is responsible for preparing document related to information and significant disclosure through the Securities Exchange of Thailand's electronic channel, annual report (Form 56-2) and being the contact person for the SET and the SEC.
- *The Accounting Division* is responsible for preparing financial information, explanation and the Management analysis of the Company's operations and financial status
- *Investor Relations Department* is responsible for preparing the Form 56-1 and analysts meeting
- *The Corporate Relations Division* is responsible for the preparation of information disclosure document, media release and press conference.

The Company provides information, both in Thai and English, through its website ([www.ratch.co.th](http://www.ratch.co.th)), to provide additional communications channel in order that shareholders, investors, interested persons and the general public can have easy access to the Company's updated information. This also provides two-way communications that will lead to good understanding between the Company and investors. The Company regularly arranges analyst meetings, local and international road shows, press conferences to announce quarterly and annual performance, distributes news and photo releases of the Company's activities to the media, arranges plant visits for institutional investors and analysts, and media relations activities.

*In 2011, the Company accurately and completely followed rules, regulations, criteria, conditions and procedure related to information, significant information disclosure and other operations. There is no punishment from not submitting or late submission of document. Details of the Company's information disclosure are as follows:*

(1)	Disclosure of periodic reports such as financial statements, quarterly financial statements, annual report and Form 56-1	13 times
(2)	Disclosure of non-periodic reports, such as the 2011 Annual General Meeting of Shareholders (AGM), resolutions of the AGM 2011, dividend payment, investment projects, progress of investment projects, and establishment of subsidiaries to support investment plan	40 times
(3)	Analyst meeting	3 times
(4)	Meeting with local investors	45 times
(5)	International road shows	4 times
(6)	Press conference on operational performance and Corporate Social Responsibility	6 times
(7)	Distribution of news and photo releases about the Company's activities	41 times
(8)	Shareholders' plant visit	1 time
(9)	Media relations activities	9 times
(10)	Exhibition, event Management and interviews	29 times
(11)	Website hits/pageviews for 2011	50,000 times

## 2.2 Rights to Share Ownership Registration or Transfer

The Company appointed Thailand Securities Depositories Company Limited (TSD) as its registrar responsible for the Company's share deposit, collecting and updating shareholders' information and provides services to shareholders, such as issuing, depositing, withdrawing and transferring of securities certificates, as well as remitting benefits to the shareholders. Shareholders can contact TSD directly at the TSD Call Center at 66 (0) 2229 2888. At present, TSD offers online service through an investor portal. Shareholders can apply for the service at <http://www.tsd.co.th/investorportal/>.

## 2.3 Right to Attend Meetings

The Board of Directors fully values and respect shareholders' rights by encouraging the shareholders, who are regarded as the Company's owners, to participate in the shareholders' meeting in order that they are involved in significant decision making, updated of the Company's performance and audit the performance of the Company's Board of Directors and Management. The Company views that shareholders' meeting arrangement is a duty and responsibility to be fulfilled in accordance with related laws and the AGM Checklist prepared by Thai Investors Association, the Listed Companies Association and the SEC. The Company and its Management take this as their responsibility to ensure that the shareholders meeting is transparent, fair and equally benefits all shareholders and stakeholders.

### Shareholders' Meeting

In 2011, the Company held one shareholders' meeting "the 2011 Annual General Meeting of Shareholders" - on Monday 28 March 2011, starting from 14.30 hrs. and ending on 17.30 hrs., at Vibhavadi Ballroom, the Centara Grand at Central Plaza Ladprao Bangkok Hotel, located at 1695 Paholyothin Road, Chatuchak, Bangkok. The meeting venue is easily accessed through public transport system, which provides great convenience for shareholders to travel to the venue. The place has enough space to accommodate a large number of participants. The Company fully provided meeting facilities, including audio-visual equipment to support presentation on meeting agenda, computer and barcode system that enables fast shareholder registration and accurate and transparent ballot.

In the shareholders meeting, registration was opened at 12.30 hrs., two hours before the meeting time. Shareholders who arrived after the meeting began could register until the meeting adjourned. The Company did not limit the shareholders' right to attend the meeting and vote on the agenda under consideration and that resolution was not yet made. The Company also

provided opportunity for shareholders to decide whether to attend the entire meeting or to attend some specific sessions. Persons appointed by the Chairman of the Boards were responsible for registration. The Company also set simple process for checking identification document that shareholders have to present to attend the meeting as informed earlier in the meeting invitation.

In 2011 Annual General Meeting of Shareholders, 1,504 shareholders and representatives attended, accounting for 78.72 per cent of the total shares sold, which constituted a quorum according to the Company's Articles of Association. The Chairman of the Board acted as the meeting's chairman according to the Company's Articles of Association. All Directors, the Management, auditor and legal advisors all participated in the meeting to provide additional information and answers questions at the meeting.

#### Prior to the Meeting

The Company provided sufficient and timely information that assist shareholders' decision prior to the meeting. The Company informed the shareholders of the date, time, place and agenda together with details and Directors' opinions on each agenda via SET's ELCID on the date the Board of Directors resolved to hold the 2011 Annual General Meeting of Shareholders. The Company advertised the Annual General Meeting of Shareholders schedule for three consecutive days and no less than three days prior to the meeting date as required by the Company's Articles of Association. (Advertisement in Thai language newspapers was published on 16-18 March 2011 and in English newspapers on 19-21 March 2011.)

The Company delivered to the shareholders the meeting invitation to inform them of date, time, meeting place together with a map, meeting agenda which is arranged according to their priority, background, reasons and key issue of each agenda tabled for consideration or acknowledgement. The information included the Board of Directors' opinion on each agenda to assist shareholders in making decision. The Company also delivered to the shareholders the related document as follows:

- (1) The Company's Articles of Association related to shareholders' meeting
- (2) All document that shareholders have to present to attend the meeting, proxy appointment, registration, and voting rules
- (3) Previous meeting report that shareholders will have to rectify
- (4) Annual report which contains information about the Company's operation in the past year and on-going development projects, financial statements and explanation, and authorized auditor's report. In 2011, the Company prepared a short version of annual report (containing financial statement and operational performance) for the convenience of the shareholders to quickly acknowledge and audit the Company's performance. The full version of annual report was prepared in CD Rom format and distributed to all shareholders. The printed version was delivered to the shareholders upon request.
- (5) Profile and brief information of nominees for director election and definition of the Company's independent directors.
- (6) The Company provided proxy appointment, all three types, as designed by the Department of Business Development, Commerce Ministry, as well as a list and information about independent directors and the CEO who are appointed as the Company's proxy.
- (7) Individual shareholder's registration form with barcode for convenience and speed in registration.

The Company provided sufficient time for shareholders to study information and document prior to the meeting. Invitation to the 2011 Annual General Meeting of Shareholders and related document are the same as those sent to shareholders by post mentioned above, were also published on the Company's website since 22 February 2011, a month before the meeting date. The Company also assigned the Thailand Securities Depositories Company Limited, which is the Company's share registrar, to distribute the shareholders meeting invitation to all shareholders on 11 March 2011, no less than 7 days prior to the meeting date as required by law.

The Company informed the shareholders in the meeting invitation and on its website that they were encouraged to ask questions or ask for more information about the topics stated in the meeting agenda, or provided advices and opinions that are useful for the Company's operation prior to the meeting date through post, fax and email to corporatesecretary@ratch.co.th. The Company would then clarify or provide additional information at the meeting. In the 2011 Annual General Meeting of Shareholders, no shareholder sent in questions or suggestions to the Company prior to the meeting.

Providing sufficient information prior to the meeting and facilities are parts of the Company's attempt to encourage shareholders to exercise their basic right in participating in the shareholders' meeting. Such provision has enabled the Company to successfully organize the shareholders' meeting which attracted more and more shareholders, both individuals and proxy, attending the meeting.



### During the Meeting

Before 2011 Annual General Meeting of Shareholders began, the chairman of the meeting announced the quorum, assigned the Company Secretary to take minute and prepare the meeting report, and introduced the directors, Management, auditors and legal advisors attending the meeting. The meeting chairman also declared all the meeting procedures including vote counting to meet with the shareholders meeting regulations of listed companies designed by the SET and to ensure that all shareholders clearly understand all the details as earlier informed in the meeting invitation. The chairman also informed the meeting of voting rules, including separate ballots for each agenda for each shareholder that each shareholder already received when register. Voting process was made simple. The chairman asked the meeting to raise hands if disagree or do not wish to vote in order that the Company's staff members would collect their ballots. Computerized and barcode systems were used in vote counting. The chairman informed the meeting that the Company invited a representative from its legal advisor to act as an independent inspector to ensure the meeting was transparent and complied well with the laws and the Company's rules, to check other process, including checking document presented by the shareholders or their assigned representatives, the quorum, stakeholders who do not exercise their voting rights and vote counting; to ensure that the vote counting process comply with the Company's rules and the rules announced by the chairman; and to ensure that all ballots were collected from all shareholders attending the meeting, especially for director appointment session, and that meeting resolutions and vote counting were correct.

The Board of Directors strictly adheres to a principle of not taking any action that will infringe or derogate the right of the shareholders. In all ordinary shareholders' meeting, the Company has never abruptly informed the meeting of additional significant information, added new agenda for approval, or changed significant information without prior notice. The Company realized the necessity for the shareholders to study the information before making decision. The matters proposed to 2011 Annual General Meeting of Shareholders all complied with the legal requirement. The Chairman of the Board who acted as the chairman of the meeting controlled the meeting process in the same order as informed in the meeting notice without no agenda switching.

After providing background, details and full information for each agenda, the meeting Chairman allocated appropriate, sufficient and equal time for discussions that would encourage the meeting attendants to ask questions for the Board of Directors and the Management to clarify for full understanding on related matters. The meeting Chairman then asked the meeting to vote. After the vote counts, the chairman reported voting results by dividing into "agree", "disagree" and "abstention" votes. In each agenda, the Company provided ballots for each shareholder. A computerized system was used to provide convenience for vote counting. The director appointment and remuneration are treated as two different agendas and are voted separately. Individual vote was arranged for new director appointment.

The Board of Directors allowed for other agendas (if any) in order to provide opportunities for the shareholders to propose additional issue other than those set in the meeting agenda. According to the Company's regulations, to propose a new agenda for the shareholders' meeting to consider, the shareholders who propose the new agenda must represent no less than one third of the sold stocks. In 2011 Annual General Meeting of Shareholders, no other agenda was proposed for voting. Only some recommendation and questions about the Company's operations were raised as recorded in the meeting report.

*The Company conducted the 2011 Annual General Meeting of Shareholders according to the order informed in the meeting notice, provided completed and sufficient information and offered full opportunity for the participants to ask questions. The Company's Board of Directors and Management clearly answered the questions. The Company ensured that the voting system and tally are convenient and transparent and conducted by independent persons who have no conflict of interest in auditing the process.*

### After the Meeting

The Company submitted to SET the resolutions of the 2011 Annual General Meeting of Shareholders, including voting results of each agenda which specified in detail the agree, disagree and abstention votes, and their percentage. The results were documented and submitted to the SET by post and through SET's ELCID before 9.00 hrs. of the next working day after the meeting date.

The Corporate Secretary Office recorded and prepared meeting report in writing by clearly and adequately recording essence of each agenda, questions by the shareholders and clarifications by the Board of Directors and Management, the recommendation from the meeting, and the meeting resolutions, including detailed voting results in all categories. The Company submitted the complete report signed by the chairman of the meeting to SET, SEC and the Registrar (the Department of Business Development) for reference. The report was published on the Company's website on 5 April 2011, before the 14-day deadline required by law, to offer opportunities for shareholders to express their opinions without waiting for the next meeting.

The Company arranged a meeting evaluation form to collect opinions and recommendations from the meeting attendees. The information collected is used for further improving the arrangement of shareholders meeting in order to ensure transparency, efficiency and benefits to both the Company and shareholders.

*The Company received scoring of 100 points and recognized as "Excellence and Good Example" for the fourth consecutive year in the Thai Investors Association' Annual General Shareholders Meeting ranking of its ordinary shareholders' meeting assessment.*

#### **2.4 Right to Appoint or Depose Director and Determine Directors' Remuneration**

According to the Company's Articles of Association, the Board of Directors shall propose to the shareholders' meeting the appointment of new directors to replace the vacancy caused by rotation of office and the determination of directors' remuneration. The Company strictly respects this regulation and proposed this to the shareholders' meeting every year. Details are reported under the Management Structure section.

#### **2.5 Right to Appoint Auditor and Determine Auditor's Remuneration**

The Company's Articles of Association require the Board of Directors to propose to the shareholders' meeting the appointment of auditors and the determination of remuneration. The Company strictly respects the issue regulation and proposed the issue to the ordinary shareholders' meeting every year.

#### **2.6 Right to Receiving the Company's Profit Share**

Shareholders have the right to receiving profit share because they are considered as coowners of the Company depending on their shareholding proportion. The Company has paid dividend to shareholders considering its financial performance and dividend payment policy. (Details were published in the Dividend Payment Policy section)

Since its inception, the Company has constantly paid dividend every year. The Company's dividend receiving record showed that there were some accrued dividends. The Company therefore tried to contact the shareholders by informing them of the details of dividend reimbursement, coordinating with concerned organizations to reissue new cheques in case of lost or expired cheques, and facilitating the transfer of shareholding rights to the beneficiary who will receive the dividend in case of the shareholders' death. The Company also encouraged the shareholders to register for e-Dividend payment for their convenience in receiving the dividend.

##### **Record Date for the Rights to Receiving Dividend**

At the 2011 Annual General Meeting of Shareholders, the Company following the SET recommendation about the "Record Date" to determine the list of shareholders who would have right to attend the shareholders' meeting and to receive dividend. The record date was set up on 1 March 2011. Under the Record Date method, book closing took place on 2 March 2011. Shareholders whose names appeared on the book had the right to attend the 2011 Annual General Meeting of Shareholders on 28 March 2011 and receive the dividend on 11 April 2010.

### **3. Equitable Treatment of All Shareholders**

The Company and the Management realized the duty of maintaining equitable treatment of all shareholders, regardless of major or minor shareholders, and Thai or foreign investors as stated in the Company's Shareholders Policy and the SET's guidelines and regulations for listed companies to maintain their status as listed companies on the SET and to ensure that all shareholders' basic rights are protected.

#### **3.1 Access to the Company's Information**

The Board of Directors ensured that all shareholders can equally have access to the Company's information mainly through SET's channels. The Chairman of the Board, Directors, Chief Executive Officer, Chief Operating Officer, Chief Finance Officer and Deputy Chief Executive Officer are the authorized persons responsible for the Company's information disclosure. The Company is provided as an additional channel for communication, including website. Shareholders can also seek information from related divisions which are the Corporate Secretary Office, Corporate Relations Division and Investor Relations Department.

#### **3.2 Preparation of Bilingual Document**

For equal treatment of both Thai and international investors, the Company prepares all published information in both Thai and English languages, including all the information provided through the SET's ELCID, meeting invitation, meeting document and report, press conference and the Company's website.

### 3.3 Proposing Additional Agenda for the Annual General Meeting of Shareholders' and Nominating Directors Prior to the Meeting

Since 2008, the Company has adopted SET's recommendation encouraging listed companies to offer opportunity for minor shareholders to propose meeting agenda and/or nominate persons for director election in advance. The Company published an invitation to the shareholders through ELCID and the Company's website on 15 September 2010, providing clear details about criteria, method, process and channel of agenda proposing. The announcement was published for three months (from 1 October - 31 December 2010). However, none of the shareholders proposed additional agenda or nominated persons for director election.

### 3.4 Proxy Appointment

Shareholders who cannot participate in the shareholders' meeting can appoint other persons to attend the meeting and vote on their behalf. The Company prepared and delivered proxy document to the shareholders together with the meeting invitation. Proxy is available in three forms as designed by the Department of Business Development. *Form A* is the general proxy appointment. *Form B* is a proxy appointment that lists specific items for proxy appointment. *Form C* is the proxy appointment that is used only when the shareholder is a foreign investor with a custodian in Thailand. Shareholders can also download the proxy document from the Company's website or use other form of proxy or prepare it themselves.

The Company suggested three independent directors and the CEO and personal information of conflict of interest status of each person were provided on each concerned agenda for shareholders to appoint as their proxy to attend the meeting and vote on their behalf. In the meeting, 212 shareholders assigned the Company's independent directors as their proxy while 17 shareholders assigned the CEO as their proxy.

### 3.5 Ballots

In voting at the annual ordinary shareholders' meeting, the Company prepared and provided ballots for every participant. Computerized system was deployed for tallying. In voting for directors, individual vote and ballot was kept as reference.

### 3.6 The Company Proposed No Additional Agenda

The Board of Directors has the policy not to propose new agenda other than those informed in the meeting invitation as it realizes that it is important and necessary for the shareholders to study information before making decision. Shareholders can propose additional agenda for consideration if necessary, by following the Company's Articles of Association. At 2011 Annual General Meeting of Shareholders, there was no additional agenda proposed.

### 3.7 Prevention of the Abuse of Inside Information

Since the inception of the Company, the Board of Directors has formulated measures to prevent Directors and the Management from insider trading. The Board of Directors has prepared written guidelines on internal information keeping and prevention of internal information usage for abusive self-dealing. The Company also required its Executives, and employees to directly report any changes in the Company's portfolio of themselves, their spouses, and children who have not become sui juris to the CEO within three working days after the changes happened. The guidelines were announced in 2003 and continue to be effective today.

### 3.8 The Company's Portfolio Report

The Board of Directors and the Management have the duty to report the Company's stakes and changes in the portfolio to the SEC. The Board of Directors required reports on portfolio changes of the Company, its directors, executives, spouses and children who have not reached legal age included as an agenda in the monthly meeting of the Board of Directors.

*In 2011, there is no complaint related to inequitable treatment of shareholders or charge on directors or executives for not reporting portfolio as required, or on the use of insider information for abusive self-dealing or others' benefits.*



## 4. Roles of Stakeholders

### 4.1 Stakeholders Policy

When the Company announced the Corporate Governance Policy in 2003, the stakeholders care principle was incorporated into the policy for Directors, executives and employees to use as guidelines. It is stated in the policy that the Company shall *"promote and supervise to ensure that legal rights of stakeholders, such as customers, employees, business partners, shareholders, investors, creditors, competitors, independent auditor, government and communities in which the Company operates its business, are well protected and treated."* Since 2007, the Board of Directors has also prepared and implemented specific policy for each group of stakeholders, which has been published on the Company's internal communication channel and on its website. The policies include the Shareholders Policy, Employees Policy, Social and Environment Policy, and the Network and Computer Usage Policy.

Based on the policies announced by the Board of Directors, the Company took various actions in 2011 as follows:

#### Shareholders:

In 2011, the Board of Directors and the Management have ensured the compliance with the Shareholders' Policy related to basic right protection; equitable treatment of shareholders; quality information disclosure; encouraging shareholders to attend shareholders meeting to participate in decision making on significant matters and to acknowledge the Company's operation and activities, as well as to monitor the Board of Directors and the Management's performance; implementation of measures to prohibit the use of insider information for personal interest of the Board of Directors or the Management to protect shareholders' benefit; and ensuring no infringement of shareholders' right. Details are as reported in the Shareholder's Right and Equitable Treatment of Shareholders sections. With clear guidelines, *there was no complaint about the shareholders right infringement, Board of Directors' mistakes or abusive-self dealings by the Company's executives.*

#### Employees and Human Resources Management:

The Company assigned the "Human Resources Division" to be responsible for human resources development and Management and other activities under the Company's employee policy. People are viewed as the most valuable resources and a significant factor enabling the Company to achieve its goal. The Company, therefore, carefully recruits capable persons with experience and constantly develops their skills as well as retains capable persons. The Company established provident fund and consistently contributes to the fund at progressive rate dependent on employment period, and ensures appropriate employee's benefits and remuneration that is within industry standard range, and good and safe work environment. Such provision ensures that its employees have good security and confidence so that they are willing to make good contribution and yield good performance under their duty and responsibility. Furthermore, the Company prepared a manual for employees being assigned to work in other countries. The manual provides interesting information about particular country, such as law, social etiquette, culture, language, dos and don'ts and emergency assistance in order to help employees settle easily in the country where they are posted and where the Company has investment activities.

The Company has prepared the position structure that includes clear career path development to help employees to grow to their full capability, and have the opportunity to further develop their knowledge and capability as well as the Company's core competency, including drive for results, strategic thinking, teaspirt, integrity, relationship building, networking, and functional competency, such as business acumen, initiation, risk Management, conceptual thinking, impact and influence, and innovation. The Company provided specific training plan for each position, internal and external trainings, both in domestic and international. Clear succession plan for mid and high level executives is in place in order to help systematically and continuously develop its employees and enable them to develop strong leadership and to be ready for greater responsibility in higher positions, for future tasks and the ever-changing business environment. The Company also strengthens its relationship with external organizations, both in government agencies and private organizations. Foreign language (English and local language) skill development programs are available for all employees. The Company coordinates with leading language institutes in preparing long-term program to ensure continuous development.

Human Resource Information System (HRIS) has been developed to enhance efficiency in human resources operation in all process through online system. Systematic performance appraisal is in place where employees' performance is appraised every year. Supervisor and the employee have to work together in setting goal. Appraisal result is taken into account when considering annual pay raise.

To encourage employees to participate in organizational development, the Company arranged for the election of *"Employees' Welfare Committee"* as required by law, as well as developed other internal communications channel to communicate policy and information throughout the organization while receiving opinion and useful recommendation from employees. Such channels include the Intranet, regular internal meetings between the Management and employees as well as the informal meetings between employees from different disciplines.

The Company has arranged the activities to promote public consciousness, solidarity, and work-life balance, such as encouraging employees to participate in various public service activities at least three days per year. The *"Social Activity Committee"*, the Buddhism Club, the Health Club, the Sports and Entertainment Club are among various activities initiated under this purpose.

In 2011, the Company has implemented organizational restructure. Development of overseas business and related business to better address the Company's strategic direction and strategies, current situation and business environment were introduced. Efficiency in Management and decision making within the organization have been enhanced. Participation from employees at all levels is crucial to identifying shared values, including professionalism, passion for excellence, collaboration and good governance. *In the past year, there was no conflict or dispute between the Company and its employees and no accident that interrupts the Company's operations. Ratchaburi Electricity Generating Company Limited received the Outstanding Organization Award 2011 - Labor Relations and Benefits for the fourth consecutive year.*

#### **Community, Society and Environment**

Social and Environmental Policy promotes participation from community and gives high priority to good communications to ensure its position as "a good neighbor", as well as to promote community development for sustainable living, local culture and tradition conservation and environment preservation for natural and life balance.

In ensuring good understanding and strong relationship with communities in the area where the Company has or plan to have business activities which are important to the Company's success, the Company strictly follows His Majesty's *"Understand, Reach and Develop"* concept in its operations.

In 2011, the *"Love the Forests and the Community"* project was continued, in cooperation with the Department of Forestry, for the fourth consecutive years. The Community Forest Contest was held, where the winners won a trophy from HRH Princess Maha Chakri Sirindhorn. In addition, the Community forest leaders' network seminar was held to promote sharing of knowledge and learning among people in the network. The "Kla Yim Urban Forest" Project was initiated where temples and schools with good control systems are selected and developed to make them the learning centers for communities, students and general public. Kasetsart University was invited as the third party to conduct project performance assessment. The information collected from the assessment is then used for further project improvement to effectively address the project's objectives.

In cooperation with the Energy Ministry, two special projects were launched to celebrate the 84<sup>th</sup> birthday anniversary of His Majesty the King on 5 December 2011. The "84 Community Forests Reforest Project", held in cooperation with the Forestry Department, is aimed to grow trees in 84 community forests nationwide, each with 10,000 trees, totaling 840,000 trees. The other is Algae Cultivation for Global Warming Reduction Project under which carbon dioxide from Ratchaburi Power Plant is used to grow spirulina algae for animal feed.

The Company's group has also participated in various public activities, such as assistance to people suffering from drought, relief mission and rehabilitation for flood affected people, and the constant and continuous improvement of quality of life and environment in the communities in which the Company operates. The Company's group was also regularly involved in projects and activities initiated by its subsidiaries, local communities, local administration, governmental agencies and other organizations.

The social and environment policy was also introduced in other countries in which the Company has active business activities. In 2011, the Company initiated a skill enhancement for career development project in Lao PDR. The project helps support Ministry of Education and Sports, Lao PDR in their professional training and skills development to serve the country's rapid development.

Last year is the second consecutive year that the Company splitted its Social Responsibility and Environment Report from the Annual Report. *With strong commitment to the Social and Environment Policy, the Company received no complaints and had no dispute related to the impact from the Company's operations on community, society and the environment in 2011.*

### Network and Computer Use

The Company has introduced the "Network and Computer System Policy" since 2010. The policy draws guidelines for employees and network managers' operation to ensure smooth, efficient and most effective use of the computer network, as well as strict compliance with the Computer Crime Act. The Company also improved the efficiency, security and prevention to network harm.

### Others stakeholders

Although the Company has not yet announced specific policies on stakeholders other than stated above, such as customers, partners, investors, creditors, competitors, independent auditor and government agencies, the Company is aware of their importance and possible impact of the Company's operations on them. As a result, the Company has ensured that all the stakeholders are treated well under the guidelines for the Management and employees' practice which are specified as part of the Business Ethics. (Details of Business Ethics on the Company's website)

### 4.2 Report on Conflict of Interest of Directors and Executives

The Board of Directors has created the "*Conflict of Interest of Directors and Executives Report Form*" and required all Directors and Executives to prepare conflict of interest reports for themselves and their related persons. The report must be submitted to the Corporate Secretary for reference and further submitted to the Chairman of the Board of Directors and the Chairman of the Audit Committee. The report is used for the Board of Directors' consideration and decision on stakeholders who have or may have conflict of interest and do not have voting rights on the Company's transactions. This enables the Board of Directors to make the right decision for mutual benefits and in compliance with the Securities and Exchange Act.

### 4.3 Guidelines for Transaction that May or May Not Have Conflict of Interest

The Company's rules on Directors included the transparent Management of conflict of interest. The rule specified that directors who may have conflict of interest on any particular area shall not have the right to vote at the Board of Directors' meeting during a consideration in that area.

The Board of Directors, through the approval by the Audit Committee, has ensured that connected transaction between the Company and its subsidiaries are in the best benefits to the Company, its subsidiaries and shareholders. Transactions between the Company and its subsidiaries are considered based on the same pricing and conditions as in transaction with other business entities. Accurate and complete disclosure of such transactions is required according to related regulations. For flexibility and convenience, the Board of Directors authorized the CEO to approve normal connected transactions or regular business transaction, with general conditions and trade agreement, within 30 million baht limit. The transaction shall be reported at the quarterly Board of Directors' meeting, according to the Article 89/12 under the Securities and Exchange Act.

### 4.4 Not Requesting, Accepting or Paying on Irregular Items

As stated in its Business Ethics, the Company does not request, accept or make any payment related to irregularities to and from its trade partners and/or creditors. This policy has been strictly implemented since the Company's inception.

### 4.5 Risk Management

The Board of Directors announced the "*Risk Management Policy*" and has appointed the "*Risk Management Committee*" since 2003 in recognition of the importance of risk Management. It considers that risk Management shall be handled thoroughly and provides for appropriate measures to prevent and restore possible impact on different stakeholders. (Details are as in the Management Structure and Risks from Business Operations section.)

### 4.6 Complaint and Report on Irregularities Clue

Stakeholders can communicate directly with the Company or through the provided channels, including website where they can contact the Corporate Secretary, Public Relations or Investors Relations units, or other channels that stakeholders view as appropriate. Stakeholders can report clues or lodge complaints about actions that breach the law or ethics, incorrect financial statement, or problems with internal control to the Company's Independent Directors or the Audit Committee for further investigation and reports to the Board of Directors. Specific channels are provided for employees to report and complain on unfair treatment according to the Company's regulations on Personnel Management under Complaint section.



#### 4.7 Community Participation

One of its top priorities under the Company's social and environment policy is to promote community participation which has been implemented in every stage and period of its operation and project development. During project development period, the Company studied technical information in parallel to a study on economic, social, culture and way of life of the nearby communities in order to prepare community participation plan and key communication messages as well as activities to promote understanding between the project and communities. Public hearing was also held to provide opportunity for the communities to share their view on the areas required by government agencies and related authorities. During the construction period, the Company communicated regularly with the communities to ensure understanding of the project development and the Company's policy. When the project is up and running, effective communications with the communities continue. The Company always listens to the communities' recommendation for on-going development and improvement of activities that better address community needs.

Ratchaburi Electricity Generating Company Limited also initiated the *"Ratchaburi Power Plant Environmental Inspector Committee"*, comprising representatives from communities, community leaders, local administration and provincial administration. The committee is responsible for monitoring and ensuring that the power plant operations are in accordance with the Ratchaburi Power Plant's prevention and reduction of environmental impact measures stated in the environmental impact assessment and environmental quality monitoring operation plan. The committee also acts as the center for cooperating with power plants, providing information and news update or problems and possible issues that may cause problems, and recommendation shared by communities. The meeting serves as another important channel that promotes community participation in monitoring the Company's operation.

#### 4.8 International Environment and Occupational Health Standard

The Company has encouraged its subsidiaries to adopt international standard operations. In terms of the environment, all the power plants within the groups, including the Ratchaburi Power Plant, Tri Energy Power Plant, and Ratchaburi Power Electricity Generating Plant, have implemented the ISO 14001 standard in their facilities and strictly monitored the system efficiency.

In 2011, the Ratchaburi Power Plant has integrated and implemented the OHSAS 18001 standard with the ISO 14001 standard.

### 5. Disclosure of Information and Transparency

#### 5.1 Quality of Disclosed Information

Quality of disclosed information includes accuracy, completeness, clarity, sufficiency and timeliness as mentioned in the Shareholders' Right. The Board of Directors has prepared the Board of Directors' Report on its Responsibility to Financial Report and published it together with the Auditor's Report in the annual report and the Audit Committee provided its opinion on the quality of the financial statements as published in the Audit Committee's Report.

The quality disclosure of significant information to outsiders demonstrates to the public the Company's commitment to maintain operational transparency. In addition, it promotes confidence and credibility of investors and stakeholders. The Board of Directors and the Management, therefore, have ensured that the assigned persons disclose significant information not only at the minimum legal requirement but also by taking into account equal rights of investors to have access to such information.

#### 5.2 Information Disclosure Channels

The Company has clearly assigned specific persons to be responsible for the disclosure of different types of information. SET's electronic communications channel is used as the main channel for information disclosure. The Company also prepares website, press conference to announce its performance, analysts meeting, press release distribution, local and international road shows and other activities as reported under the Shareholders' Right section.

#### 5.3 Investor Relations

The Company assigned the *"Investors Relations Department"* to be the center for communicating, providing information and news, as well as fairly and equally arranging activities to create and strengthen relationship between the Company and its shareholders, institutional investors, individual investors, analysts and concerned government agencies. The department is also responsible for preparing annual investors' relations plan. The Company's CEO and top executives always acted as the Company's spokespersons who report, provide additional information, clarify and answer questions at the analyst meeting, local and international road shows. Interested persons may contact the Investors' Relations Department by sending letter by post to the Company, or call 66 (0) 2794 9841 or fax 66 (0) 2794 9929 or through the Company's website [www.ratch.co.th](http://www.ratch.co.th) or sending emails to [ir@ratch.co.th](mailto:ir@ratch.co.th).

#### 5.4 Disclosure of Director and Executive Remuneration Policy and Payment

The Board of Directors has disclosed the director and executives remuneration payment policy and individual director and executive remuneration by categories as explained under the Management Structure section.

## 6. The Board of Directors' Responsibility

### 6.1. The Board of Directors Structure

#### Composition and Qualification

The Company carefully reviewed the existing Board of Directors structure in order to ensure it appropriately matches their duties and complies with the rules and guidelines provided by laws and concerned regulatory agencies. The Company also takes into consideration the Company's regulations as approved by the shareholders' meeting and the Company's regulations on the Board of Directors section.

The Board of Directors comprises not exceeding 13 directors, which fits well with the Company's nature of business. Out of them, five are independent directors, representing more than one third of the total Board of Directors. The rest are directors representing EGAT, which is the Company's major shareholder.

Directors have diversified skills and knowledge, including engineering, economics, accounting, business administration, laws, administration experience, specialization, skills and age. Such diversity provides greater benefits to the Board of Directors, especially in supervising the executives' Management and operation and providing extensive and in-depth opinions that includes all concerned factors in each matter. All of the members of Board of Directors have no offence against property history and no involvement in transaction that may cause conflict of interest to the Company. (Profile of each director is published in the "Board of Directors".)

Each director remains in office for no more than three consecutive 3-year terms and his/her age shall not exceed 72 years old. The directors shall have all the required qualification and shall not have legally prohibited qualifications. (Details are reported in the Management Structure).

*The Company's Board of Directors Structure and qualifications of the directors and independent directors complement well with the Company's mission and objectives, as well related laws and regulations and corporate governance guideline.*

#### Segregation of the Chairman of the Board of Directors and Chief Executive Officer (CEO)

Chairman of the Board is a non-executive director, not the same person as the CEO and has no relations with the Management.

The CEO is the only executive director of the Company.

Duties of Chairman of the Board and the CEO are clearly separated. The Chairman of the Board is the leader and plays a vital role in making decision on the Company's policy according to joint meeting between the Board of Directors and the Company's Management on the Company's business goal. The Chairman of the Board leads and conducts the meetings in efficient and effective manner, and encourages all directors to participate in the meeting and openly express their opinion. The Chairman of the Board also supports and provides recommendation for the Management operation through the CEO and does not intervene in routine work carried out by the Management.

The CEO is the top executive of the Company's Management whose responsibilities are explained under the Management Structure section.

The segregation of the Chairman of the Board and CEO positions has ensured proper check and balance and prevented one of them to have excessive power. Responsibilities and authorities of both positions are clearly separated, which is part of the corporate governance practice.

#### Chairman of the Board's Independence

Despite the fact that the Chairman of the Board is the representative of EGAT which is a major shareholder holding 45 per cent of the Company's total stake, the Board of Directors comprises five independent directors, more than one third of the total number of directors. As a result, the directors can independently perform their duties as the shareholders' representative and there is a proper balance. The Chairman of the Board independently performs his duty and does not influence or convince other directors during discussions, encourages all directors to discuss and express opinion openly by giving sufficient time to find mutual resolution on all matters considered at the Board of Directors' meeting.

### Secondment

None of the Company's director holds positions in more than five other listed companies, which complies with the SET's recommendation on efficiency and time contribution.

To enable the CEO, who holds the top position in the Management, to fully perform his duties and have the chance to exchange experience and strengthen relationship with other companies, the CEO may hold directorship in no more than five state enterprises or listed companies, not including subsidiary, affiliates or joint ventures that the Company has to be involved in their Management to protect the Company's benefit. Last year, Mr. Noppon Milinthaggoon, CEO, did not hold directorship in other company than the Company's subsidiaries and joint ventures. The Company also allowed other directors to hold directorship and Management positions in subsidiaries and joint ventures which are in line with their experience, knowledge and responsibilities.

The Board of Directors has formulated the Company's regulations on subsidiaries, affiliates and joint ventures supervision guidelines. The guidelines cover clear criteria for the appointment and responsibilities of the Company's representatives assigned to hold directorship or hold stakes in the companies in which the Company invests in to ensure supervision efficiency of their operations. (Information about directors and executives holding positions in other companies are reported in the Company's Directors and Company's Management's profile section)

### Director Selection

The Board of Directors has set a director selection process that is transparent and beneficial to the Company. Nominees are screened by the Human Resources and Remuneration Committee. The appointment of directors who resign in the middle of the year is approved by the Board of Directors. The appointment of directors who resign due to rotation of office, however, must be proposed at the annual shareholders meeting for approval. (Details about director selection are reported in the chapter on Management Structure section).

### Secretary to the Board of Directors and Corporate Secretary

The CEO is appointed the Board of Directors' Secretary by the Board. The *Corporate Secretary Office*, which reports directly to the CEO, is responsible for the Board of Directors' meeting arrangement and coordination on matters related to the Board. The Management also appointed Mrs. Boontiva Dansamasatid, Executive Vice President - Corporate Administration and acting Vice President-Head of Corporate Secretary Office as the *Corporate Secretary* whose responsibilities and duties are according to the Securities and Exchange Act. The Chairman of the Board informed the SET and SEC of the appointment and the place where information is stored. (Details about the appointment and responsibilities of the Company's Secretary are reported on Management Structure section).

## 6.2 Committees

The Board of Directors has appointed four committees as appropriate and necessary to assist it in studying information, screening work and making recommendation, which enables the Board to perform its duty more efficiently. The four committees are the Audit Committee, the Human Resources and Remuneration Committee, the Risk Management Committee and the Investment Committee. (Details of the composition and responsibilities of all committees are reported on Management Structure section.)

## 6.3 Roles, Duties and Responsibilities of Directors

Each of the Company's directors realizes the responsibility towards the shareholders who are the business owners and have the right to appoint the directors. Fiduciary Duty covers four major responsibilities namely Duty of Care, Duty of Loyalty, Duty of Obedience and Duty of Disclosure. The Board of Directors is committed to independence in decision making for the best benefits of the Company and shareholders.

### Responsibility in Formulating Policy and Operation Direction

To ensure strong basis for effective and efficient Management that supports the Company's growth and sustainability, the Board of Directors has worked closely with the Management in formulating and implementing policies as already discussed under the Business Ethics and Corporate Governance Policy.

The Board of Directors is responsible for working with the Management in formulating the Company's vision, mission, business plan, goals, business strategies, budget, organizational structure and remuneration structure. The Board of Directors also ensures that the Company's vision, goal and performance are clearly communicated to Directors, the Management and employees and are regularly reviewed every year or when necessary.



In formulating strategies, the Board of Directors and the Management jointly consider various information, including the nature and structure of the Company's business, vision, mission, policies, goal, investment plan and performance result and appraisal compared to the business goals. Both also consider internal environment, namely Management structure, personnel finance, strategy selection, partner relationship and customer information, while considering external factors, including power business structure, and electricity production capacity development plan. Other factors taken into consideration are external factors that have significant impact on the Company's operations, such as government policy, electricity demand growth, oil price, production resource limitation (fuel and technology), economic, social and environmental limitation, competition in the power business, industry analysis, production factor and macroeconomic factors in international countries and the target selection in order to materialize the Company's vision.

#### Monitoring and Assessment of the Management

The Board of Directors also supervises and ensures the Company's operation fully complies with the corporate governance principles. The policy is regularly reviewed and communicated to directors, executives and employees of all levels. Result of corporate governance implementation is included in the annual report.

The Board of Directors requires the Management to regularly report to the Board of Directors' meeting a number of areas (Monthly reports include operational performance analysis, progress of the Company's investment projects, financial report on short- and long-term investment projects, cash flow, and the highest electricity generating capacity report, electricity capacity within EGAT and national systems, and energy stock prices). Quarterly reports include quarterly financial report while annual report includes annual financial reports, annual operational performance compared to target, and the reports by the committees appointed by the Board of Directors

In case that the operational performance is different from target because of controllable factors, the Board of Directors demands the Management to analyze the reasons and then closely monitor, accelerate and solve problems. In case the event is caused by uncontrollable factors, the plan and target must be reviewed or set a substitute target.

In addition to reports and routine monitoring, the Company's Board of Directors uses other channels to monitor the efficiency and effectiveness of operations. Other channels are executive meeting of the Company and its subsidiaries as well as monthly internal executive meetings, such as top executive meetings and division directors meetings, to monitor, acknowledge/prevent/ and solve operational problems. In addition, manager level employees are required to attend the internal Management meetings every three months.

#### Role in Initiating Necessary Changes or Handling Issues

The Board of Directors plays a significant role in setting or initiating important changes in the organization, such as organizational structure, managing redundancy, compensation structure improvement and business plan. The directors and the Management fully discuss all details before making decision.

The Board of Directors also places greater emphasis on community participation, green energy and carbon credit follow-up and implementation which becomes an increasingly important trend.

The Board of Directors has set up the "*Investment Committee*" to formulate strategies, goals, investment plan, investment budget, return on investment and other benefits from the investment in projects that will increase production capacity and accelerate growth. The committee is also assigned to scrutinize investment project proposed by the Management to ensure that all investment projects are connected with and support the Company's policy and goals. The committee also has to consider returns that are worth investment and ensure that related risks are within the accepted levels. Monitoring, investigation and assessment of approved projects shall be conducted and report to the Board of Directors for acknowledgement.

The Board of Directors plays a significant role in providing advices on solving problems and issues raised by the Management at the Board meeting. On sensitive issues, the Board of Directors will assign directors to consider and work closely with the Management. Directors who are representatives from government sector play vital role in providing clarification on government policies, rules and regulations and related practice, enabling the Company to better understand the intention of the regulations and take better action. Directors from private sector meanwhile help provide new ideas that promote operational efficiency. Directors provide recommendations to the Company according to their specialization, including legal, finance, tax and engineering. Directors on secondment assignment in subsidiaries and joint ventures have supervised the operations of the subsidiaries and joint venture to be in compliance with the Board of Directors and the Company's policy.

### Non-executive Director Meeting

The Board of Directors requires the non-executive directors to meet informally at least once a year to allow them opportunity to review and discuss the performance of the Board of Directors, Management and the Company, as well as discuss administrative problems without participation of the Management. Results from the discussion are applied in order to improve the efficiency of the Board of Directors. The meeting report is presented to the CEO after the meeting.

In addition, the Company organized informal meetings among directors, including the Company's activities, such as corporate social and environment responsibility projects, sports and entertainment activities held on various occasions to promote good understanding and good relationship among directors, and between directors, the Management, and employees.

### 6.4 Management and Elimination of Conflict of Interest

The Board of Directors and the Audit Committee have vital roles in formulating measures for managing and preventing conflict of interest and ensuring that all operations are reasonable and conducted for the best benefits of the Company and that information disclosure is complete and accurate according to the related rules and regulations. (Details are published under the Stakeholders' Role section).

### 6.5 Internal Control

The Board of Directors gives high priority to internal control, risk management and corporate governance in all operational levels. The Board clearly specifies and documented responsibility and authority of the Management and employees in writing, ensuring sufficient internal control that is appropriate for the Company's business operations. The Company provides for sufficient control on the Company's assets and property utilization and clearly identifies scope of responsibility of every level of operational staff to create check and balance. Accurate, systematic and timely financial reports are provided for the Management and public disclosure.

The *Internal Audit Division* was set up to be responsible for auditing all activities to ensure that the Company's operation is in accordance with the policy and guidelines set by the Management, and achieves the goals and objectives. The Internal Audit Division reports directly to the Board of Directors in order to perform its duty independently. The Internal Audit Division has assessed the sufficiency and appropriateness of internal control according to the COSO Internal Control Integrated Framework, covering Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring.

The Internal Audit Division prepares the annual internal control audit plan. The report which covers financial audit, operations audit and compliance audit is prepared and reported to the Audit Committee every quarter. The division also reviews and assesses the sufficiency and appropriateness of the internal control system and reports to the Audit Committee every year. In conducting audit, the Internal Audit Division follows the general standards of internal audit as guidelines with focus on independence and fairness. Regular internal auditor trainings, including individual training, are arranged to ensure quality of auditing activities.

*In 2011, the audit results and assessment of sufficiency and appropriateness of the internal control system report submitted to the Audit Committee and the Board of Directors showed that there is no irregular item and that the Company's internal control system is sufficient and appropriate for the Company's business.*

### 6.6 Risk Management

The Board of Directors views that risk management is important in preventing adverse impact on the business and all stakeholders. It formulated and implemented the risk Management policy across the entire organization and assigned the *"Risk Management Committee"* to identify risk factors, set measures in managing and control the risks to the acceptable level, report to the Board of Directors on quarterly basis and focuses on alarming factors or irregular items in order for the Company to adjust strategies and plans while being able to efficiently manage risks. (Details of the Risk Management Committee are unveiled in the Management Structure section and the Risk Management Committee's Report.)

### 6.7 The Board of Directors' Meeting

#### The Board of Directors' Meeting Practice

For maximum benefits of the Company and its shareholders, the Company maintains the Board of Directors' independence in decision making. All members of the Board of Directors perform their duty with integrity and for the best benefit of the Company. As representatives of shareholders, the Board of Directors closely leads, monitors the operations, guides, assists and supports the Management's operation.

### Meeting Schedule, Meeting Agenda and Document Preparation

The Board of Directors approved the Board's and committees' meeting schedules for the entire year and informed every director of the schedule. In 2011, the Board of Directors' meetings were scheduled at 4.30 p.m. of every third Monday of the month.

The Chairman of the Board of Directors and CEO jointly considered the matters to be included in each agenda to ensure that all significant matters are submitted to the meeting. They informed the directors in advance and distributed the meeting notice at the appropriate time according to the Company's regulation. Directors, however, are free to propose other matters to be included in the agenda and have to inform this 10 days before the meeting date. In case of urgent matters which may directly or indirectly affect the Company, directors can propose such matters for consideration or acknowledgement when the Board of Directors considers other agenda at the meeting. (Method for deciding matters to be included in the agenda and the method for directors to propose other matters are stated in the Company's regulations under the Board of Directors' section and on the Company's website.)

Meeting agenda is grouped for easy consideration and the meeting is run in the pre-set sequence - matters to be informed by Chairman, acknowledgement of the last meeting minutes, follow-up matters from the last meeting, matters for consideration, matters for acknowledgement, and others (if any). Regular matters to be proposed to the Board of Directors at the specific period, such as monthly, quarterly and annual agenda are set in advance. Schedule of monthly performance analysis report and progress of projects that the Company invests in are also reported to the Board of Directors' meeting every month and the financial report are quarterly and yearly reported.

The Company sends meeting invitation, agenda and related document to each director approximately one week prior to the meeting date, providing them with sufficient time to study the information. Directors may ask for more information from the CEO and the Corporate Secretary Office. Members of committees can ask for more information related to their tasks from the CEO and through the secretary of each committee.

### Roles of the Chairman of the Board, Directors, Management and Meeting Atmosphere

*Chairman of the Board* leads the meeting, sufficiently and adequately allocates time for directors to equally discuss and express opinions, encourages directors to participate in the discussion and freely express opinions, and summarizes the meeting's resolutions.

*Directors* positively share opinions based on the study of the information provided by the Management and additional information by considering the benefits and impact on the Company as well as risks for the Company and all stakeholders in order to obtain the meeting resolution. Directors shall contribute time, knowledge and experience to their role as a director of a listed company.

*The Management* is responsible for providing accurate, sufficient, complete and timely information that is relevant and necessary to support the Board of Directors' meeting decision, as well as present the information in advance in order to allow the directors sufficient time to study the information. The directors shall propose options to the Board of Directors, and provide information and clarify additional information when asked in the meeting. The Board of Directors requires top executives from all divisions to attend the meeting and invite other concerned executives for clarification on specific matters.

### Meeting Atmosphere and Expression of Opinions

The Company provides appropriate and sufficient meeting equipment and facilities. The meeting atmosphere is open and encourages all directors to participate in the discussion and openly and positively express opinions based on mutual benefit and impact on all stakeholders. Each meeting lasted 1.5 hours to two hours on average.

The meeting generally considers and discusses each agenda. The Management presents the background, rationale, importance, clarifications and related information to support decision making process and to support the Management's proposal. The Chairman of the Board allows sufficient time for all directors to discuss all issues and encourages directors to express opinions and ask questions on important matters for the Management to clarify. After that all will make decision together, leading to the meeting resolution.

The Company intends to propose as few matters as possible for the Board of Directors to rectify. In case of urgent matters or matters that involved the Company's benefit, the Management will informally meet with the Chairman of the Board and Directors to clarify and discuss in order to make decision on appropriate action and later proposed to the Board of Directors' meeting for rectification.



Directors who have conflict of interest do not have the right to vote on the matter (conflict of interest is considered based on the information provided in the conflict of interest report that directors and executives submitted to the Corporate Secretary) and this has been strictly implemented in all meetings.

In considering connected transaction or items that may involve conflict of interest, the meeting will mainly consider the benefits of the Company and shareholders. The meeting will consider the necessity and reasons for each matter the same way it does for other transactions. Correct and complete process and disclosure of information are highly weighted.

The Corporate Secretary provides initial recommendation to the Management and the Board of Directors to ensure that all the practice is in compliance with the related regulations, such as asset acquisition information disclosure, connected transaction and corporate governance.

#### **Meeting Report Preparation and Keeping**

The Board of Directors assigns the Corporate Secretary Office to record, prepare and keep the minutes of the Board of Directors' meeting and shareholders meetings.

Meeting minutes are prepared in writing and cover all important details, including date and time the meeting begins and ends, venue, list of attending directors and executives, list of absent directors, summary of the matters presented in the meeting, summary of the discussed matters, opinions and observation of the directors, the resolution of the Board of Directors, and the name of the person who takes notes. Meeting minutes are completed within 1-3 days after the meeting and delivered to all directors for improvement. If there is no addition or amendment is made within seven days, the report is considered approved and submitted to the meeting's Chairman to sign. A copy of the signed meeting report is then delivered to each director for reference.

After the meeting, the CEO communicates the written resolution to related organizations for acknowledgement and/or implementation. Monitoring of the implementation is assured while the implementation result (if any) is reported to the Board of Directors later at an appropriate occasion.

#### **The Board of Directors and Committee's Meetings**

In 2011, the Board of Directors and Committees appointed by the Board of Directors organized meetings that are in line with the nature of business and assigned tasks as follows:

- The Board of Directors held 12 meetings
- The Audit Committee held 5 meetings
- The Human Resources and Remuneration Committee held 6 meetings
- The Risk Management Committee held 4 meetings
- The Investment Committee held 4 meetings (including three meetings by the Investment Working Committee and one meeting by the Investment Committee)

Directors have duty to attend every meeting except when it is unavoidable. In case a director cannot attend the meeting, he/she may provide opinion on any matter in the meeting agenda which are distributed in advance. In 2011, meeting attendance of the Board of Directors and committee appointed by the Board of Directors is as follows:

Director	Board of Directors	The Audit Committee	The Human Resources and Remuneration Committee	The Risk Management Committee	The Investment Committee
1. Mr. Kurujit Nakornthap	1/1				
2. Mr. Nathi Premrasmi	12/12	5/5			1/1
3. Mr. Metta Bantungsuk	12/12	1/1	4/4	4/4	
4. Mr. Atchada Kesornsook	12/12		6/6		4/4
5. Mr. Sutat Patmasiriwat	11/12				
6. Mr. Wirash Kanchanapibul	12/12			3/3	2/2
7. Mr. Satit Rungkasiri	8/12	5/5			
8. Mr. Weera Sriwathanatrakul	9/9	4/4			
9. Mr. Trakul Winitnaiyapak	9/9				
10. Mr. Ariyawich Ek-Ularnpan	1/1				
11. Mr. Noppol Milinhanggoon	12/12				
12. Mr. Sommai Khowkachaporn	1/1			1/1	2/2
13. Mr. Lae Dilokvidhyarat	3/3		2/2		3/3
14. Mr. Chanin Vongkusolkrit	2/3		2/2		
15. Mrs. Sineenat Sittiratanarangsee	10/10			2/2	
16. Mr. Witoon Simachokedee	8/11				1/1
17. Mr. Vitavas Srivihok	8/8		4/4		

**Remarks:**

- (1) the number before / shows the number of meetings the director attended
- (2) the number after / shows the total meetings held while the director is in office
- (3) Mr. Sommai Khowkachaporn resigned on 10 February 2011
- (4) Mr. Lae Dilokvidhyarat and Mr. Chanin Vongkusolkrit retired on 29 March 2011
- (5) Mrs. Sineenat Sittiratanarangsee resigned on 20 October 2011
- (6) Mr. Witoon Simachokedee and Mr. Vitavas Srivihok resigned on 1 December 2011
- (7) Mr. Kurujit Nakornthap and Mr. Ariyawich Ek-Ularnpan were appointed on 19 December 2011

## 6.8 Performance Appraisal

### Directors' Self-Assessment

The Board of Directors has implemented self-assessment measures since 2002. The factors considered include the performance of the entire Board of Directors, individual selfassessment, and other important areas, including directors' readiness, strategy formulation and business planning, risk Management and internal control, conflict of interest prevention, financial and performance report monitoring, the Board of Directors' meeting and nomination of the Board of Directors and the Management. *The assessment level for the entire Board of Directors is Excellence and the self-assessment is Excellence.* The assessment result, observations and recommendations were considered and reviewed by the Board of Directors for further improvement.

### Executive Assessment

With assistance from the Human Resources and Remuneration Committee in assessing annual operational performance of top executives, the Board of Directors adopts the performance appraisal criteria that were agreed early of the year. In 2011, the criteria comprise four areas - business development, investment management, financial Management and organizational Management. Each area has different weight and the assessment result is used to complement the remuneration of each executive.

### Remuneration for Directors and Top Executives

*Directors' Remuneration (for the Board of Directors and Committees' members)* is considered by the Human Resources and Remuneration Committee and approved by the Board of Directors before it is submitted to the Annual General Meeting of Shareholders for approval. The remuneration complies with the Company's director remuneration policy and practice. Remuneration for the directors and top executives is related to the goal and performance of the Company Group, their responsibility, and the practice in other companies in the same industry in terms of business and size. The remuneration is also determined to motivate and retain human resources of required knowledge, capability, skills and experience that contribute to the success of the Company.

*Remuneration of the top executives* is in line with the policy and criteria set by the Board, and are considered and reviewed by the Human Resources and Remuneration Committee based on the annual key performance indices set earlier. In considering remuneration of the top executives, persons who may have conflict of interest did not attend the meeting. The Board of Directors approved the remuneration of the top executives which is in accordance with appraisal results. The Chairman of the Board informed the CEO of the resolution. (Details of the remuneration of the top executives are published in the Management Structure section.)

## 6.9 New Director Orientation and the Development of Directors and Executives

The Board of Directors helps newly appointed director by providing orientation kit. The President presents a briefing at the orientation session. Information included in the orientation kit are nature of business, details of committees, investment structure, organizational structure, financial performance and progress of investment projects, Article of Association document, objectives, certification, rules and regulations, policy, Code of Conduct, remuneration and benefits for directors and the manual for directors of a listed company.

To promote understanding of roles, duty and responsibility as well as necessary skills for the directors to do their job best as the directors of a listed company, the Company has a policy to encourage the directors to participate in seminars arranged by related organizations, such as the Institute of Directors (IOD) and SET. (Details of the training and seminars on important topics that promotes effective performance as a director of a listed company are reported on Profile of the Company's Directors section)

The Board of Directors strictly follows rules and regulations implemented by the government's regulatory organizations. The Management is required to prepare summary and present to the Board of Directors' meeting for acknowledgement of the announcement, rules, regulations and memorandum that are relevance to the Company's operation, both newly issued and amended by the SEC and SET.

The Company sent executives and related employees to attend the corporate secretary, corporate governance, internal audit, risk Management and other related courses organized by various institutes and organizations. This enables directors and employees to better understand their responsibilities, which supports the operations of the Board of Directors and committees.



#### 6.10 Succession Plan for Top Executive

The Company instructed the Human Resources and Remuneration Committee to prepare succession plan for the CEO, which follows the policy of the Company's major shareholder, which is EGAT. EGAT will nominate to the Board of Directors through the Human Resources and Remuneration Committee its executive who has appropriate qualifications, knowledge and capability to perform the task and brings greater benefits to the Company.

The Company is working on succession plan improvement by analyzing competency and expected qualifications of different positions. The guideline will support human resource development and nomination of qualified persons to replace vacancy and to support future business expansion. (Succession Plan is already discussed under the Role of Stakeholders - Employees section)

#### 6.11 Allocation of Reserve for Loss from Operations of Directors and Executives

Directors and executives perform duties as entrusted or do the job resulted from their status and titles for the benefit of the Company including to hold the position in other companies as directed. In case there is any lawsuit claiming due to such performance, the Legal Department will be responsible for its defense until the case becomes final. The Company has set aside Baht 2 million a year as a reserve for loss if the duty is duly performed as a result of his/her authority whether or not such action is taking place now or was done in the past. In case it is a fraud or corruption, the Company shall not be responsible for any loss incurred and will demand all expenses resulting from defending such a case from the corrupted or fraudulent directors or executive officers.





## The Human Resources and Remuneration Committee's Report

The Human Resources and Remuneration Committee was appointed by the Company's Board of Directors and is responsible for the management of human resources and remuneration for the Board of Directors, committees and top executives of the Company and its subsidiaries. The scope of responsibility include formulating policies, criteria, methods and process for human resources management and remuneration that are clear, transparent and suitable for the duty and responsibilities of the persons, linked with their performance and are in line with the generally accepted standards and practice of the industry and other companies of the same size that operate similar business. The Committee is also responsible for the nomination and selection of persons with appropriate qualities to be appointed as the Company's directors and top executives of the subsidiaries within the group in order to maintain capable and knowledgeable management with sufficient experience to efficiently and effectively manage the Company to achieve its goal. Succession plans are in place for significant positions to ensure sufficient and capable human resources to support the Company's growth. The Committee also sets effective framework, criteria, methods and process for effective appraisal of the Ratchaburi Group's Directors and top executives against the annual goal under the business plan as earlier set.

In 2011, the Human Resources and Remuneration Committee held six meetings as necessary to consider related matters in compliance with its authorities and responsibility assigned by the Board of Directors. The related matters include formulating the 2011 performance appraisal criteria for Ratchaburi Electricity Generating Holding Public Company Limited and Ratchaburi Electricity Generating Company Limited; deciding Directors' remuneration for the Board of Directors to seek approval from the 2011 shareholders' Annual General meeting adjusting the manpower plan for Ratchaburi Electricity Generating Holding Public Company Limited to support continuous growth; the nomination and selection of directors to replace the retired and resigned directors; the nomination of the top executives to replace the retired persons; and the performance appraisal which will be used to determine remuneration for employees of Ratchaburi Electricity Generating Holding Public Company Limited and Ratchaburi Electricity Generating Company Limited.

The Human Resources and Remuneration Committee strictly follows the policy, criteria, methods and process for human resources and remuneration as earlier formulated by using thorough consideration with care, transparency and integrity. The Committee also ensured the accurate, complete and transparent information disclosure, such as the disclosure of directors and top executives' remuneration in the Company's annual report. Freedom of expression and decision for the best benefits of the Company and its shareholders are the center of the Committee's operations.

The Human Resources and Remuneration Committee considered that the Company's Board of Directors and the Ratchaburi Group of Companies' management is appropriately composed of members who have the required qualities and diversity in terms of educational background, skills, experience, expertise and age which significantly support the Company's operations and ability to achieve its pre-set goals and objectives. The Company's human resources and remuneration practice has been in compliance with the good corporate governance policy.

(Mr. Atchada Kesornsook)  
Chairman of the Human Resources  
and Remuneration Committee





## The Investment Committee's Report

Appointed by the Board of Directors, the Investment Committee is responsible for formulating strategies, goals, investment plan, investment budget, return on investment and other benefits from investment in projects that help increase the Company's generating capacity and growth. In considering investment projects proposed by the Management, the Committee ensures that the Company's investment projects serve the Company's policy and goals. To achieve such targets, the Committee takes into account return on investment and ensures that related risks factors are within the acceptable level. The Committee is also responsible for monitoring, investigating and assessing the approved investment project as well as reporting the result to the Board of Directors for acknowledgement.

In 2011, the Investment Committee convened four meetings to scrutinize various projects under its scope of responsibility as assigned by the Board of Directors. All the committee members attended every meeting.

The Investment Committee considered that the investment projects well support the Company's goals of the business plan as well as objectives of the Company's mission. By giving high priority to the mutual benefits of Company, its shareholders and stakeholders, the Committee made decision related to investment project after a thorough screening process and both in-depth and in-width study and analysis by internal and external experts. Such thorough and careful consideration and study covered related technical, accounting, financial, return on investment, tax, joint venture partner, applicable laws and regulation, manpower, political, economic, social, environment and other risk factors as well as their possible impact. The Company's status, external factors and other benefits, such as corporate image and future opportunities were also taken into consideration before decision making. The process is based on the good corporate governance principles that the Board of Directors and the Management of the Company have introduced and followed in operating its business.

(Mr. Nathi Premrasmi)  
Investment Committee







## The Risk Management Committee's Report

In 2011, the Risk Management Committee held four joint meetings with the Company's Management. The resolution of each meeting was summarized and presented to the Company's Board of Directors for acknowledgement. In the past year, the Risk Management Committee's major tasks are as follows:

- Screening a holistic risk management guideline and proposed it to the Board of Directors for approval. The approved guideline that links with the targets stated in the Company's strategic plan 2011-2015 has been implemented since the first quarter of 2011.
- Monitoring risk management progress in order to acknowledge significant risks and to assess related operations in order to ensure that the Company's risk management plan is appropriate and sufficient.
- Providing necessary advice to support the preparation of appropriate risk management plan in order to effectively improve risk factor and key measurement.

The Risk Management Committee believed that in the past year, the Company has continuously improved corporate risk management system through regular meetings among various divisions and departments held to monitor and update information related to risk factors and risk management process and ensuring continuity, prudence and addressing of changing environment. The Company thus provided sufficient risk management control and kept all risks at acceptable level.

(Mr. Metta Banturingsuk)  
Chairman of the Risk  
Management Committee





## Board of Directors' Report on Its Responsibility to Financial Report

The Public Company Act B.E. 2535, the Accounting Act B.E. 2543, the Securities and Stock Exchange Act B.E. 2535 and the Securities and Exchange Commission's Announcement on Financial Information and Company Performance Disclosure require the Board of Directors to prepare financial statements to describe the Company's financial status, operating performance and cash flow in the past year in an accurate, reasonable and transparent manner for the benefits of the shareholders and investors.

The consolidated financial statements and the Company's financial statement as of 31 December 2011 have been audited by the Company's Auditor, namely KPMG Poomchai Company Limited. In auditing, the Board of Directors provided all relevant information and documents to enable the Auditor to examine and express his opinion in conformity with generally accepted standards. The Auditor's opinion, which appears in the Auditor's report, is already shown in this annual report. In this regard, the Board of Directors has appointed the Audit Committee to review the accounting policies, the quality of the financial reports, the internal control, and internal audit system. The opinions of the Audit Committee also appeared in the Report of the Audit Committee in this annual report.

The Board of Directors has provided and maintained the appropriate and efficient internal control system to reasonably ensure that the accounting data are accurate, complete, and sufficient to maintain the Company's assets and to prevent fraud and materially irregular operation.

The Board of Directors agree that the overall internal control system in five areas including organizational structure and environment, risk management, control activities, information and communication, and operation monitoring system of the Company is satisfactory and can bring about reasonable reliability of the consolidated financial statements and the Company's financial statements for the year ending 31 December 2011 and they were prepared in conformity with generally accepted accounting principles and in compliance with law and all relevant regulations.

(Mr. Kurujit Nakornthap)  
Chairman of the Board of Directors

(Mr. Noppol Milinthanggoon)  
Director and Chief Executive Officer



The number of education boards nationwide disclosing criteria used for hiring teachers has more than doubled in the six-month survey announced Tuesday has found. According to the survey of 64 boards in Japan's 47 prefectures and 17 major cities, 28 have recently started to disclose hiring criteria. The number of education boards nationwide disclosing criteria used for hiring teachers has more than doubled in the six-month survey announced Tuesday has found.





# FINANCIAL REPORT





## The Audit Committee's Report

The Audit Committee of the Ratchaburi Electricity Generating Holding Public Company Limited comprises three Independent Directors. Mr. Nathi Premrasmi is the Chairman of the Audit Committee. Mr. Satit Rungkasiri and Mr. Weera Sriwathanatrakoon are Audit Committee members. Mr. Pornchai Chamnongdet, the Company's Vice President - Head of Internal Audit Division acts as the Committee's secretary. During the year 2011, the Audit Committee has been changed according to the Board of Directors' resolution No. 4/2011 and Mr. Weera Sriwathanatrakoon was thereby appointed as an Audit Committee member replacing Mr. Metta Bantumsuk since April 18, 2011.

All members of the Audit Committee have complete qualifications of Independent Directors and Audit Committee members as stated in the Company's Regulations on the Company's Board of Directors 2009 and the Company's regulations on Audit Committee 2008. Both of which are compliant with the regulations of the Securities and Exchange Commission Thailand and the Stock Exchange of Thailand.

In 2011, the Audit Committee convened five meetings, and one meeting between the Audit Committee and the auditor without the presence of the Management. All the Audit Committee members attended all the meetings. The management of the Company and its subsidiaries and the auditors participated in the meetings to present information and receive recommendations for development. The results of each meeting were presented to the Board of Directors of the Company and its subsidiaries for their acknowledgement.

The significant activities in the previous year are as follows:

- Reviewing the accuracy, sufficiency and reliability of quarterly annual financial statements of the Company and its subsidiaries prior to submission to the Board of Directors of each company .
- Ensuring the efficiency and effectiveness of the internal control for preventing frauds and conflict of interest.
- Ensuring that the Company conforms with the Securities and Stock Exchange Laws, the Stock Exchange of Thailand's regulations and other related laws and regulations.
- Reviewing the related transactions that might lead to conflict of interest before propose to the Board of Directors for approval . The Company's Management have to report these transactions to the Audit Committee for acknowledgement on quarterly basis.
- Reviewing the internal audit activities by approving annual audit plan, acknowledging the audit report, providing the recommendations for improvement.

In summary, the Audit Committee considered that the Company and its subsidiaries' financial statements were prepared clearly and meet with generally accepted accounting principles, sufficient disclosure, accurate, complete and reliable, that the internal control is efficient and sufficient to prevent frauds and conflict of interest. All departments have clear segregation of roles and responsibilities. The operations of the Company and its subsidiaries fully comply with the laws regulating the Securities and the Stock Exchange of Thailand or other related laws. The Audit Committee approved and appointed Mr. Vairoj Jindamaneepitak (CPA No. 3565) or Mr. Ekkasit Choothamsathit (CPA No. 4195) or Mr. Charoen Phosamritler (CPA No.4068) of KPMG Poomchai Audit Limited as the auditors for the Company and its subsidiaries in 2012. The certified public auditing fee is Baht 2,060,000 (not including out-of-pocket expense in the amount of not more than Baht 60,000), Baht 800,000 of which is the auditing fee for the Company. The Audit Committee proposed the matter to the Board of Directors for further approval from the 2012 Shareholders' Annual General Meeting.



(Mr. Nathi Premrasmi)

Chairman of the Audit Committee



## Audit Report of Certified Public Accountant

### To the Shareholders of Ratchaburi Electricity Generating Holding Public Company Limited

I have audited the accompanying consolidated and separate statements of financial position as at 31 December 2011 and 2010, and the related statements of comprehensive income, changes in equity and cash flows for the years then ended of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

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, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2011 and 2010, and the results of operations and cash flows for the years then ended of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively, in accordance with Financial Reporting Standards.

As explained in notes 2 and 3 to the financial statements, with effect from 1 January 2011 the Company has adopted certain new and revised financial reporting standards. The Company's financial statements for the year ended 31 December 2010 have been restated accordingly.

(Mr. Vairoj Jindamaneevitak)  
Certified Public Accountant  
Registration No. 3565

KPMG Phoomchai Audit Ltd.  
Bangkok  
13 February 2012





## Statements of Financial Position

Ratchaburi Electricity Generating Holding Public Company Limited and Its Subsidiaries  
As at 31 December 2011 and 2010

		Consolidated Financial Statements		Separate Financial Statements	
Assets	Note	2011	2010 (Restated)	2011	2010 (Restated)
(in Baht)					
<i>Current assets</i>					
Cash and cash equivalents	7	10,698,628,906	11,289,247,631	3,819,725,644	5,806,011,135
Current investments	8	3,010,688,381	2,601,383,130	2,850,000,000	2,600,000,000
Trade accounts receivable from related parties	6	2,340,443,285	3,341,232,206	-	-
Trade accounts receivable from other party		313,528,317	1,571,265	-	-
Dividend receivable	6	30,813,300	-	2,541,230,650	1,828,941,385
Advances to and other receivables					
from related parties	6	105,285,611	155,122,839	79,147,184	151,428,769
Short-term loans to related parties	6	-	-	-	1,797,092,000
Current portion of long-term loans to related party	6	62,500,000	62,500,000	62,500,000	62,500,000
Spare parts and supplies	9	2,246,743,321	1,746,232,615	-	-
Other current assets		323,043,048	76,329,814	169,889,433	55,729,492
<b>Total current assets</b>		<b>19,131,674,169</b>	<b>19,273,619,500</b>	<b>9,522,492,911</b>	<b>12,301,702,781</b>
<i>Non-current assets</i>					
Long-term trade receivable from related parties	6	-	4,950,831	-	-
Long-term receivable from related parties	6	-	-	16,776,946	4,548,068
Investments in subsidiaries	6, 10	-	-	21,179,660,558	20,523,466,558
Investments in jointly-controlled entities	6, 11	13,643,499,397	10,997,708,654	4,121,064,670	3,142,338,420
Investments in associate entities	6, 11	356,561,561	-	357,062,040	-
Investment in other company	12	50,656,049	50,656,049	50,656,049	50,656,049
Other long-term investments	8	2,249,223,988	1,669,460,834	218,000,000	368,000,000
Long-term loans to related parties	6	1,611,633,470	-	3,453,645,798	793,900,000
Property, plant and equipment	13	50,556,039,343	35,164,866,661	465,386,853	384,609,732
Land for future development projects		305,389,850	305,221,850	305,389,850	305,221,850
Intangible assets	14	6,097,146,046	795,509,846	670,881,846	671,840,930
Deferred tax assets	15	189,628,109	135,417,436	77,847,169	1,046,349
Other non-current assets	16	1,707,615,153	1,184,410,629	484,754,920	264,245,321
<b>Total non-current assets</b>		<b>76,767,392,966</b>	<b>50,308,202,790</b>	<b>31,401,126,699</b>	<b>26,509,873,277</b>
<b>Total assets</b>		<b>95,899,067,135</b>	<b>69,581,822,290</b>	<b>40,923,619,610</b>	<b>38,811,576,058</b>

The accompanying notes are an integral part of these financial statements

# Statements of Financial Position

Ratchaburi Electricity Generating Holding Public Company Limited and Its Subsidiaries  
As at 31 December 2011 and 2010

		Consolidated Financial Statements		Separate Financial Statements	
Liabilities and equity	Note	2011	2010 (Restated)	2011	2010 (Restated)
(in Baht)					
<i>Current liabilities</i>					
Trade account payable to related party	6	152,230,650	11,833,332	-	-
Trade accounts payable to other parties		4,552,046,911	4,646,941,345	-	-
Current portion of long-term loans					
from related party	6	2,775,320,949	-	-	-
Current portion of long-term loans					
from financial institutions	17	191,826,780	3,617,468,002	-	-
Current portion of debentures	17	3,658,854,023	-	-	-
Current portion of financial lease liability	17	1,577,500	1,474,839	-	-
Income tax payable		499,047,920	433,287,699	-	-
Other current liabilities	6, 18, 19	916,331,174	953,715,916	267,159,553	655,143,786
<b>Total current liabilities</b>		<b>12,747,235,907</b>	<b>9,664,721,133</b>	<b>267,159,553</b>	<b>655,143,786</b>
<i>Non-current liabilities</i>					
Long-term loans from related party	6	1,425,625,869	-	-	-
Long-term loans from financial institutions	17	14,818,698,518	13,237,526,583	1,200,000,000	-
Debentures	17	15,788,341,233	-	-	-
Financial lease liability	17	1,817,140	3,259,557	-	-
Deferred tax liabilities	15	2,039,387,461	-	-	-
Employee benefit obligations	19	79,631,445	-	54,527,743	-
Other non-current liabilities		387,190,902	-	-	-
<b>Total non-current liabilities</b>		<b>34,540,692,568</b>	<b>13,240,786,140</b>	<b>1,254,527,743</b>	<b>-</b>
<b>Total liabilities</b>		<b>47,287,928,475</b>	<b>22,905,507,273</b>	<b>1,521,687,296</b>	<b>655,143,786</b>
<i>Equity</i>					
Share capital					
Authorised share capital	20	14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000
Issued and paid-up share capital		14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000
Share premium	21	1,531,778,000	1,531,778,000	1,531,778,000	1,531,778,000
Retained earnings					
Appropriated					
Legal reserve	21	1,450,000,000	1,450,000,000	1,450,000,000	1,450,000,000
Unappropriated		30,661,590,543	29,129,420,635	21,920,154,314	20,674,654,272
Other components of equity		(226,021,021)	18,887,917	-	-
<b>Total equity attributable to owners</b>		<b>47,917,347,522</b>	<b>46,630,086,552</b>	<b>39,401,932,314</b>	<b>38,156,432,272</b>
of the Company		47,917,347,522	46,630,086,552	39,401,932,314	38,156,432,272
Non-controlling interests		693,791,138	46,228,465	-	-
<b>Total equity</b>		<b>48,611,138,660</b>	<b>46,676,315,017</b>	<b>39,401,932,314</b>	<b>38,156,432,272</b>
<b>Total liabilities and equity</b>		<b>95,899,067,135</b>	<b>69,581,822,290</b>	<b>40,923,619,610</b>	<b>38,811,576,058</b>

The accompanying notes are an integral part of these financial statements



## Statements of Comprehensive Income

Ratchaburi Electricity Generating Holding Public Company Limited and Its Subsidiaries  
For the years ended 31 December 2011 and 2010

		Consolidated Financial Statements		Separate Financial Statements	
	Note	2011	2010 (Restated)	2011	2010 (Restated)
(in Baht)					
Revenue from sale and rendering of services	6, 22	43,456,858,420	42,181,120,883	-	-
Cost of sale and rendering of services	6	(35,814,583,500)	(36,183,097,647)	-	-
Gross profit		7,642,274,920	5,998,023,236	-	-
Management service income	6	188,547,551	258,664,050	308,643,223	271,380,910
Dividend income	6, 10, 11	60,062,641	-	4,830,810,682	3,684,473,009
Interest income	6	577,699,776	232,376,838	329,912,264	216,010,123
Other income	6	109,809,801	72,392,411	2,456,453	14,320,919
Administrative expenses	6, 23	(1,393,453,118)	(851,581,081)	( 852,255,209)	( 551,602,965)
Gain (loss) on exchange rate		(35,349,296)	49,221,597	(106,031,925)	46,277,442
Finance costs	26	(1,936,921,022)	(714,520,623)	(35,445,288)	-
Share of profit of jointly-controlled and associated entities	11	1,333,094,778	1,443,132,513	-	-
Profit before income tax expense		6,545,766,031	6,487,708,941	4,478,090,200	3,680,859,438
Income tax expense	27	(1,822,215,544)	(1,266,545,722)	62,819,649	(5,604,187)
Profit for the year		4,723,550,487	5,221,163,219	4,540,909,849	3,675,255,251
Other comprehensive income					
Foreign currency translation differences for foreign operations		(176,795,162)	18,887,917	-	-
Net change in fair value of available-for-sale investments	8	(87,329,034)	-	-	-
Income tax for other comprehensive income		6,127,430	-	-	-
Other comprehensive income for the year, net of income tax		(257,996,766)	18,887,917	-	-
Total comprehensive income for the year		4,465,553,721	5,240,051,136	4,540,909,849	3,675,255,251
Profit (loss) attributable to:					
Owner of the Company		4,840,642,018	5,225,909,684	4,540,909,849	3,675,255,251
Non-controlling interests		(117,091,531)	(4,746,465)	-	-
Profit for the year		4,723,550,487	5,221,163,219	4,540,909,849	3,675,255,251
Total comprehensive income attributable to:					
Owner of the Company		4,595,733,080	5,244,797,601	4,540,909,849	3,675,255,251
Non-controlling interests		(130,179,359)	(4,746,465)	-	-
Total comprehensive income for the year		4,465,553,721	5,240,051,136	4,540,909,849	3,675,255,251
Basic earnings per share (Baht)	29	3.34	3.60	3.13	2.53

The accompanying notes are an integral part of these financial statements





# Statements of Changes in Equity

Ratchaburi Electricity Generating Holding Public Company Limited and Its Subsidiaries  
For the years ended 31 December 2011 and 2010

Consolidated Financial Statements													
		Retained Earnings			Other Components of Equity								
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Fair value changes in available-for-sale investments	Income tax for other comprehensive income	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity	
(in Baht)													
Balance at 1 January 2010 - as reported	3	14,500,000,000	1,531,778,000	1,450,000,000	27,042,357,161	-	-	-	-	44,524,135,161	-	44,524,135,161	
		-	-	-	123,653,790	-	-	-	-	-	123,653,790	-	123,653,790
		14,500,000,000	1,531,778,000	1,450,000,000	27,166,010,951	-	-	-	-	-	44,647,788,951	-	44,647,788,951
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners of the Company													
Additional payment in investment from non-controlling interests													
30		-	-	-	-	-	-	-	-	-	50,974,930	50,974,930	
		-	-	-	(3,262,500,000)	-	-	-	-	(3,262,500,000)	-	(3,262,500,000)	
		-	-	-	(3,262,500,000)	-	-	-	-	(3,262,500,000)	-	(3,211,525,070)	
Total transactions with owners, recorded directly in equity													
Comprehensive income for the year													
Profit													
Total comprehensive income for the year		-	-	-	5,225,909,684	-	-	-	-	5,225,909,684	(4,746,465)	5,221,163,219	
		-	-	-	-	18,887,917	-	-	18,887,917	18,887,917	-	18,887,917	
		-	-	-	5,225,909,684	18,887,917	-	-	-	18,887,917	(4,746,465)	5,240,051,136	
Balance at 31 December 2010													
		14,500,000,000	1,531,778,000	1,450,000,000	29,129,420,635	18,887,917	-	-	18,887,917	46,630,086,552	46,228,465	46,676,315,017	

The accompanying notes are an integral part of these financial statements

## Statements of Changes in Equity

Ratchaburi Electricity Generating Holding Public Company Limited and Its Subsidiaries  
For the years ended 31 December 2011 and 2010

Consolidated Financial Statements												
		Retained Earnings			Other Components of Equity							
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Fair value changes in available-for-sale investments	Income tax for other comprehensive income	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity	
Note	(in Baht)											
Balance at 31 December 2010 - as reported	14,500,000,000	1,531,778,000	1,450,000,000	29,000,270,397	18,887,917	-	-	18,887,917	46,500,936,314	46,228,465	46,547,164,779	
	-	-	-	129,150,237	-	-	-	-	129,150,237	-	129,150,237	
	3											
Balance at 1 January 2011 - restated	14,500,000,000	1,531,778,000	1,450,000,000	29,129,420,634	18,887,917	-	-	18,887,917	46,630,086,551	46,228,465	46,676,315,016	
	-	-	-	(45,972,109)	-	-	-	-	(45,972,109)	(25,179)	(45,997,288)	
	3											
Balance at 1 January 2011 - as adjusted	14,500,000,000	1,531,778,000	1,450,000,000	29,083,448,525	18,887,917	-	-	18,887,917	46,584,114,442	46,203,286	46,630,317,728	
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners of the Company												
Additional payment in investment from non-controlling interests												
Dividends to owners of the Company												
Total contributions by and distributions to owners of the Company												
Total transactions with owners, recorded directly in equity												
Comprehensive income for the year												
Profit												
Other comprehensive income												
Total comprehensive income for the year												
Balance at 31 December 2011	14,500,000,000	1,531,778,000	1,450,000,000	30,661,590,543	(144,819,417)	(87,329,034)	6,127,430	(226,021,021)	47,917,347,522	693,791,138	48,611,138,660	

The accompanying notes are an integral part of these financial statements

## Statements of Changes in Equity

Ratchaburi Electricity Generating Holding Public Company Limited and Its Subsidiaries  
For the years ended 31 December 2011 and 2010

			Separate Financial Statements		
Note	Issued and paid-up share capital	Share premium	Retained Earnings		Total equity
			Legal reserve	Unappropriated	
(in Baht)					
Balance at 1 January 2010 - as reported	14,500,000,000	1,531,778,000	1,450,000,000	20,262,139,800	37,743,917,800
Impact of changes in accounting policies - retrospective	3	-	-	(240,779)	(240,779)
Balance at 1 January 2010 - restated	14,500,000,000	1,531,778,000	1,450,000,000	20,261,899,021	37,743,677,021
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners of the Company					
Dividends to owners of the Company	30	-	-	(3,262,500,000)	(3,262,500,000)
Total contributions by and distributions to owners of the Company		-	-	(3,262,500,000)	(3,262,500,000)
Total transactions with owners, recorded directly in equity		-	-	( 3,262,500,000)	( 3,262,500,000)
Comprehensive income for the year					
Profit		-	-	3,675,255,251	3,675,255,251
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	3,675,255,251	3,675,255,251
Balance at 31 December 2010	14,500,000,000	1,531,778,000	1,450,000,000	20,674,654,272	38,156,432,272
Balance at 31 December 2010 - as reported	14,500,000,000	1,531,778,000	1,450,000,000	20,677,793,318	38,159,571,318
Impact of changes in accounting policies - retrospective	3	-	-	( 3,139,046)	( 3,139,046)
Balance at 1 January 2011 - restated	14,500,000,000	1,531,778,000	1,450,000,000	20,674,654,272	38,156,432,272
Impact of changes in accounting policies - prospective	3	-	-	(32,909,807)	(32,909,807)
Balance at 1 January 2011 - as adjusted	14,500,000,000	1,531,778,000	1,450,000,000	20,641,744,465	38,123,522,465
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners of the Company					
Dividends to owners of the Company	30	-	-	(3,262,500,000)	(3,262,500,000)
Total contributions by and distributions to owners of the Company		-	-	(3,262,500,000)	(3,262,500,000)
Total transactions with owners, recorded directly in equity		-	-	( 3,262,500,000)	( 3,262,500,000)
Comprehensive income for the year					
Profit		-	-	4,540,909,849	4,540,909,849
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	4,540,909,849	4,540,909,849
Balance at 31 December 2011	14,500,000,000	1,531,778,000	1,450,000,000	21,920,154,314	39,401,932,314

The accompanying notes are an integral part of these financial statements





## Statements of Cash Flows

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries  
For the years ended 31 December 2011 and 2010

	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010 (Restated)	2011	2010 (Restated)
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	4,723,550,487	5,221,163,219	4,540,909,849	3,675,255,251
<i>Adjustments for</i>				
Depreciation	3,206,902,245	2,682,658,891	26,909,468	24,729,856
Amortisation	69,561,905	2,970,779	2,136,338	1,600,614
Interest income	(577,699,776)	(232,376,839)	(329,912,264)	(216,010,123)
Finance costs	1,936,921,022	714,520,623	35,445,288	-
Provision for obsolescence of spare parts and supplies	59,213,403	28,437,226	-	-
Unrealised loss on exchange	175,366,781	18,239,038	109,519,785	21,798,036
Dividend income	(60,062,641)	-	(4,830,810,682)	(3,684,473,009)
(Gain) loss on disposal of plant and equipment	723,047	(1,925,844)	(874,209)	(1,093,795)
Loss on disposal of spare parts and supplies	-	28,353,765	-	-
Employee benefit obligations	32,421,298	-	7,513,733	-
Shares of profit of jointly-controlled and associated entities	(1,333,094,778)	(1,443,132,513)	-	-
Amortisation of development costs	-	3,855,252	-	-
Income tax expense	1,822,215,544	1,266,545,722	(62,819,649)	5,604,187
	10,056,018,537	8,289,309,319	(501,982,343)	(172,588,983)
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable from related parties	1,030,591,349	1,877,230,626	-	-
Advances to and other receivables from related parties	111,770,705	(133,586,485)	76,207,732	(133,146,329)
Spare parts and supplies	(28,603,451)	(24,887,234)	-	-
Other current assets and non-current assets	(716,671,566)	(265,997,760)	(286,816,488)	(249,089,955)
Trade account payable from related party	140,397,318	(196,770,077)	-	-
Trade account payable from other parties	(595,985,368)	1,102,456,478	-	-
Other current liabilities	(162,508,672)	(274,751,035)	(450,889,818)	(117,713,975)
Cash generated from (used in) operating activities	9,835,008,852	10,373,003,832	(1,163,480,917)	(672,539,242)
Income tax paid	(1,880,977,285)	(1,049,231,039)	(12,303,802)	(7,278,838)
Net cash from (used in) operating activities	7,954,031,567	9,323,772,793	(1,175,784,719)	(679,818,080)

The accompanying notes are an integral part of these financial statements

# Statements of Cash Flows

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries  
For the years ended 31 December 2011 and 2010

	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010 (Restated)	2011	2010 (Restated)
(in Baht)				
<i>Cash flows from investing activities</i>				
Interest received	528,360,792	241,387,408	281,629,261	311,028,147
Dividends received	883,012,450	1,057,098,900	4,118,521,417	4,569,946,070
Purchases of property, plant and equipment	(192,756,235)	(383,258,977)	(61,985,614)	(331,267,299)
Sale of plant and equipment	878,110,986	3,933,355	2,171,963	2,703,411
Purchases of intangible assets	(50,562,126)	(3,124,701)	(1,177,254)	(2,667,009)
Net cash inflow (outflow) in current investments	(364,419,500)	5,750,000,000	(200,000,000)	5,750,000,000
Net cash inflow in long term investments	101,341,120	3,567,240	100,000,000	-
Cash outflow on investments in securities available for sale	(146,118,658)	(1,301,460,834)	-	-
Decrease in short-term loans to related parties	-	520,360,000	4,774,997,167	1,920,360,000
Increase in short-term loans to related parties	-	(520,000,000)	(3,860,274,651)	(3,738,890,000)
Decrease in long-term loans to related parties	-	-	6,391,382,330	618,881,000
Increase in long-term loans to related parties	-	-	(8,278,275,000)	-
Cash outflow on acquisition of investments in subsidiaries	(7,037,885,511)	(377,695,705)	(656,194,000)	(373,695,705)
Cash outflow on acquisition of investments in jointly-controlled entities	(978,726,250)	(60,750,000)	(978,726,250)	(378,750,000)
Cash outflow on acquisition of investments in associates entities	(357,062,040)	-	(357,062,040)	-
Cash outflow on acquisition of investments in other company	-	(15,550,055)	-	(19,550,055)
Net cash from (used in) investing activities	(6,736,704,972)	4,914,506,631	1,275,007,329	8,328,098,560
<i>Cash flows from financing activities</i>				
Finance costs paid	(1,744,093,471)	(677,386,473)	(23,016,411)	-
Proceeds from issue of ordinary shares	30,820,000	3,500,000	-	-
Dividend paid to equity holders of the Company	(3,262,491,690)	(3,260,970,952)	(3,262,491,690)	(3,260,970,952)
Proceeds from short-term loans from financial institutions	12,174,000,000	5,380,000,000	4,600,000,000	-
Repayment of short-term loans from financial institutions	(12,174,000,000)	(5,380,000,000)	(4,600,000,000)	-
Repayment of finance lease liability	(1,331,036)	(1,130,639)	-	-
Proceeds from long-term loans from related party	96,591,300	-	-	-
Proceeds from long-term loans from financial institutions	1,200,000,000	-	1,200,000,000	-
Repayment of long-term loans from financial institutions	(17,753,865,600)	(2,071,974,800)	-	-
Proceeds from issue of debentures	19,181,303,064	-	-	-
Redemption of debentures	-	(750,000,000)	-	-
Net cash (used in) financing activities	(2,253,067,433)	(6,757,962,864)	(2,085,508,101)	(3,260,970,952)
Net increase (decrease) in cash and cash equivalents	(1,035,740,838)	7,480,316,560	(1,986,285,491)	4,387,309,528
Cash and cash equivalents at 1 January	11,289,247,631	3,774,087,823	5,806,011,135	1,418,701,607
Effect of exchange rate changes on balances held in foreign currencies	58,510,571	-	-	-
Cash of subsidiary acquired during the period	386,611,542	34,843,248	-	-
Cash and cash equivalents at 31 December	10,698,628,906	11,289,247,631	3,819,725,644	5,806,011,135

The accompanying notes are an integral part of these financial statements



## Notes to the Financial Statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries  
 Notes to the Financial Statements  
 For the years ended 31 December 2011 and 2010

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These notes form an integral part of the financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on 13 February 2012.

## 1 General information

Ratchaburi Electricity Generating Holding Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 555/1 Energy Complex, Building A 7<sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in October 2000.

The Company's major shareholder during the financial year was Electricity Generating Authority of Thailand ("EGAT") (45% shareholding), which was incorporated in Thailand.

The principal businesses of the Company are the investing in companies, whose objectives are to generate and sell electricity. Details of the Company's subsidiaries and jointly-controlled entities as at 31 December 2011 and 2010 were as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			2011	2010
<i>Direct subsidiaries</i>				
Ratchaburi Electricity Generating Company Limited	Generating and selling electricity	Thailand	99.99	99.99
Ratchaburi Energy Company Limited	Developing and operating power plant and investing in the power energy business	Thailand	99.99	99.99
Ratchaburi Gas Company Limited	Investing in the power energy business	Thailand	99.99	99.99
Ratch Udom Power Company Limited	Investing in the power energy business	Thailand	99.99	99.99
RATCH-Lao Services Company Limited	Providing operation and maintenance services	Lao PDR	99.99	99.99
RH International Corporation Limited	Investing in the power energy business	Thailand	99.99	99.99
<i>Indirect subsidiaries</i>				
Ratchaburi Alliances Company Limited	Investing in the power energy business	Thailand	99.99	99.99
RH International (Mauritius) Corporation Ltd.	Investing in the power energy business internationally	Mauritius	100	100
RH International (Singapore) Corporation PTE. LTD.	Investing in the power energy business Internationally	Singapore	100	100
Sustainable Energy Corporation Company Limited	Investing in the power energy business	Thailand	55.18	51
Khao Kor Wind Power Company Limited	Generating and selling electricity	Thailand	55.18	51
RATCH-Australia Corporation Limited and subsidiaries	Developing and operating power plant and investing in the power energy business	Australia	80	-
<i>Jointly-controlled entities</i>				
Tri Energy Company Limited	Generating and selling electricity	Thailand	50	50
Ratchaburi Power Company Limited	Generating and selling electricity	Thailand	25	25
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50
SouthEast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33
Hongsa Power Company Limited	Generating and selling electricity	Lao PDR	40	40
Phufai Mining Company Limited	Coal mining and trading	Lao PDR	37.50	37.50
Nam Ngum 2 Power Company Limited	Generating and selling electricity	Lao PDR	25	25
Nam Ngum 3 Power Company Limited	Generating and selling electricity	Lao PDR	25	25
Nava Nakorn Electricity Generating Company Limited	Generating and selling electricity and steam	Thailand	40	40

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			2011	2010
Ratchaburi World Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	40	10
Solarata Company Limited	Generating and selling electricity	Thailand	49	-
Solar Power (Korat 3) Company Limited	Generating and selling electricity	Thailand	40	-
Solar Power (Korat 4) Company Limited	Generating and selling electricity	Thailand	40	-
Solar Power (Korat 7) Company Limited	Generating and selling electricity	Thailand	40	-
Songkhla Biomass Company Limited	Generating and selling electricity	Thailand	40	-
<i>Associates entities</i>				
First Korat Wind Company Limited	Generating and selling electricity	Thailand	20	-
K.R. Two Company Limited	Generating and selling electricity	Thailand	20	-

## 2 Basis of preparation of the financial statements

### (a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and regulations of the Thai Securities and Exchange Commission.

During 2010 and 2011, the FAP issued the following new and revised TFRS relevant to the Group's/Company's operations and effective for accounting periods beginning on or after 1 January 2011:

TFRS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
FAP's announcement no. 17/2554	Transitional Procedures for Other Long-term Employee Benefits

The adoption of these new and revised TFRS has resulted in changes in the Group's/Company's accounting policies. The effects of these changes are disclosed in note 3.

In addition to the above new and revised TFRS, the FAP has issued during 2010 a number of other new and revised TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these financial statements. These new and revised TFRS are disclosed in note 34.

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except as stated in the accounting policies

**(c) Presentation currency**

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

**(d) Use of estimates and judgments**

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Note 4 (q)	Current and deferred tax
Note 5	Acquisitions of subsidiary and non-controlling interest
Note 15	Deferred tax- utilisation of tax losses
Note 19	Employee benefit obligations

### 3 Changes in accounting policies

**(a) Overview**

From 1 January 2011, consequent to the adoption of new and revised TFRS as set out in note 2, the Group/Company has changed its accounting policies in the following areas

- Presentation of financial statements
- Accounting for Income tax expense
- Accounting for property, plant and equipment
- Accounting for employee benefits

Details of the new accounting policies adopted by the Group/Company and the impact of the changes on the financial statements are included in notes 3(b) to 3(f) below.

**(b) Presentation of financial statements**

The Group/Company has adopted TAS 1 Presentation of Financial Statements (Revised 2009). Under the revised standard, a set of financial statements comprises:

- Statement of financial position;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows; and
- Notes to the financial statements.

As a result, the Group/Company presents all owner changes in equity in the statement of changes in equity and all non-owner changes in equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in equity.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

**(c) Accounting for Income tax expense**

The Group/Company has applied TAS 12 Income taxes. The change in accounting policy has been applied retrospectively to the Company's 2010 financial statements, which are included in the Company's 2011 financial statements for comparative purposes, have been restated accordingly. The impact on the 2011 and 2010 financial statements was described in note 3(f).

**(d) Accounting for property, plant and equipment**

The Group/Company has adopted TAS 16 (revised 2009) Property, plant and equipment in determining and accounting for the cost and depreciable amount of property, plant and equipment.

The principal changes introduced by the revised TAS 16 and affecting the Group/Company are that: (i) costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation; (ii) the depreciation charge has to be determined separately for each significant part of an asset; and (iii) in determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end.

The changes have been applied prospectively in accordance with the transitional provisions of the revised standard, except that consideration of the costs of asset dismantlement, removal and restoration, have been applied retrospectively. The changes have had no material impact on the profit and earnings per share for the years ended 31 December 2011 and 2010.

**(e) Accounting for employee benefits**

The Group/Company has adopted TAS 19 Employee Benefits. The change in accounting policy relates to long-term employee benefit, the Group has opted to record the entire amount of this liability as an adjustment to retained earnings as at 1 January 2011. The impact on the 2011 and 2010 financial statements was as described in note 3(f).

**(f) The impact**

The impact on the 2011 and 2010 financial statements was as follows :

2010 financial statements	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
<i>Statement of financial position</i>		
Equity at 1 January 2010 - as reported	44,524,135	37,743,918
Changes adjusted retrospectively as a result of the adoption of :		
TAS 12 Deferred tax	130,055	4,302
TAS 19 Employee benefits - short-term benefits	(6,402)	(4,543)
Equity at 1 January 2010 - restated	44,647,788	37,743,677

2010 financial statements	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
<i>Statement of comprehensive income for the year ended 31 December 2010</i>		
Profit before income tax - as reported	6,487,574	3,680,501
Changes before income tax expense adjusted retrospectively as a result of adoption of :		
TAS 19 Employee benefits - short-term benefits	135	358
Profit before income tax - restated	6,487,709	3,680,859
Income tax expense - as reported	(1,271,907)	(2,348)
Changes in income tax expense as a result of the adoption of TAS 12 Deferred tax	5,384	(3,167)
Changes in income tax expense adjusted retrospectively as a result of the adoption of TAS 19	(22)	(89)
Income tax expense - restated	(1,266,545)	(5,604)
Profit - restated	5,221,164	3,675,255
Increase (decrease) in earnings per share (in Baht)	0.0038	(0.0020)



2011 financial statements	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
<i>Statement of financial position</i>		
Equity at 31 December 2010 - as reported	46,547,164	38,159,571
Changes adjusted retrospectively as a result of the adoption of :		
TAS 12 Deferred tax	135,417	1,046
TAS 19 Employee benefits - short-term benefits	(6,267)	(4,185)
Equity at 31 December 2010 - as restated	46,676,314	38,156,432
Changes adjusted prospectively as a result of the adoption of :		
TAS 19 Employee benefits - longterm benefits	(65,710)	(47,014)
Changes in income tax expense as a result of the adoption of TAS 19	19,713	14,105
Equity at 1 January 2011 - as adjusted	46,630,317	38,123,523

#### 4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in accounting policies.

##### (a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associated and jointly-controlled entities.

The Group/Company applies the acquisition method for all business combinations other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group/Company takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group/Company to the previous owners of the acquiree, and equity interests issued by the Group/Company. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group/Company and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group/Company measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

##### Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

**Associates and Jointly-controlled entities**

Associates and jointly-controlled entities are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates and jointly-controlled entities are accounted for in the consolidated financial statements using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

**Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**(b) Foreign currencies****Foreign currency transactions**

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

**Foreign entity**

The assets and liabilities of foreign entities are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

**(c) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, call deposits, saving and highly liquid short-term investments.

**(d) Trade and other accounts receivable**

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

**(e) Spare parts and supplies**

Spare parts and supplies are stated at cost less allowance for obsolescence.

The spare parts are categorised as fuel, specific spare parts and common spare parts. Specific spare parts are used for specific plant equipment in the power plant.

Cost is calculated using the moving average cost principle, and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

The allowance for specific spare parts is calculated using the straight-line method to write off the balances of specific spare parts on hand at the year end over the remaining useful life of the power plant.

**(f) Investments****Investments in subsidiaries, associates and jointly-controlled entities**

Investments in subsidiaries, associates and jointly-controlled entities in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and jointly-controlled entities in the consolidated financial statements are accounted for using the equity method.

**Investments in other debt and equity securities**

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

**Disposal of investments**

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group/Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the specific method applied to the carrying value of the total holding of the investment.

**(g) Property, plant and equipment****Recognition and measurement****Owned assets**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

**Leased assets**

Leases in terms of which the Group/Company substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

**Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group/Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

**Depreciation**

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Power plant, substations and transmission system	10-25 years
Flared gas fuelled small power plant	8 years
Equipment for gas turbine power plant	4-25 years
Operating and maintenance equipment and equipment for wind power plant	5 years
Buildings and structures	20-40 years
Building improvements	5 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**(h) Intangible assets****Goodwill**

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 4(a). Subsequent to initial recognition, goodwill is measured at cost less impairment losses.

**Other intangible assets**

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

**Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

**Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Software licences	3-10 years
Right to use electrical transmission line	8 years
Right to Power Purchase Agreements and Coal Supply Agreements	20-25 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**(i) Development expenditure**

Development expenditure is recognised as an expense as incurred. Costs incurred on development projects are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditures are recognised as an expense as incurred. Development expenditure previously recognised as an expense is not recognised as an asset in a subsequent period. Development expenditure that has been capitalised is amortised from commencement of the commercial operation on a straight-line basis over the period of its expected benefit.

**(j) Impairment**

The carrying amounts of the Group's/Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though



the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

#### Calculation of recoverable amount

The recoverable amount of held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### (k) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

#### (l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

#### (m) Employee benefits

##### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

##### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

##### Post-employment benefits

The Group's/Company's obligation in respect of post-employment benefit is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Government bonds that have maturity dates approximating the terms of the Group's/Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

#### (n) Provisions

A provision is recognised if, as a result of a past event, the Group/Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### (o) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

##### Sale of electricity

Revenue from sale of electricity comprises Availability Payments and Energy Payments. Availability Payments are recognised according to the term

set out in the Power Purchase Agreement as conditions are met, essentially Contract Availability Hours, net amount of sales taxes and discounts. Energy Payments are calculated based on actual electricity delivered and monthly payment rates which refer to changes in the natural gas price specified in the agreement.

Revenue from the sale of electricity apart from the Power Purchase Agreement is recognised in the statement of income based on the units of sales delivered at the applicable tariff rates.

#### Service income

Service income is recognised as services are provided.

#### Rental income

Rental income is recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

#### Interest, other income and dividend

Interest and other income are recognised in the statement of income as it accrues. Dividend income is recognised in the statement of income on the date the Group's/Company's right to receive payments is established.

### (p) Expenses

#### Lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease occurred may calculate with minimum payment for the period of agreement if the price is adjusted.

#### Determining whether an arrangement contains a lease

At inception of an arrangement, the Group/Company determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group/Company the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group/Company separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group/Company concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's/Company's incremental borrowing rate.

#### Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

#### Deferred financing service fee

Deferred financing service fee is initially recorded at cost and carried at cost less accumulated amortisation. Amortisation is calculated using the effective interest method over the life of the long-term loan agreements and capitalised in power plant during construction. After construction is completed, amortisation is made through the income statement. Deferred financing service fee is recognised as cost of debt and deducted directly from long-term loans.

#### Other expenses

Other expenses are recognised in the statement of income as it accrues.

### (q) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group/Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group/Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group/Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (r) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

## 5 Acquisitions of subsidiary and non-controlling interest

On 5 July 2011, RH International (Singapore) Corporation PTE LTD., a subsidiary, invested AUD 203.03 million for 56.16% of the ordinary shares of the Transfield Services Infrastructure Fund (name changed to RATCH-Australia Corporation Limited) which is incorporated in Australia. Such entity was restructured in accordance with document steps plan. Subsequent to the completion of the restructuring, the subsidiary obtained the proportion of investment at 80% or AUD 130.25 million and a loan to such entity amounting to AUD 72.78 million.

The purchase of this condition in accordance with the Financial Report No. 3 (Revised 2009) Business Combinations, which requires a record of assets, liabilities and contingent liabilities is specified at the acquisition date at fair value, including goodwill (if any). The Group has hired an independent appraiser to determine the fair value of assets and liabilities acquired at that date, however, the report on the review at the interim financial statements date has not been completed, so the net assets acquired are provisionally recorded at cost in the consolidated statements of financial position as at December 31, 2011. The result of the appraisal will be used to amend the accounting at fair value and to record the final determination of goodwill (if any) in the period that the report of the independent appraiser is received.

	(in thousand Baht)
Cash and cash equivalents	386,612
Trade accounts receivable	1,278,299
Inventories	536,743
Other current assets	147,843
Long-term loans receivable	1,639,900
Investments in jointly-controlled entity	1,205,606
Other long-term investments	606,410
Property, plant and equipment	18,646,288
Intangible assets	3,855,465
Other non-current assets	290,094
Interest-bearing liabilities	(22,219,459)
Trade accounts payable	(400,261)
Deferred tax liabilities	(2,132,531)
Other non-current liabilities	(103,355)
<b>Net identifiable assets and liabilities</b>	<b>3,737,654</b>
Less non-controlling interests	(747,531)
<b>Recognised value of net assets acquisition</b>	<b>2,990,123</b>
Excess of consideration transferred over book value	1,202,964
<b>Consideration paid</b>	<b>(4,193,087)</b>
Cash paid for restructuring of RATCH-Australia Corporation Limited	(2,382,201)
<b>Cash outflow</b>	<b>(6,575,288)</b>
Cash acquired	386,612
<b>Net cash outflow</b>	<b>(6,188,676)</b>

## 6 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group/Company if the Group/Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group/Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Electricity Generating Authority of Thailand	Thailand	Major shareholder, some common directors
Ratchaburi Electricity Generating Company Limited	Thailand	Subsidiary, 99.99% shareholding, some common directors
Ratchaburi Energy Company Limited	Thailand	Subsidiary, 99.99% shareholding
Ratchaburi Gas Company Limited	Thailand	Subsidiary, 99.99% shareholding
Ratch Udom Power Company Limited	Thailand	Subsidiary, 99.99% shareholding
RATCH-Lao Services Company Limited	Lao PDR	Subsidiary, 99.99% shareholding
RH International Corporation Limited	Thailand	Subsidiary, 99.99% shareholding
Ratchaburi Alliances Company Limited	Thailand	Indirect subsidiary, 99.99% shareholding by a subsidiary
RH International (Mauritius) Corporation Ltd.	Mauritius	Indirect subsidiary, 100% shareholding by a subsidiary
RH International (Singapore) Corporation PTE. LTD.	Singapore	Indirect subsidiary, 100% shareholding by a subsidiary
Sustainable Energy Corporation Company Limited	Thailand	Indirect subsidiary, 55.18% shareholding by a subsidiary
Tri Energy Company Limited	Thailand	Jointly-controlled entity of subsidiary, 50% shareholding by a subsidiary
Ratchaburi Power Company Limited	Thailand	Jointly-controlled entity of subsidiary, 25% shareholding by a subsidiary



Name of entities	Country of incorporation/ nationality	Nature of relationships
Chubu Ratchaburi Electric Services Company Limited	Thailand	Jointly-controlled entity of the Company, 50% shareholding
SouthEast Asia Energy Limited	Thailand	Jointly-controlled entity of the Company, 33.33% shareholding
Khao Kor Wind Power Company Limited	Thailand	Subsidiary of indirect subsidiary, 100% shareholding by an indirect subsidiary
Hongsa Power Company Limited	Lao PDR	Jointly-controlled entity of the Company, 40% shareholding
Phufai Mining Company Limited	Lao PDR	Jointly-controlled entity of the Company, 37.50% shareholding
Nam Ngum 2 Power Company Limited	Lao PDR	Subsidiary of a jointly-controlled entity, 75% shareholding by a jointly-controlled entity
Nam Ngum 3 Power Company Limited	Lao PDR	Jointly-controlled entity of the Company, 25% shareholding
Nava Nakorn Electricity Generating Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Ratchaburi World Cogeneration Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Solarta Company Limited	Thailand	Jointly-controlled entity of the Company, 49% shareholding
RATCH-Australia Corporation Limited	Australia	Indirect subsidiary, 80% shareholding by an indirect subsidiary
Solar Power (Korat 3) Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Solar Power (Korat 4) Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Solar Power (Korat 7) Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Songkhla Biomass Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
First Korat Wind Company Limited	Thailand	Associate of the Company, 20% shareholding
K.R.Two Company Limited	Thailand	Associate of the Company, 20% shareholding
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group/Company.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of electricity	Contractually agreed price
Service income on operation and maintenance services	Contractually agreed price
Management service income	Contractually agreed price
Purchase of goods/raw materials	Contractually agreed price
Operation and maintenance service fee	Contractually agreed price
Interest income	Contractually agreed rate
Other income	Contractually agreed price
Rental income	Contractually agreed price
Interest expense	Contractually agreed rate

Significant transactions for the years ended 31 December 2011 and 2010 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Major Shareholder</i>				
Sale of electricity	41,237,199	42,137,398	-	-
Purchase of fuel	2,622,234	1,413,218	-	-
Purchase of electricity	173,439	161,263	-	-
Operation and maintenance services fee	1,283,823	1,118,893	-	-
Management service income	2,248	-	-	-
<i>Subsidiaries</i>				
Management service income	-	-	124,026	14,433
Dividend income	-	-	4,810,811	3,684,473
Interest income	-	-	84,626	18,287
<i>Jointly-controlled entities</i>				
Operation and maintenance services income	114,999	42,255	-	-
Management service income	180,935	251,921	179,252	251,921
Dividend income	-	-	20,000	-
Interest income	83,588	22,450	5,052	22,450
Other income	34,450	38,063	-	-
Rental income	11,681	11,329	-	-
<i>Other related party</i>				
Interest expense	368,799	-	-	-
<i>Key management personnel</i>				
Short-term employee benefits	177,928	108,071	95,695	74,204
Post-employment benefits	6,318	4,349	4,071	2,872
Long-term employee benefit	5,610	-	3,387	-
Total key management personnel	189,856	112,420	103,153	77,076

Balances as at 31 December 2011 and 2010 with related parties were as follows:

Trade accounts receivable from related parties	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Major Shareholder</i>				
Electricity Generating Authority of Thailand	2,330,860	3,331,649	-	-
<i>Related parties</i>				
Nam Ngum 2 Power Company Limited	9,583	9,583	-	-
	2,340,443	3,341,232	-	-
Less allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<b>2,340,443</b>	<b>3,341,232</b>	<b>-</b>	<b>-</b>
Bad and doubtful debts expense for the year	-	-	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Related parties</i>				
Within credit terms	2,340,443	3,341,232	-	-
Less allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<b>2,340,443</b>	<b>3,341,232</b>	<b>-</b>	<b>-</b>

The normal credit term granted by the Group is not exceeding 1 month.

Dividend receivable	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Subsidiary</i>				
Ratchaburi Electricity Generating Company Limited	-	-	2,541,231	1,828,941
<i>Jointly-controlled entities</i>				
Tri Energy Company Limited	30,813	-	-	-
<b>Total</b>	<b>30,813</b>	<b>-</b>	<b>2,541,231</b>	<b>1,828,941</b>

Advances to and other receivables from related parties	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Major Shareholder</i>				
Electricity Generating Authority of Thailand	8,490	481	-	-
<i>Subsidiaries</i>				
Ratchaburi Electricity Generating Company Limited	-	-	864	386
Ratchaburi Energy Company Limited	-	-	158	185
RATCH-Lao Services Company Limited	-	-	-	4,589
RH International (Mauritius) Corporation Limited	-	-	-	277
RH International (Singapore) Corporation PTE. LTD.	-	-	31,826	277
Sustainable Energy Corporation Company Limited	-	-	607	2,380
RATCH-Australia Corporation Limited	-	-	12,997	-
<i>Jointly-controlled entities</i>				
Tri Energy Company Limited	2,419	2,282	2,419	2,281
Ratchaburi Power Company Limited	2,999	11,305	-	-
Chubu Ratchaburi Electric Services Company Limited	861	800	861	800
SouthEast Asia Energy Limited	18,382	13,145	18,382	13,145
Hongsa Power Company Limited	4,191	127,109	4,191	127,109
Ratchaburi World Cogeneration Company Limited	6,699	-	6,699	-
Nava Nakorn Electricity Generating Company Limited	3	-	3	-
Nam Ngum 2 Power Company Limited	168	-	-	-
Songkhla Biomass Company Limited	140	-	140	-
Great Energy Alliance Corporation Pty Limited	60,933	-	-	-
<b>Total</b>	<b>105,285</b>	<b>155,122</b>	<b>79,147</b>	<b>151,429</b>

Long-term trade account receivable from related party	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Major Shareholder</i>				
Electricity Generating Authority of Thailand	-	4,951	-	-
<i>Subsidiaries</i>				
Ratch Udom Power Company Limited	-	-	2,557	4,548
RATCH-Lao Services Company Limited	-	-	3,942	-
RH International Corporation Limited	-	-	10,277	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>16,776</b>	<b>4,548</b>



Loans to related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	2011	2010
	(% per annum)		(in thousand Baht)			
<i>Short-term loans</i>						
<i>Subsidiaries</i>						
RATCH-Lao Services Company Limited	-	2.50	-	-	-	899,846
RH International (Mauritius) Corporation Limited	-	2.50	-	-	-	448,623
RH International (Singapore) Corporation PTE. LTD.	-	2.50	-	-	-	448,623
Less allowance for doubtful accounts			-	-	-	-
Short-term loans to related parties-net			-	-	-	1,797,092

Loans to related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	2011	2010
	(% per annum)		(in thousand Baht)			
<i>Long-term loans</i>						
<i>Subsidiary</i>						
RATCH-Lao Services Company Limited	2.50	2.50	-	-	943,575	-
Ratch Udom Power Company Limited	3.80	2.05	-	-	236,200	793,900
RH International Corporation Limited	3.10	-	-	-	2,273,871	-
<i>Jointly-controlled entity</i>						
SouthEast Asia Energy Limited	8.4583	7.375	62,500	62,500	62,500	62,500
Great Energy Alliance Corporation Pty Limited	10	-	1,611,633	-	-	-
			1,674,133	62,500	3,516,146	856,400
Less current portion			(62,500)	(62,500)	(62,500)	(62,500)
allowance for doubtful accounts			-	-	-	-
Long-term loans to related parties-net			1,611,633	-	3,453,646	793,900

Movements during the years ended 31 December 2011 and 2010 of loans to related parties were as follows:

Loans to related parties	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Short-term loans to related parties</i>				
At 1 January	-	360	1,797,092	360
Increase	-	520,000	3,860,275	3,738,890
Decrease	-	(520,360)	(4,774,997)	(1,920,360)
Reclassify to long-term loans	-	-	(908,145)	-
Exchange rate adjustment	-	-	25,775	(21,798)
At 31 December	-	-	-	1,797,092
<i>Long-term loans to related parties</i>				
At 1 January	62,500	62,500	856,400	1,475,281
Reclassify from short-term loans	-	-	908,145	-
Increase from acquisition	1,639,900	-	-	-
Increase	-	-	8,278,275	-
Decrease	-	-	(6,391,382)	(618,881)
Exchange rate adjustment	(28,267)	-	(135,292)	-
At 31 December	1,674,133	62,500	3,516,146	856,400

Investments in subsidiaries	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Subsidiaries	-	-	21,179,661	20,523,467

Investments in jointly-controlled and associates entities	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Jointly-controlled entities	13,643,499	10,997,709	4,121,064	3,142,338
Associates	356,562	-	357,062	-
	14,000,061	10,997,709	4,478,126	3,142,338

Trade payables to related party	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Major Shareholder</i>				
Electricity Generating Authority of Thailand	152,231	11,833	-	-

Other payables to related parties	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Major Shareholder</i>				
Electricity Generating Authority of Thailand	22,099	30,501	-	1,166

Unearned revenue and accrued expenses-related parties	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Major Shareholder</i>				
Electricity Generating Authority of Thailand	70,236	42,916	-	-
<i>Jointly-controlled entities</i>				
Ratchaburi Power Company Limited	14,203	13,636	15,621	12,220
Nam Ngum 3 Power Company Limited	410	-	-	-
<b>Total</b>	<b>84,849</b>	<b>56,552</b>	<b>15,621</b>	<b>12,220</b>

Long-term loans from related party	Interest rate		Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	2011	2010
	(% per annum)		(in thousand Baht)			
Transfield Services Limited	14.50	-	4,200,947	-	-	-
Less current portion within one year			(2,775,321)	-	-	-
Long-term loans from related parties			1,425,626	-	-	-

Movements during the years ended 31 December 2011 and 2010 of long-term loans from related parties were as follows:

Long-term loans from related party	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
At 1 January	-	-	-	-
Increase from acquisition	4,113,357	-	-	-
Increase	96,591	-	-	-
Increase from convertible accrued interest to loan	49,332	-	-	-
Decrease	-	-	-	-
Exchange rate adjustment	(58,333)	-	-	-
At 31 December	4,200,947	-	-	-

### Significant agreements with related parties

#### Long-term loans to related parties

The Company granted loans to Ratch Udom Power Company Limited, a subsidiary, amounting to Baht 1,412.78 million which bear interest at the rates as stipulated in the agreement under the existing agreement and condition, by an issuance of promissory notes held at call to the Company. Until 31 December 2011, such subsidiary has made repayment to the Company totalling Baht 1,176.58 million. Consequently, as at 31 December 2011 the Company had the outstanding balance of such loans amounting to Baht 236.20 million. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loans as long-term loans.

The Company granted loans to SouthEast Asia Energy Limited, Vientiane Branch, a jointly-controlled entity, amounting to Baht 62.50 million which bear interest at the rates as stipulated in the agreement. The Company recorded such loans as loans due within one year since the loan agreement determines the repayment term of principal and interest within 30 months commencing from the signing date in the Shareholders' Loan Agreement or the loan approval date from the financial institutions to the jointly-controlled entity, whichever is the earlier. However, on 12 February 2010 and 31 August 2011, the Company has amended the loan agreement with such jointly-controlled entity by extension of the period of repayment and its interest for another 18 months and 12 months which will be due on 4 September 2012. Therefore, the Company classified such loans as current portion as at 31 December 2011.

The Company granted loans to RH International Corporation Limited, a subsidiary, amounting to AUD 259 million which bear interest at the rate of 3.10% per annum. Principle and interest will be on call as stipulated in the agreement. During the year 2011, the such subsidiary made repayment to the Company amounting to AUD 187.5 million. Consequently, as at 31 December 2011 the Company had the outstanding balance of such loans amounting to AUD 71.5 million. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loans as long-term loans.

The Company granted loans to Ratch-Lao Services Company Limited, a subsidiary, amounting to U.S.Dollars 30 million which bear interest as stipulated in the agreement. Principle and interest will be on call as stipulated in the agreement. As at 31 December 2011 the Company had the outstanding balance of such loans amounting to U.S.Dollars 30 million. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loans as long-term loans.

#### Long-term loans from related party

During year 2011, RATCH-Australia Corporation Limited, a subsidiary, had a long-term loan agreement for a 30 year term with an other related party in Australia amounting to AUD 125.93 million which bears-interest at the rate of 14.5% per annum. However, the subsidiary will make repayment of such loan amounting to AUD 86.20 million in 2012. Therefore the Company classified such amount as current portion as at 31 December 2011. In addition, such subsidiary had also a long-term loan from related party in Australia amounting to AUD 3 million which bears interest at the rate of 14.5% per annum. The lender has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loan as long-term loan as at 31 December 2011.



#### Power Purchase Agreement

On 9 October 2000, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Power Purchase Agreement with EGAT for the period of 25 years, whereby the subsidiary will deliver the Net Electrical Generation from the Thermal Generating Units 1 and 2 and the Combined Cycle Generating Blocks 1, 2 and 3 to EGAT as defined in the agreements. Under the Power Purchase Agreement, the subsidiary will receive revenue from EGAT comprising of an Availability Payment (AP) and an Energy Payment (EP). The Availability Payment (AP) covers repayment of principal and interest of loan, equity return for shareholders, fixed expenses in operation and maintenance, and administrative expenses. Such expenses will be adjusted to cover the change of interest rate, Consumer Price Index and exchange rate. The Energy Payment (EP) covers production costs comprising of fuel costs variable costs in operation and maintenance, which will be adjusted in accordance with the fuel price, efficiency ratio and Consumer Price Index.

On 3 December 2008, Ratchaburi Energy Company Limited, a subsidiary, entered into the 2 Megawatts Power Purchase Agreement with EGAT for the period of 5 years. The contract can be extended for a period of 5 years subject to the provision of written notice to the counterparty within 30 days before the contract expiry date.

#### Operation and Maintenance Agreement and Other Service Agreements

On 7 January 2009, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Operation and Maintenance Agreement with EGAT whereby EGAT will operate and provide general maintenance services including major overhaul for the subsidiary. The total operation and general maintenance charge including services charges for major maintenance are approximately Baht 16,608.16 million, adjusted by the annual Consumer Price Index. The contract is valid from 1 January 2009 until the termination dates of the Power Purchase Agreements for Thermal Generating Units and Combined Cycle Generating Units.

#### Land Lease Agreement and Common Facility Agreement

On 7 September 2004 and 21 October 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Land Lease Agreement with Ratchaburi Power Company Limited to lease an area of 145 rais in the Ratchaburi Power Plant area for a power plant project to Ratchaburi Power Company Limited for the period of 25 years and 3 months commencing from Ratchaburi Power's commercial operation date.

On 25 November 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Common Facility Agreement with Ratchaburi Power Company Limited whereby the subsidiary will provide certain facilities, utilities, services, right to use and access rights relating to the construction and operation of the facility to Ratchaburi Power Company Limited as defined in the agreement. This agreement is effective from the signing date in the agreement and will be expired on the expiry date of the Land Lease Agreement dated 7 September 2004.

#### Management Service Agreement

On 27 February 2004, the Company entered into the Management Service Agreement with Ratchaburi Power Company Limited, a jointly-controlled entity whereby the Company will receive management fee from Ratchaburi Power Company Limited amounting to U.S. Dollars 2.5 million per year for the period of 25 years and 3 months commencing from the commercial operation date of the first unit of Ratchaburi Power Company Limited with total contract value of U.S. Dollars 63.12 million.

#### Agreements in relation to investments in Chubu Ratchaburi Electric Services Company Limited

On 29 September 2005, the Company and Chubu Electric Power (Thailand) Company Limited entered into the Shareholders Agreement to set up Chubu Ratchaburi Electric Services Company Limited and made the first payment of paid-up capital in proportion of each equity holder totaling Baht 10 million. As at 31 December 2011, the Company has commitment to make payment for the unpaid share capital amounting to Baht 10 million. In addition, under this Shareholders Agreement, should Chubu Ratchaburi Electric Services Company Limited require additional funding exceeding its registered capital, the Company agreed to provide financial support in the form of shareholder loans or any guarantees to Chubu Ratchaburi Electric Services Company Limited in proportion of the Company's shareholding of 50%. There are no specific amounts of financial supports specified in the agreement. As at 31 December 2011, the Company has not provided any loans or guarantees according to the agreement.

#### Agreements in relation to Nam Ngum 2 Power Plant

On 26 May 2006, The Company entered into the Service Agreement with Nam Ngum 2 Power Company Limited, a subsidiary of a jointly-controlled entity for the Project development, Construction and Operation and Maintenance Agreement whereby the Company will receive management fee from Nam Ngum 2 Power Company Limited amounting to Baht 25 million per year commencing from the commercial operation date until the end of the concession period under the concession agreement.

On 25 September 2009, RATCH-Lao Services Company Limited entered into the Operation and Maintenance Agreement of the hydroelectric power plant with Nam Ngum 2 Power Company Limited. The contract is valid from 1 July 2009 until the end of the concession period under

the concession agreement. In consideration thereof, EGAT will act as the subcontractor for the operation and maintenance of dam and powerhouse while RATCH-Lao Service Company Limited will provide building maintenance, facilities and other management services. The initial operation and maintenance services fee are approximately Baht 3,200 million, which will be adjusted by the rates as stipulated in the agreement. On 26 September 2009, RATCH-Lao Services Company Limited entered into the Subcontract Agreement on operation and maintenance of such hydroelectric power plant with EGAT whereby EGAT will operate and provide general maintenance services to Nam Ngum 2 Power Company Limited. The contract is valid from 1 July 2009 until the concession period under the concession agreement with initial approximate contract price of Baht 2,000 million, which will be adjusted by the rates as stipulated in the agreement.

## 7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Cash on hand	498	350	100	100
Cash at banks - current accounts	46,079	507,134	59	2,225
Cash at banks - saving accounts	5,372,052	3,462,185	369,566	123,686
Highly liquid short-term investments	5,280,000	7,319,579	3,450,000	5,680,000
Total	10,698,629	11,289,248	3,819,725	5,806,011

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Thai Baht (THB)	8,498,240	10,782,871	3,789,598	5,806,011
United States Dollars (USD)	168,067	506,179	30,127	-
Lao Kip (LAK)	44,713	198	-	-
Australian Dollars (AUD)	1,987,609	-	-	-
Total	10,698,629	11,289,248	3,819,725	5,806,011

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 11 July 2005, the Board approved the policy to maintain cash reserves for repayment of principal and interest of loan in the next quarter. As at 31 December 2011, such reserves amounting to Baht 976 million were included in cash and cash equivalents (2010: Baht 884 million).

## 8 Other investments

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Current investments</i>				
Short-term deposits at financial institutions	2,860,688	2,500,000	2,700,000	2,500,000
Debt securities held to maturity	150,000	101,383	150,000	100,000
	3,010,688	2,601,383	2,850,000	2,600,000
<i>Other long-term investments</i>				
Equity securities available for sale	2,031,224	1,301,461	-	-
Debt securities held to maturity	218,000	368,000	218,000	368,000
	2,249,224	1,669,461	218,000	368,000
<b>Total</b>	<b>5,259,912</b>	<b>4,270,844</b>	<b>3,068,000</b>	<b>2,968,000</b>

The currency denomination of other investments as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Thai Baht (THB)	3,168,000	2,969,383	3,068,000	2,968,000
Lao Kip (LAK)	1,432,834	1,301,461	-	-
United States Dollars (USD)	60,688	-	-	-
Australian Dollars (AUD)	598,390	-	-	-
<b>Total</b>	<b>5,259,912</b>	<b>4,270,844</b>	<b>3,068,000</b>	<b>2,968,000</b>

Movements during the years ended 31 December 2011 and 2010 of marketable equity securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Available-for-sale securities</i>				
At 1 January	1,301,461	-	-	-
Increase from acquisition	606,410	-	-	-
Purchases during the year	173,707	1,301,461	-	-
Exchange rate adjustment	36,975	-	-	-
Valuation adjustment	(87,329)	-	-	-
<b>At 31 December</b>	<b>2,031,224</b>	<b>1,301,461</b>	<b>-</b>	<b>-</b>

## 9 Spare parts and supplies

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Fuel	709,485	711,049	-	-
Specific spare parts	1,996,699	1,437,203	-	-
Common spare parts	95	95	-	-
Spare parts in transit	45,434	43,642	-	-
Total	2,751,713	2,191,989	-	-
Less allowance for obsolescence	(504,970)	(445,757)	-	-
Net	2,246,743	1,746,232	-	-

The cost of spare parts and supplies which was recognised as an expense and included in cost of sale for the year ended 31 December 2011 amounted to Baht 2,759.45 million (2010: Baht 1,588.44 million).

## 10 Investments in subsidiaries

	Separate financial statements	
	2011	2012
	(in thousand Baht)	
<b>Subsidiaries</b>		
At 1 January	20,523,467	20,144,717
Acquisitions	656,194	378,750
At 31 December	21,179,661	20,523,467



Investments in subsidiaries as at 31 December 2011 and 2010, and dividend income from those investments for the years then ended were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)		(in thousand Baht)									
<i>Subsidiaries</i>												
Ratchaburi Electricity Generating Company Limited	99.99	99.99	18,275,000	18,275,000	18,275,000	18,275,000	-	-	18,275,000	18,275,000	4,497,811	3,550,093
Ratchaburi Gas Company Limited	99.99	99.99	1,165,903	1,165,903	1,165,903	1,165,903	-	-	1,165,903	1,165,903	313,000	134,380
Ratch Udom Power Company Limited	99.99	99.99	420,900	420,900	420,900	420,900	-	-	420,900	420,900	-	-
Ratchaburi Energy Company Limited	99.99	99.99	640,000	640,000	640,000	640,000	-	-	640,000	640,000	-	-
RATCH-Lao Services Company Limited	99.99	99.99	77,858	16,664	77,858	16,664	-	-	77,858	16,664	-	-
RH International Corporation Limited	99.99	99.99	600,000	5,000	600,000	5,000	-	-	600,000	5,000	-	-
<b>Total</b>					<b>21,179,661</b>	<b>20,523,467</b>	<b>-</b>	<b>-</b>	<b>21,179,661</b>	<b>20,523,467</b>	<b>4,810,811</b>	<b>3,684,473</b>

#### Increase in share capital of RH International Corporation Limited

At the annual shareholders' meeting of RH International Corporation Limited, a subsidiary, held on 18 March 2011, the shareholders approved to increase the authorised share capital from Baht 5 million (*comprising 500,000 shares at par value of Baht 10 per share*) to Baht 600 million (*comprising 60 million shares at par value of Baht 10 per share*) by issuance of new ordinary shares totalling 59.5 million shares at par value of Baht 10 per share. The Company paid for the share capital amounting to Baht 595 million, in the proportion of investment of 99.99%.

#### Increase in share capital of RATCH-Lao Services Company Limited

At the extraordinary shareholders' meeting of RATCH-Lao Services Company Limited, a subsidiary, held on 9 June 2011, the shareholders approved to increase the authorised share capital from Baht 16.66 million (*comprising 500,000 shares at par value of U.S. Dollar 1 per share*) to Baht 77.86 million (*comprising 2.5 million shares at par value of U.S. Dollar 1 per share*) by issuance of new ordinary shares totalling 2 million shares at par value of U.S. Dollar 1 per share. The Company paid for the share capital amounting to Baht 61.19 million, in the proportion of investment of 99.99%.

#### Dividends paid by subsidiaries

At the Board of Directors meeting of Ratchaburi Gas Company Limited, a subsidiary, held on 20 June 2011, the Board approved the appropriation of the interim dividend of Baht 6.26 per share, totalling Baht 313 million. The dividend was paid to shareholders during June 2011.

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 21 November 2011, the Board approved the appropriation of the interim dividend of Baht 0.62 per share, totalling Baht 1,132.03 million will be paid to shareholders during October 2012.

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 15 August 2011, the Board approved the appropriation of the interim dividend of Baht 0.77 per share, totalling Baht 1,409.20 million will be paid to shareholders during April 2012.

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 23 May 2011, the Board approved the appropriation of the interim dividend of Baht 0.60 per share, totalling Baht 1,102.23 million was paid to shareholders during December 2011.

At the annual general meeting of the shareholders of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 21 March 2011, the shareholders approved the appropriation of dividends from the net profit of 2010 of Baht 2.08 per share, totalling Baht 3,808 million, after deducting the interim dividend of Baht 1.618 per share, amounting to Baht 2,953.21 million from the net profit for nine-month period ended 30 September 2010. The balance of dividends, amounting to Baht 854.35 million, was paid to shareholders during October 2011.

At the Board of Directors meeting of Ratchaburi Gas Company Limited, a subsidiary, held on 8 June 2010, the Board approved the appropriation of the interim dividend of Baht 2.68 per share, totalling Baht 134.38 million. The dividend was paid to shareholders during September 2010.

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 15 November 2010, the Board approved the appropriation of the interim dividend of Baht 0.36 per share, totalling Baht 653.80 million. The dividend was paid to shareholders during August 2011.

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 23 August 2010, the Board approved the appropriation of the interim dividend of Baht 0.64 per share, totalling Baht 1,175.14 million. The dividend was paid to shareholders during May 2011.

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 20 May 2010, the Board approved the appropriation of the interim dividend of Baht 0.62 per share, totalling Baht 1,124.27 million. The dividend was paid to shareholders during December 2010.

At the annual general meeting of the shareholders of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 16 March 2010, the shareholders approved the appropriation of dividends from the net profit of 2009 of Baht 2.74 per share, totalling Baht 5,014.57 million, after deducting the interim dividend of Baht 2.41 per share, amounting to Baht 4,417.69 million from the net profit for nine-month period ended 30 September 2009. The balance of dividends, amounting to Baht 596.88 million, was paid to shareholders during September 2010.

## 11 Investments in jointly-controlled and associates entities

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
At 1 January	10,997,709	9,493,610	3,142,338	1,914,882
Investments in jointly-controlled entities from acquisition	1,205,606	-	-	-
Share of net profits of investments - equity method	1,333,095	1,443,133	-	-
Payment for additional shares in jointly-controlled entities	978,726	377,695	978,726	377,695
Payment for additional shares in associate entities	357,062	-	357,062	-
Transferred development costs to investments	-	849,761	-	849,761
Dividend income	(857,273)	(1,057,099)	-	-
Investment in jointly-controlled entity before change of status	-	(109,391)	-	-
Exchange rate adjustment	(14,864)	-	-	-
At 31 December	14,000,061	10,997,709	4,478,126	3,142,338

Investments in jointly-controlled and associates entities as at 31 December 2011 and 2010, and dividend income from those investments for the years then ended were as follows:

	Consolidated financial statements											
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)		(in thousand Baht)									
<i><b>Jointly-controlled entities</b></i>												
Tri Energy Company Limited	50	50	3,618,420	3,618,420	1,809,211	1,809,211	4,918,886	4,675,616	-	-	4,918,886	4,675,616
Ratchaburi Power Company Limited	25	25	7,325,000	7,325,000	1,831,250	1,831,250	3,358,393	3,318,318	-	-	3,358,393	3,318,318
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	95,533	99,538	-	-	95,533	99,538
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,430,019	2,143,340	2,143,340	2,425,322	2,051,924	-	-	2,425,322	2,051,924
Hongsa Power Company Limited	40	40	2,457,793	2,457,793	983,116	983,116	808,054	846,538	-	-	808,054	846,538
Phutai Mining Company Limited	37.5	37.5	1,679	1,679	630	630	450	523	-	-	450	523
Nam Ngum 3 Power Company Limited	25	25	1,808	1,808	452	452	375	452	-	-	375	452
Nava Nakorn Electricity Generating Company Limited	40	40	82,000	2,000	32,800	800	31,452	800	-	-	31,452	800
Ratchaburi World Cogeneration Company Limited	40	10	390,000	40,000	156,000	4,000	150,492	4,000	-	-	150,492	4,000
Solarita Company Limited	49	-	1,100,000	-	545,960	-	551,747	-	-	-	551,747	-
Solar Power (Korat 3) Company Limited	40	-	162,500	-	65,000	-	56,605	-	-	-	56,605	-
Solar Power (Korat 4) Company Limited	40	-	153,315	-	61,326	-	59,143	-	-	-	59,143	-
Solar Power (Korat 7) Company Limited	40	-	113,780	-	45,530	-	44,944	-	-	-	44,944	-
Songkhla Biomass Company Limited	40	-	45,000	-	18,000	-	16,899	-	-	-	16,899	-
Perth Power Partnership (Kwinana)	30	-	2,311,167	-	874,082	-	1,125,204	-	-	-	1,125,204	-
<b>Total</b>					<b>8,635,607</b>	<b>6,782,799</b>	<b>13,643,499</b>	<b>10,997,709</b>	<b>-</b>	<b>-</b>	<b>13,643,499</b>	<b>10,997,709</b>
											<b>857,273</b>	<b>1,057,099</b>
<i><b>Associates entities</b></i>												
First Korat Wind Company Limited	20	-	1,018,460	-	203,594	-	203,180	-	-	-	203,180	-
K.R.Two Company Limited	20	-	767,340	-	153,468	-	153,382	-	-	-	153,382	-
<b>Total</b>					<b>357,062</b>	<b>-</b>	<b>356,562</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>356,562</b>	<b>-</b>

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At equity - net		Dividend income	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)		(in thousand Baht)									
<i>Jointly-controlled entities</i>												
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	-	-	10,000	10,000	20,000	-
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,430,019	2,202,250	2,143,340	-	-	2,202,250	2,143,340	-	-
Hongsa Power Company Limited	40	40	2,457,793	2,457,793	983,116	983,116	-	-	983,116	983,116	-	-
Phufai Mining Company Limited	37.50	37.50	1,679	1,679	630	630	-	-	630	630	-	-
Nam Ngum 3 Power Company Limited	25	25	1,808	1,808	452	452	-	-	452	452	-	-
Nava Nakorn Electricity Generating Company Limited	40	40	82,000	2,000	32,800	800	-	-	32,800	800	-	-
Ratchaburi World Cogeneration Company Limited	40	10	390,000	40,000	156,000	4,000	-	-	156,000	4,000	-	-
Solarita Company Limited	49	-	1,100,000	-	545,960	-	-	-	545,960	-	-	-
Solar Power (Korat 3) Company Limited	40	-	162,500	-	65,000	-	-	-	65,000	-	-	-
Solar Power (Korat 4) Company Limited	40	-	153,315	-	61,326	-	-	-	61,326	-	-	-
Solar Power (Korat 7) Company Limited	40	-	113,780	-	45,530	-	-	-	45,530	-	-	-
Songkhla Biomass Company Limited	40	-	45,000	-	18,000	-	-	-	18,000	-	-	-
Total					4,121,064	3,142,338	-	-	4,121,064	3,142,338	20,000	-
<i>Associates entities</i>												
First Korat Wind Company Limited	20	-	1,018,460	-	203,594	-	-	-	203,594	-	-	-
K.R.Two Company Limited	20	-	767,340	-	153,468	-	-	-	153,468	-	-	-
Total					357,062	-	-	-	357,062	-	-	-



The following summarized financial information on jointly-controlled and associates entities which have been accounted for using the equity method represents the percentage of ownership held by the Group as follow:

	Ownership interest	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Profit/ (loss)
	(%)	(in thousand Baht)								
<b>2011</b>										
Tri Energy Company Limited	50	2,512,124	9,050,848	11,562,972	1,626,099	105,978	1,732,077	399,640	(375,789)	23,851
Ratchaburi Power Company Limited	25	8,329,124	20,601,868	28,930,992	4,334,986	13,236,533	17,571,519	4,728,105	(4,104,095)	624,010
Chubu Ratchaburi Electric Services Company Limited	50	427,111	10,730	437,841	246,293	661	246,954	502,728	(486,585)	16,143
SouthEast Asia Energy Company Limited	33.33	1,992,815	28,996,928	30,989,743	1,328,821	19,989,733	21,318,554	1,304,074	(884,428)	419,646
Hongsa Power Company Limited	40	806,805	20,436,236	21,243,041	1,572,462	17,826,335	19,398,797	53,253	(91,736)	(38,483)
Phutai Mining Company Limited	37.50	1,486	-	1,486	384	-	384	-	(75)	(75)
Nam Ngum 3 Power Company Limited	25	73	134,792	134,865	133,284	-	133,284	77	-	77
Nava Nakhon Electricity Generating Company Limited	40	79,585	-	79,585	1,005	-	1,005	80	(1,427)	(1,347)
Ratchaburi World Cogeneration Company Limited	40	47,008	336,178	383,186	8,945	-	8,945	620	(6,131)	(5,511)
Solarita Company										
Company Limited	49	146,617	3,577,806	3,724,423	374,434	2,238,205	2,612,639	19,550	(13,763)	5,787
Solar Power (Korat 3)										
Company Limited	40	52,483	528,093	580,576	434,143	-	434,143	30	(8,425)	(8,395)
Solar Power (Korat 4)										
Company Limited	40	11,534	303,136	314,670	166,841	-	166,841	12	(2,195)	(2,183)
Solar Power (Korat 7)										
Company Limited	40	13,666	101,852	115,518	3,183	-	3,183	30	(615)	(585)
Songkha Biomass Company Limited	40	24,860	19,586	44,446	2,259	-	2,259	-	(1,101)	(1,101)
Perth Power Partnership (Kwinana)	30	475,995	2,628,368	3,104,363	163,098	321,287	484,385	334,954	(282,319)	52,635
Fist Korat Wind Company Limited	20	1,400,892	1,211,729	2,612,621	149,176	1,450,000	1,599,176	204	(618)	(414)
K.R.Two Company Limited	20	1,696,015	348,997	2,045,012	39,131	1,240,000	1,279,131	74	(161)	(87)
		18,018,193	88,287,147	106,305,340	10,584,544	56,408,732	66,993,276	7,343,431	(6,259,463)	1,083,968

	Ownership interest (%)	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Profit/(loss)
		(in thousand Baht)								
<b>2010</b>										
Tri Energy Company Limited Ratchaburi Power Company Limited	50	1,753,468	9,736,818	11,490,286	1,897,188	241,848	2,139,036	10,257,484	9,024,408	1,233,076
Chubu Ratchaburi Electric Services Company Limited	25	2,152,277	5,385,333	7,537,610	1,058,503	3,683,267	4,741,770	4,912,440	3,931,278	981,162
SouthEast Asia Energy Company Limited	50	212,141	8,351	220,492	120,954	-	120,954	514,210	484,620	29,590
Hongsa Power Company Limited	33.33	90,989	9,547,123	9,638,112	289,332	6,624,183	6,913,515	1,903	31,204	(29,301)
Phufai Mining Company Limited	40	603,307	2,297,767	2,901,074	539,887	1,574,491	2,114,378	13,657	150,134	(136,477)
Nam Ngum 3 Power Company Limited	37.50	530	-	530	64	-	64	-	73	(73)
	25	282	188	470	30	-	30	-	12	(12)
<b>Total</b>		<b>4,812,994</b>	<b>26,975,580</b>	<b>31,788,574</b>	<b>3,905,958</b>	<b>12,123,789</b>	<b>16,029,747</b>	<b>15,699,694</b>	<b>13,621,729</b>	<b>2,077,965</b>

#### Payment for additional paid-up share of jointly-controlled entities

For the year ended 31 December 2011, SouthEast Asia Energy Limited, a jointly-controlled entity, called for additional paid-up share capital. The Company paid for the additional paid-up share capital amounting to Baht 176.73 million, the Company paid for the share capital amounting to Baht 58.91 million, in the proportion of investment of 33.33%.

#### Investment in Nava Nakorn Electricity Generating Company Limited

On 30 May 2011, the Company entered into a Shareholder Agreement of Nava Nakorn Electricity Generating Company Limited in order to jointly develop Natural Power Plant Projects for total capacity of 122 Megawatts, in the proportion of investment of 40%. The registered capital of such company was Baht 2 million (*comprising 0.20 ordinary shares at par value of Baht 10 per share*). Such company called for the paid-up share capital at Baht 10 for 0.20 million ordinary shares. The Company paid for the share capital totalling Baht 0.80 million, in the proportion of investment of 40%. At the extraordinary meeting of the shareholders of Nava Nakorn Electricity Generating Company Limited, jointly-controlled entities held on 27 September 2011, the shareholders approved to increase the authorised share capital from Baht 2 million (*comprising 0.20 million shares at par value of Baht 10 per share*) to Baht 82 million (*comprising 0.2 million shares and 8.0 millions at par value of Baht 100 per share*) by issuance of new ordinary shares totalling 8 million shares at par value of Baht 10 per share. Such Company called for the paid-up share capital at Baht 10 per share. The Company paid for the share capital amounting to Baht 32 million, in the proportion of investment of 40%.

#### Investment in Ratchaburi World Cogeneration Company Limited

On 15 March 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Ratchaburi World Cogeneration Company Limited in order to develop Power Plant Project and steam. The registered capital of such company was Baht 40 million (*comprising 4 million ordinary shares at par value of Baht 10 per share*). The Company paid for the share capital amounting to Baht 16 million, in the proportion of investment of 40%.

At the annual general meeting of the shareholders of Ratchaburi World Cogeneration Company Limited, jointly-controlled entities, held on 7 April 2011, the shareholders approved to increase the authorised share capital from Baht 40 million (*comprising 4 million shares at par value of Baht 10 per share*) to Baht 740 million (*comprising 74 million shares at par value of Baht 10 per share*) by issuance of new ordinary shares totalling 70 million shares at par value of Baht 10 per share. Such Company called for the paid-up share capital at Baht 5 per share amounting to Baht 140 million. As at 31 December 2011, the Company had commitments for the remaining unpaid-share capital of Baht 140 million, in the proportion of investment of 40%.

#### Investment in Solarta Company Limited

On 13 January 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Solarta Company Limited in order to jointly develop 8 Solar Power Plant Projects located in Phra Nakhon Si Ayutthaya, Suphanburi, and Nakhon Pathom provinces for total capacity of 34.25 Megawatts. The registered capital of such company was Baht 550 million (*comprising 5.5 million ordinary shares at par value of Baht 100 per share*). The Company paid for the share capital, amounting to Baht 269.5 million in the proportion of investment of 49%.

At the extraordinary meeting of the shareholders of Solarta Company Limited, jointly-controlled entities held on 19 April 2011, the shareholders approved to increase the authorised share capital from Baht 550 million (*comprising 5.5 million shares at par value of Baht 100 per share*) to Baht 1,320 million (*comprising 13.2 million shares at par value of Baht 100 per share*) by issuance of new ordinary shares totalling 7.7 million shares at par value of Baht 100 per share. Such the Company called for the paid-up share capital at Baht 100 per share and Baht 45 per share for 3.7 million shares and 4 million shares, respectively. The Company paid for the share capital amounting to Baht 269.5 million, in the proportion of investment of 49%. As at 31 December 2011, the Company had commitments for the remaining unpaid-share capital of Baht 107.8 million

#### Investment in Solar Power (Korat 3) Company Limited

On 4 August 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Solar Power (Korat 3) Company Limited in order to jointly develop Solar Power Plant Projects located in Nakhonratchasima province for total capacity of 6 Megawatts, in the proportion of investment of 40%. The registered capital of such company was Baht 195 million (*comprising 0.01 and 19.49 million ordinary shares at par value of Baht 10 per share*). Such company called for the paid-up share capital at Baht 10 and Baht 2.5 per share for 0.01 and 19.49 million ordinary shares, respectively.

At the extraordinary meeting of the shareholders of Solar Power (Korat 3) Company Limited, jointly-controlled entities held on 10 October 2011, the shareholders approved to reduce the authorised share capital from Baht 195 million (*comprising 0.01 million and 19.49 million at par value of Baht 10 per share*) to Baht 162.5 million (*comprising 0.01 million shares and 16.4 millions at par value of Baht 10 per share*). Such Company called for the paid-up share capital at Baht 10 per share for 0.01 and 16.24 million ordinary shares, respectively. The Company paid for the share capital amounting to Baht 65 million, in the proportion of investment of 40%.

#### Investment in Solar Power (Korat 4) Company Limited

On 4 August 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Solar Power (Korat 4) Company Limited in order to jointly develop Solar Power Plant Projects located in Nakhonratchasima province for total capacity of 6 Megawatts,

in the proportion of investment of 40%. The registered capital of such company was Baht 195 million (*comprising 0.01 and 19.49 million ordinary shares at par value of Baht 10 per share*). Such company called for the paid-up share capital at Baht 10 and Baht 3.5 per share for 0.01 and 19.49 million ordinary shares, respectively.

At the extraordinary meeting of the shareholders of Solar Power (Korat 4) Company Limited, jointly-controlled entities held on 10 October 2011, the shareholders approved to reduce the authorised share capital from Baht 195 million (*comprising 0.01 million and 19.49 million at par value of Baht 10 per share*) to Baht 175 million (*comprising 0.01 million shares and 17.49 million at par value of Baht 10 per share*). Such Company called for the paid-up share capital at Baht 10 and 8.76 Baht per share for 0.01 and 17.49 million ordinary shares, respectively. The Company paid for the share capital amounting to Baht 61.33 million, in the proportion of investment of 40%. As at 31 December 2011, the Company had commitments for the remaining unpaid-share capital of Baht 8.67 million.

#### Investment in Solar Power (Korat 7) Company Limited

On 4 August 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Solar Power (Korat 7) Company Limited in order to jointly develop Solar Power Plant Projects located in Nakhonratchasima province for total capacity of 6 Megawatts, in the proportion of investment of 40%. The registered capital of such company was Baht 195 million (*comprising 0.01 and 19.49 million ordinary shares at par value of Baht 10 per share*). Such company called for the paid-up share capital at Baht 10 and Baht 2.5 per share for 0.01 and 19.49 million ordinary shares, respectively.

At the extraordinary meeting of the shareholders of Solar Power (Korat 7) Company Limited, jointly-controlled entities held on 10 October 2011, the shareholders approved to reduce the authorised share capital from Baht 195 million (*comprising 0.01 million and 19.49 million at par value of Baht 10 per share*) to Baht 162.5 million (*comprising 0.01 million shares and 16.24 million at par value of Baht 10 per share*). Such Company called for the paid-up share capital at Baht 10 and 7 Baht per share for 0.01 and 16.24 million ordinary shares, respectively. The Company paid for the share capital amounting to Baht 45.53 million, in the proportion of investment of 40%. As at 31 December 2011, the Company had commitments for the remaining unpaid-share capital of Baht 19.47 million.

#### Investment in Songkhla Biomass Company Limited

On 8 September 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Songkhla Biomass Company Limited in order to jointly develop Biomass power Plant projects utilising wood slabs and roots located in Songkhla province with a total capacity of 9.9 Megawatts, in the proportion of investment of 40%. The registered capital of such company was Baht 25 million (*comprising 0.01 and 0.24 million ordinary shares at par value of Baht 100 per share*). The Company paid for the share capital totalling Baht 10 million, in the proportion of investment of 40%.

At the extraordinary meeting of the shareholders of Songkhla Biomass Company Limited, jointly-controlled entities held on 7 November 2011, the shareholders approved to increase the authorised share capital from Baht 25 million (*comprising 0.25 million at par value of Baht 100 per share*) to Baht 45 million (*comprising 0.45 million shares at par value of Baht 100 per share*) by issuance of new ordinary shares totalling 0.20 million shares at par value of Baht 100 per share. Such Company called for the paid-up share capital at Baht 100 Baht per share. The Company paid for the share capital amounting to Baht 8 million, in the proportion of investment of 40%.

#### Dividend paid by jointly-controlled entity

At the meeting of the shareholders of Chubu Ratchaburi Electric Service Company Limited, a jointly-controlled entity, held on 24 March 2011, the shareholders approved the appropriation of dividends of Baht 100 per share, amounting to Baht 20 million. The dividend was paid in 2011.

At the meeting of the shareholders of Ratchaburi Power Company Limited, a jointly-controlled entity, held on 10 March and 9 August in 2011, the shareholders approved the appropriation of dividends of Baht 15.02 and 16.39 per share, respectively. The Company received such dividend in the proportion of investment amounting to Baht 575.0 million. The dividend was paid in 2011.

At the meeting of the shareholders of Tri Energy Company Limited, a jointly-controlled entity, held on 13 June and 13 December 2011, the shareholders approved the appropriation of dividends of Baht 6.75 and 1.80 per share, respectively. The Company received such dividend in the proportion of investment amounting to Baht 146.4 million. The dividends were partially paid in 2011 amounted to Baht 115.6 million. The remaining balance amounted to Baht 30.8 million will be paid in 2012.

#### Investment in First Korat Wind Company Limited

On 26 July 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of First Korat Wind Company Limited in order to jointly develop Wind Power Plant Projects located in Nakhonratchasima provinces for total capacity of 103.50 Megawatts, in the proportion of investment of 20%. The registered capital of such company was Baht 1,996.02 million (*comprising 0.1 and 199.50 million ordinary shares at par value of Baht 10 per share*). Such company called for the paid-up share capital at Baht 10 and Baht 5.1 per share for 0.1 and 199.50 million ordinary shares, respectively. The Company paid for the share capital totalling Baht 203.59 million, in the proportion of investment of 20%. As at 31 December 2011, the Company had commitments for the remaining unpaid-share capital of Baht 195.11 million.



### Investment in K.R. Two Company Limited

On 23 March 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of K.R. Two Company Limited in order to jointly develop Wind Power Plant Projects located in Nakhonratchasima provinces for total capacity of 103.50 Megawatts, in the proportion of investment of 20%. The registered capital of such company was Baht 350 million (*comprising 35 million ordinary shares at par value of Baht 10 per share*). Such Company called for the paid-up share capital at Baht 4.2 per share. The Company paid for the share capital amounting to Baht 29.40 million, in the proportion of investment of 20%. As at 31 December 2011, the Company had commitments for the remaining unpaid share capital of Baht 40.60 million.

At the extraordinary meeting of the shareholders held on 6 December 2011, the shareholders approved to increase the authorised share capital from Baht 350 million (*comprising 35 million at par value of Baht 10 per share*) to Baht 1,827 million (*comprising 182.70 million shares at par value of Baht 10 per share*). Such the Company called for the paid-up share capital at Baht 4.2 Baht per share for 147.70 million ordinary shares. The Company paid for the share capital amounting to Baht 124.07 million, in the proportion of investment of 20%. As at 31 December 2011, the Company had commitments for the remaining unpaid-share capital of Baht 171.33 million.

## 12 Investments in other companies

### Investment in EGAT Diamond Service Company Limited

On 12 October 2009, the Company entered into the Joint Venture Agreement to establish EGAT Diamond Service Company Limited in order to provide maintenance services of gas turbine. The registered capital of such company was Baht 623 million (*comprising 6.23 million ordinary shares at par value of Baht 100 per share*). The Company paid for paid-up share capital of Baht 81.32 each, amounting to Baht 50.66 million, in the proportion of investment of 10%. As at 31 December 2011, the Company had commitments for the remaining unpaid-share capital of Baht 11.64 million (As at 31 December 2010: Baht 11.64 million).

## 13 Property, plant and equipment

	Consolidated financial statements							
	Land	Buildings and building improvements	Power plants, substation & transmission system and operating & maintenance equipment	Equipment for gas turbine power plant which has not been put in use	Furniture, fixtures and office equipment	Vehicles	Construction in progress	Total
	(in thousand Baht)							
<b>Cost</b>								
At 1 January 2010	751,457	511,001	57,653,251	15,826	218,585	41,063	36,685	59,227,868
Acquisitions through business acquisition	-	-	-	-	127	-	-	127
Additions	296,353	197	2,333	-	13,653	13,718	66,299	392,553
Transfers	-	1,795	67,410	-	11,779	-	(80,984)	-
Disposals	-	-	(14)	-	(10,876)	(11,542)	-	(22,432)
At 31 December 2010 and 1 January 2011	1,047,810	512,993	57,722,980	15,826	233,268	43,239	22,000	59,598,116
Acquisitions through business acquisition	207,837	301,510	26,114,806	-	792	-	-	26,624,945
Additions	-	3,182	58,418	-	17,826	6,484	155,087	240,997
Disposals	-	(12,467)	(354,579)	-	(1,495)	(6,646)	-	(375,187)
Adjust exchange rate	(3,256)	(3,984)	(344,233)	-	(10)	-	-	(351,483)
At 31 December 2011	1,252,391	801,234	83,197,392	15,826	250,381	43,077	177,087	85,737,388

	Consolidated financial statements							
	Land	Buildings and building improvements	Power plants, substation & transmission system and operating & maintenance equipment	Equipment for gas turbine power plant which has not been put in use	Furniture, fixtures and office equipment	Vehicles	Construction in progress	Total
	(in thousand Baht)							
<i>Accumulated depreciation</i>								
At 1 January 2010	-	226,064	21,398,715	-	120,207	26,018	-	21,771,004
Acquisitions through business acquisition	-	-	-	-	12	-	-	12
Depreciation charge for the year	-	26,388	2,623,731	-	26,783	5,755	-	2,682,657
Disposals	-	-	(14)	-	(10,783)	(9,627)	-	(20,424)
At 31 December 2010 and 1 January 2011	-	252,452	24,022,432	-	136,219	22,146	-	24,433,249
Acquisitions through business acquisition	-	44,950	7,933,065	-	642	-	-	7,978,657
Depreciation charge for the year	-	29,127	2,815,331	-	28,937	5,950	-	2,879,345
Disposals	-	(6,665)	(333,356)	-	(1,476)	(5,345)	-	(346,842)
Adjust exchange rate	-	1,426	235,521	-	(7)	-	-	236,940
At 31 December 2011	-	321,290	34,672,993	-	164,315	22,751	-	35,181,349
<i>Net book value</i>								
At 1 January 2010	751,457	284,937	36,254,536	15,826	98,378	15,045	36,685	37,456,864
At 31 December 2010 and 1 January 2011	1,047,810	260,541	33,700,548	15,826	97,049	21,093	22,000	35,164,867
At 31 December 2011	1,252,391	479,944	48,524,399	15,826	86,066	20,326	177,087	50,556,039

	Separate financial statements				
	Land	Furniture, fixtures and office equipment	Vehicles	Construction in progress	Total
	(in thousand Baht)				
<i>Cost</i>					
At 1 January 2010	-	150,609	22,038	305	172,952
Additions	292,040	10,691	13,718	5,617	322,066
Transfers	-	5,922	-	(5,922)	-
Disposals	-	(8,555)	(8,259)	-	(16,814)
At 31 December 2010 and 1 January 2011	292,040	158,667	27,497	-	478,204
Additions	-	10,807	5,950	92,227	108,984
Transfers	-	3,193	-	(3,193)	-
Disposals	-	-	(6,640)	-	(6,640)
At 31 December 2011	292,040	172,667	26,807	89,034	580,548

	Separate financial statements				
	Land	Furniture, fixtures and office equipment	Vehicles	Construction in progress	Total
	(in thousand Baht)				
<i>Accumulated depreciation</i>					
At 1 January 2010	-	73,409	10,660	-	84,069
Depreciation charge for the year	-	19,884	4,846	-	24,730
Disposals	-	(8,469)	(6,736)	-	(15,205)
At 31 December 2010 and 1 January 2011	-	84,824	8,770	-	93,594
Depreciation charge for the year	-	21,669	5,240	-	26,909
Disposals	-	-	(5,342)	-	(5,342)
At 31 December 2011	-	106,493	8,668	-	115,161
<i>Net book value</i>					
At 1 January 2010	-	77,200	11,378	305	88,883
At 31 December 2010 and 1 January 2011	292,040	73,843	18,727	-	384,610
At 31 December 2011	292,040	66,174	18,139	89,034	465,387

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2011 amounted to Baht 2,174 million (As at 31 December 2010: Baht 1,712.30 million).

## 14 Intangible assets

	Consolidated financial statements					
	Right to use electrical transmission line	Software licences	License on project development	Goodwill from business acquisition	Goodwill from business acquisition-transferred from the subsidiary company	Total
	(in thousand Baht)					
<i>Cost</i>						
At 1 January 2010	10,925	13,238	665,512	-	-	689,675
Additions	458	2,667	-	117,086	-	120,211
At 31 December 2010 and 1 January 2011	11,383	15,905	665,512	117,086	-	809,886
Additional from business acquisition	-	6,258	-	1,202,963	4,157,987	5,367,208
Additional	19,580	1,601	-	-	-	21,181
Disposals	-	-	-	-	-	-
Adjust Exchange Rates	-	(83)	-	39,515	(54,937)	(15,505)
At 31 December 2011	30,963	23,681	665,512	1,359,564	4,103,050	6,182,770

	Consolidated financial statements					
	Right to use electrical transmission line	Software licences	License on project development	Goodwill from business acquisition	Goodwill from business acquisition-transferred from the subsidiary company	Total
	(in thousand Baht)					
<i>Accumulated amortisation</i>						
At 1 January 2010	3,430	7,975	-	-	-	11,405
Amortisation charge for the year	1,370	1,601	-	-	-	2,971
At 31 December 2010 and at 1 January 2011	4,800	9,576	-	-	-	14,376
Amortisation charge for the year	1,422	3,033	-	-	65,999	70,454
Adjust Exchange Rates	-	(50)	-	-	844	794
At 31 December 2011	6,222	12,559	-	-	66,843	85,624
<i>Net book value</i>						
At 1 January 2010	7,495	5,263	665,512	-	-	678,270
At 31 December 2010 and at 1 January 2011	6,583	6,329	665,512	117,086	-	795,510
At 31 December 2011	24,741	11,122	665,512	1,359,564	4,036,207	6,097,146

	Separate financial statements		
	Software licences	License on project development	Total
	(in thousand Baht)		
<i>Cost</i>			
At 1 January 2010	13,238	665,512	678,750
Additions	2,667	-	2,667
At 31 December 2010 and 1 January 2011	15,905	665,512	681,417
Additions	1,177	-	1,177
At 31 December 2011	17,082	665,512	682,594
<i>Accumulated amortisation</i>			
At 1 January 2010	7,975	-	7,975
Amortisation charge for the year	1,601	-	1,601
At 31 December 2010 and at 1 January 2011	9,576	-	9,576
Amortisation charge for the year	2,136	-	2,136
At 31 December 2011	11,712	-	11,712
<i>Net book value</i>			
At 1 January 2010	5,263	665,512	670,775
At 31 December 2010 and at 1 January 2011	6,329	665,512	671,841
At 31 December 2011	5,370	665,512	670,882



## 15 Deferred tax

From 1 January 2011, the Group/Company has adopted TFRS 12 Deferred tax. The change in accounting policy has been applied retrospectively to the Group's/Company's 2010 financial statements. The impact of the changes is disclosed in note 3(c).

Deferred tax assets and liabilities are included in the statement of financial position as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Deferred tax assets	189,628	135,417	77,847	1,046
Deferred tax liabilities	(2,039,387)	-	-	-

Movements in deferred tax assets and liabilities during the years ended 31 December 2011 and 2010 were as follows:

	Consolidated financial statements						
	At 1 January 2011	Change in income tax as a result of the adoption of employee benefit (Note 3)	Business acquisition	(Charged) / credited to:		Exchange differences	At 31 December 2011
				Profit or loss	Other comprehen- sive income		
	(in thousand Baht)						
<i>Deferred tax assets</i>							
Allowance for spare parts and supplies	133,727	-	-	(32,733)	-	-	100,994
Provision for employee benefits	1,670	19,713	-	(4,752)	-	-	16,631
Available-for-sale security	-	-	-	-	6,127	-	6,127
Losses carry forward	-	-	-	65,900	-	-	65,900
Finance leases liabilities	20	-	-	(44)	-	-	(24)
Total	135,417	19,713	-	28,371	6,127	-	189,628
<i>Deferred tax liabilities</i>							
Finance leases liabilities	-	-	(2,153,573)	89,221	-	30,430	(2,033,922)
Deferred expenses	-	-	90,199	(51,997)	-	(2,343)	35,859
Other account receivable	-	-	(73,559)	18,893	-	1,390	(53,276)
Others	-	-	4,402	7,443	-	107	11,952
Total	-	-	(2,132,531)	63,560	-	29,584	(2,039,387)

	Consolidated financial statements				
	At 1 January 2010	Change in income tax as a result of the adoption of employee benefit (Note 3)	(Charged) / credited to:		At 31 December 2010
			Profit or loss	Other comprehensive income	
	(in thousand Baht)				
<i>Deferred tax assets</i>					
Allowance for spare parts and supplies	125,196	-	8,531	-	133,727
Provision	3,166	-	(3,166)	-	-
Provision for employee benefits	1,693	-	(23)	-	1,670
Finance leases liability	-	-	20	-	20
Total	130,055	-	5,362	-	135,417

	Separate financial statements				
	At 1 January 2011	Change in income tax as a result of the adoption of employee benefit (Note 3)	(Charged) / credited to:		At 31 December 2011
			Profit or loss	Other comprehensive income	
	(in thousand Baht)				
Deferred tax assets					
Provision for employee benefits	1,046	14,104	(3,203)	-	11,947
Losses carried forward	-	-	65,900	-	65,900
Total	1,046	14,104	62,697	-	77,847

	Separate financial statements				
	At 1 January 2010	Change in income tax as a result of the adoption of employee benefit (Note 3)	(Charged) / credited to:		At 31 December 2010
			Profit or loss	Other comprehensive income	
	(in thousand Baht)				
<i>Deferred tax assets</i>					
Provision for damage Insurance	3,166	-	(3,166)	-	-
Provision for employee benefits	1,136	-	(90)	-	1,046
Total	4,302	-	(3,256)	-	1,046

## 16 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Development costs - Hongsa Lignite Project	-	15,692	-	15,692
Development costs - Nam Ngum 3 Project	357,693	182,369	357,694	182,369
Development costs - Xe-Pian Xe-Namnoy Project	118,294	57,381	118,294	57,381
Development costs for wind power project	177,105	72,592	-	-
Deferred expense under contractual service agreement	978,911	847,056	-	-
Others	75,612	9,321	8,767	8,803
<b>Total</b>	<b>1,707,615</b>	<b>1,184,411</b>	<b>484,755</b>	<b>264,245</b>

### Joint Development Agreement in relation to Lignite Mining Project and the Lignite-Fired Power Project (Hongsa Lignite Project)

On 11 December 2007, the Company entered into a Joint Development Agreement ("JDA") with Banpu Power Limited (a subsidiary of Banpu Public Company Limited) with the purpose of joint completing the development of the Lignite-Fired Power Project and the Lignite Mining Project at Hongsa District, Sayaboury Province, Lao People's Democratic Republic ("Lao PDR") as the Head of Agreement (Project Development Agreement) dated 18 December 2006 between the Government of the Lao People's Democratic Republic ("GOL") and Banpu Power Limited in developing two projects, being the Lignite-Fired Power Project and the Lignite Mining Project. Such agreement was approved by GOL on 10 January 2008. The remaining interests of 20% and 25% in the Lignite-Fired Power Project and Lignite Mining Project, respectively are held by Lao Holding State Enterprise ("LHSE"), and nominated by GOL.

According to the Joint Development Agreement, the Company has commitments to responsible for project development costs whereby the Company and Banpu Power Limited shall share the costs and expenses equally. Until 31 December 2010, the Company had paid project development costs of such projects totalling Baht 865 million. In addition the Company has commitments to provide financial support equally in the form of loans to LHSE for its administrative expenses during the development of the project until LHSE receives dividends from the Project Company. The amounts of financial support are preliminarily estimated at U.S. Dollars 410,000 (U.S. Dollars 205,000 for the Company's portion) and can be adjusted to the requirements of LHSE. In addition, the Company agreed to pay the Joint Development Right Fee on the participation of the Hongsa Lignite Project amounting to U.S. Dollars 20 million. The Company already paid such fee amounting to U.S. Dollars 3.2 million. As at 31 December 2010, the Company had outstanding commitment amounting to U.S. Dollars 16.8 million.

On 1 December 2008 and 30 January 2009, the Company and Banpu Power Limited entered into the First and the Second Amendments to the Joint Development Agreement dated 11 December 2007.

On 13 May 2009, the Company and Banpu Power Limited entered into a Tariff Memorandum of Understanding (Tariff MOU) with EGAT. Under such MOU, the Company issued letter of guarantee which was issued by a local bank to EGAT amounting to Baht 73.65 million. Subsequently on 2 April 2010, such letter of guarantee had been returned after signing Power Purchase Agreement with EGAT.

On 15 July 2009, the Company, Banpu Power Limited and LHSE established Hongsa Power Company Limited under the laws of Lao People's Democratic Republic with the initial authorised share capital of U.S. Dollars 100,000 so as to acquire power concession of the Hongsa Lignite Project. The Company, Banpu Power Limited and LHSE will hold 40%, 40% and 20% of the company's ordinary shares, respectively. The Company fully paid for the paid-up share capital in September 2009.

On 20 August 2009, the Company and Banpu Power Limited entered into a loan agreement with Hongsa Power Company Limited for credit line of Baht 3,070 million for use as working capital during the project development process, with interest at the rates as stipulated in the agreement. Such loan will be repayable when the jointly-controlled entity receives the loan approval from the financial institutions. However, the Company already paid for such loan during the year 2010.

On 1 September 2009, the Company, Banpu Power Limited and LHSE established Phufai Mining Company Limited under the laws of Lao People's Democratic Republic with the initial authorised share capital of U.S. Dollars 50,000 so as to acquire mining concession of the Hongsa Lignite Project. The Company, Banpu Power Limited and LHSE will hold 37.5%, 37.5% and 25% of the company's ordinary shares, respectively. The Company fully paid for such share capital in November 2009.

At the Board of Directors meeting of Hongsa Power Company Limited held on 21 June 2010, the Boards approved the increase in share capital by transferred the development costs to investment in the amount of Baht 849 million.

On 5 August 2010, Hongsa Power Company Limited entered into a Financial Agreement which initially specified a loan amount of U.S. Dollars 2,783 million or equivalent Baht 94,620 million with 9 Thai financial institutions. The loan is secured by all of share certificates of such company. As at 31 December 2010, the loan had been drawdown by the Company in the amount of Baht 2,760 million and U.S. Dollars 39 million.

On 23 February 2011, Hongsa Power Company Limited entered into a contract for the operation and maintenance of combined cycle power plant Hong Sa with Electricity Generating Authority of Thailand ("EGAT"), at the contract value of Baht 16,850 millions. The contract will become effective in 2013 for a period of 18 years.

### Hydro Power Plant Project, Nam Ngum 3

In accordance with the Memorandum of Understanding ("MOU") on the joint project development - Hydro Power Plant Project, Nam Ngum 3 dated 26 April 2005 between the Company, GMS Lao Company Limited and Marubeni Corporation, the Company has committed to pay project development cost of this project in the proportion of 32.47%. The Company will be able to transfer the project development costs which were already paid as equity of the formed company which will be established to engage in and pursue project management of the Hydro Power Plant Project, Nam Ngum 3.

On 18 December 2006, the Company, GMS Lao Company Limited and Marubeni Corporation entered into a Memorandum of Understanding with EGAT in relation to the sales and purchases of power from Hydro Power Plant Project, Nam Ngum 3, located in the Laos People's Democratic Republic. The agreement period shall be 27 years with the commercial operation date expected to be in 2013. This project has total capacity of 440 megawatts and the total project cost of approximately U.S. Dollars 708 million. However, this Memorandum of Understanding expired on 18 June 2008. Subsequently on 11 March 2010, the new Tariff MOU had been signed.

On 13 May 2008, the Company entered into a Shareholders Agreement with the other three shareholders, GMS Lao Company Limited, Marubeni Corporation, and Lao Holding State Enterprise, to form a company under the policies and laws of Lao People's Democratic Republic with the initial authorised share capital of approximately U.S. Dollars 0.3 million, comprising 3,000 ordinary shares with a par value of U.S. Dollars 100 per share. The Company hold 25% of the company's ordinary shares. The formed company will be established to engage in and pursue project management of the Hydro Power Plant Project, Nam Ngum 3. Such company had been registered on 28 October 2010. In addition, during December 2010, the Company converted the development costs to investment in such Company in the amount of Baht 0.45 million, in the proportion of investment of 25%.

On 13 May 2008, the Company and Marubeni Corporation entered into a Financial Support Agreement with GMS Lao Company Limited in order to provide financial support for share capital payment for Hydro Power Plant Project, Nam Ngum 3 to GMS Lao Company Limited. The Company has committed to provide financial support in the form of collateral or guarantee and direct funding for the total initial amount of not exceeding U.S. Dollars 1.22 million. As at 31 December 2010, the Company had not yet provided any guarantee or loan in accordance with the conditions under this agreement.



### Xe-Pian Xe-Namnoy, Hydroelectric Power Project

On 14 November 2008, the Company entered into a Project Development Agreement with SK Engineering & Construction Co., Ltd., Korea Western Power Co., Ltd and the Government of the Laos People's Democratic Republic (Lao PDR) in order to jointly develop Xe-Pian Xe-Namnoy, Hydroelectric Power Project located in Attapeu and Champassak districts. This is in accordance with the Joint Development Agreement that the Company entered on 6 August 2007 with the proportion of investment of 25%.

On 16 August 2010, the Company and partners entered into a Tariff Memorandum of Understanding (Tariff MOU) with EGAT for such project.

On 15 June 2011, the Company and partners has signed an agreement between the shareholders for such projects.

## 17 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Current</i>				
Current portion of long-term loans from financial institutions secured	191,827	3,649,005	-	-
Less deferred financing fees within one year	-	(31,537)	-	-
	191,827	3,617,468	-	-
Debentures secured	3,683,621	-	-	-
Less deferred financing fees within one year	(24,767)	-	-	-
	3,658,854	-	-	-
Finance lease liability	1,577	1,475	-	-
Total current interest-bearing liabilities	3,852,258	3,618,943	-	-
<i>Non-current</i>				
Long-term loans from financial institutions secured	15,064,071	13,237,527	1,200,000	-
Less deferred financing fees within one year	(245,373)	-	-	-
	14,818,698	13,327,527	1,200,000	-
Debentures secured	15,807,238	-	-	-
Less deferred financing fees within one year	(18,897)	-	-	-
	15,788,341	-	-	-
Financial lease liability	1,817	3,260	-	-
Total non-current interest-bearing liabilities	30,608,856	13,240,787	1,200,000	-

The periods to maturity of interest-bearing liabilities, excluding finance lease liability, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Within one year	3,850,681	3,617,468	-	-
After one year but within five years	24,416,326	13,237,527	1,200,000	-
More than five years	6,190,713	-	-	-
Total	34,457,720	16,854,995	1,200,000	-

Finance lease liability as at 31 December were payable as follows:

	Consolidated financial statements					
	2011			2010		
	Principal	Interest	Payments	Principal	Interest	Payments
	(in thousand Baht)					
Within one year	1,577	179	1,756	1,475	281	1,756
After one year but within five years	1,817	128	1,945	3,260	307	3,567
Total	3,394	307	3,701	4,735	588	5,323

On 7 September 2011, the Company entered into a long-term loan agreement with a branch of foreign financial institution amounting to Baht 1,200 million which bears interest at the rate of 4.0% per annum. Such loan will be repayable in 2016.

On 18 March 2011, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into an underwriting agreement with a financial institution to issue the bill of exchange and debentures totalling Baht 16,110 million to repay the full amount of the existing loans. Such credit facilities comprised bill of exchange Baht 2,824 million and debentures of Baht 13,286 million which bear interest at the rates as stipulated in each tranche. Such debentures are unsubordinated, unsecured, and with the non-holder representative. The debentures are repayable on a quarterly basis starting from the 1st quarter 2012 and to 1st quarter 2015. Subsequently, on 31 March 2011, the subsidiary made repayments of the existing secured borrowings and the changes over the buildings, power plant and equipment which had been used as collateral were redeemed during April 2011. The unwinding fee of Baht 80.55 million and the remaining balance of deferred financing fee of the existing loans of Baht 72.50 million were recognised as finance costs for the year ended 31 December 2011.

On 9 August 2011, RH International (Singapore) Corporation PTE.LTD. a subsidiary, entered into an underwriting agreement with a foreign financial institution to issue debentures amounting to JPY 15,000 million for a 15-year period which bears interest at the rate of 2.72% per annum. Such debentures are unsubordinated, unsecured and will be due in 2026.

RATCH-Australia Corporation Limited, a subsidiary, had a long-term loan agreement with a foreign financial institution for facilities totaling AUD 500 million which bear interest at the floating rate of BBSY. Repayment of loan will be made up until 2015 (Final maturity date).

## 18 Other current liabilities

		Consolidated financial statements		Separate financial statements	
Note		2011	2010	2011	2010
		(in thousand Baht)			
Other accounts payable to related parties	6	22,099	30,501	-	1,166
Other accounts payable		2,937	8,951	-	-
Unearned revenue and accrued Expense-related parties	6	84,849	56,552	15,621	12,220
Dividend Payable		-	-	-	-
		-	-	-	10,700
Value added tax payable		258,874	124,675	-	-
Accrued license fee on project development		-	508,978	-	508,978
Others		547,572	224,059	251,538	122,080
Total		916,331	953,716	267,159	655,144

## 19 Employee benefit obligations

The Group/Company has adopted TAS 19 Employee Benefits. The change in accounting policy has been applied retrospectively to the Group's/ Company's 2010 financial statements for short-term employee benefit obligations. For long-term employee benefit, the Group/Company has opted to record the entire amount of this liability as an adjustment to retained earnings as at 1 January 2011. The impact on the 2011 and 2010 financial statements was as described in note 3(f).

Employee benefit obligations as at 31 December 2011 as follows:

	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
<i>Current (included in other current liabilities)</i>		
Unused vacation leave	15,131	4,530
<i>Non current</i>		
Post-employment benefit	79,631	54,528

Movement in the Employee benefit obligations for the years ended 31 December 2011 as follows:

	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
<i>Unused vacation leave</i>		
At 1 January 2011	6,268	4,185
Increase	8,863	345
At 31 December 2011	15,131	4,530
<i>Post-employment benefit</i>		
Defined benefit obligations at 1 January 2011	65,710	47,014
Benefits paid by the plan	(3,467)	(3,467)
Current service costs and interest	17,388	10,981
At 31 December 2011	79,631	54,528

Expense recognised in profit or loss for the years ended 31 December 2011 as follows:

	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
Unused vacation leave	8,863	345
Post-employment benefit	17,388	10,980
Total	26,251	11,325

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements	Separate financial statements
	(%)	
Discount rate	4.2	4.2
Future salary increases	8	8

Assumptions regarding future mortality are based on published statistics and mortality tables, discount rate of long-term government bond.



## 20 Share capital

Par value per share (in Baht)	2011		2010	
	Number	Baht	Number	Baht
	(thousand shares / thousand Baht)			
<i>Authorised</i>				
At 1 January				
- ordinary shares 10	1,450,000	14,500,000	1,450,000	14,500,000
At 31 December				
- ordinary shares	1,450,000	14,500,000	1,450,000	14,500,000
<i>Issued and paid up</i>				
At 1 January				
- ordinary shares 10	1,450,000	14,500,000	1,450,000	14,500,000
At 31 December				
- ordinary shares	1,450,000	14,500,000	1,450,000	14,500,000

## 21 Additional paid-in capital and reserves

### Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

### Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## 22 Segment reporting

The Group is operating in generating and selling electricity to government and industrial sector, both within and outside the country, and providing operation and maintenance service relating to the power plant. The Group does not presented the information of the service segment because the revenue from service segment is less than 5% of total revenues.

The Group presents financial information by geographic segment. The primary format for reporting geographical segment is based on the management system and internal reporting structure of the Group as the basis for the division.

Revenues and operating results of the geographic area in the consolidated financial statements for the years ended 31 December 2011 and 2010 are as follows:

	Thailand		Australia		Others		Eliminate transaction		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(in thousand Baht)									
Revenue from sale and rendering of services	41,253,046	42,138,866	2,088,812	-	115,000	42,255	-	-	43,456,858	42,181,121
Cost of sale and rendering of services	(34,403,279)	(36,154,148)	(1,340,305)	-	(70,999)	(28,950)	-	-	(35,814,583)	(36,183,098)
Gross profit	6,849,767	5,984,718	748,507	-	44,001	13,305	-	-	7,642,275	5,998,023
Management service income	308,643	271,381	-	-	3,930	-	(124,026)	(12,717)	188,547	258,664
Dividend income	-	-	-	-	60,063	-	-	-	60,063	-
Interest income	469,058	267,490	237,266	-	236,753	-	(365,377)	(35,113)	577,700	232,377
Other income	101,165	87,108	8,645	-	127,345	65	(127,345)	(14,780)	109,810	72,393
Administrative expenses	(1,102,044)	(824,849)	(256,925)	-	(52,262)	(19,049)	17,778	(7,683)	(1,393,453)	(851,581)
Gain (loss) on exchange rate	(161,611)	32,378	23	-	124,477	(10,576)	1,761	27,420	(35,350)	49,222
Finance costs	(893,162)	(711,584)	(1,339,483)	-	(226,163)	(557)	521,887	(2,380)	(1,936,921)	(714,521)
Share of profit of jointly-controlled and associates entities	1,282,723	1,443,132	50,372	-	-	-	-	-	1,333,095	1,443,132
Profit (loss) before income tax expense	6,854,539	6,549,774	(551,595)	-	318,144	(16,812)	(75,322)	(45,253)	6,545,766	6,487,709
Income tax expense	(1,804,110)	(1,266,545)	(14,334)	-	(3,795)	-	23	-	(1,822,216)	(1,266,545)
Profit (loss) for the year	5,050,429	5,283,229	(565,929)	-	314,349	(16,812)	(75,299)	(45,253)	4,723,550	5,221,164

## 23 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Personnel	478,734	331,216	301,338	245,689
Administrative	303,854	233,116	137,520	132,894
Consulting and professional fees	328,797	78,832	292,825	77,689
Public relation	101,604	75,355	69,525	48,488
Premise tax	17,277	17,274	48	35
Donation	33,126	28,800	21,953	20,403
Depreciation and amortisation	129,338	60,528	29,046	26,330
Loss on disposal of spare parts and fixed assets	723	26,460	-	75
Total	1,393,453	851,581	852,255	551,603

## 24 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>Management</i>				
Directors' remuneration	13,011	9,549	6,199	6,434
Wages and salaries	109,715	50,555	49,071	34,896
Contribution to defined benefit plans	6,318	4,349	4,071	2,872
Others	60,812	47,967	43,812	32,874
	189,856	112,420	103,153	77,076
<i>Other employees</i>				
Wages and salaries	176,454	130,870	116,860	99,927
Contribution to defined benefit plans	9,619	9,114	8,382	7,130
Others	83,354	59,056	59,747	48,332
	269,427	199,040	184,989	155,389
<b>Total</b>	<b>459,283</b>	<b>311,460</b>	<b>288,142</b>	<b>232,465</b>

The Group joined the contributory employees' provident fund of EGAT established for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employee at rates ranging from 5% to 10% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed Fund Manager.

## 25 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TAS and TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Fuel costs	29,013,082	31,027,158	-	-
Depreciation and amortisation	3,276,694	2,685,630	29,046	26,330
Operation and maintenance service fee	1,487,006	1,079,689	-	-
Spare parts and repair expenses	1,518,511	1,027,996	-	-
Administrative expenses	354,980	305,650	159,570	153,407
Insurance premium	217,393	208,951	-	-
Employee benefit expenses	478,734	331,216	301,338	245,689
Other costs	431,235	214,201	-	-
Consulting and professional fees	328,798	78,832	292,823	77,689
Public relation	101,634	75,355	69,525	48,488

## 26 Finance costs

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
		(in thousand Baht)			
<i>Related party</i>					
- Interest expense	6	368,799	-	-	-
<i>Other parties</i>					
- Interest expense		1,350,983	677,344	35,445	-
- Amortisation of financing fees.		136,589	37,177	-	-
- Unwinding fee		80,550	-	-	-
Total		1,936,921	714,521	35,445	-

## 27 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
Note		2011	2010	2011	2010
		(in thousand Baht)			
<i>Current tax expense</i>					
Current year		1,898,000	1,276,841	-	2,499
Adjustment for prior years		16,147	(4,933)	(123)	(151)
		1,914,147	1,271,908	(123)	2,348
<i>Deferred tax expense</i>	15				
Movements in temporary differences		(179,680)	(5,362)	(97,726)	3,256
Income tax reduction - deferred		87,749	-	35,029	-
Recognition of previously unrecognised tax losses		-	-	-	-
		(91,931)	(5,362)	(62,697)	3,256
Total income tax expense		1,822,216	1,266,546	(62,820)	5,604

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2011			2010		
	Before Tax	Tax (expense) benefit	Net of Tax Before	Before Tax	Tax (expense) benefit	Net of Tax Before
(in thousand Baht)						
Available-for-sale financial assets	(87,329)	6,127	(81,202)	-	-	-
Total	(87,329)	6,127	(81,202)	-	-	-



## Reconciliation of effective tax rate

	Consolidated financial statements			
	2011		2010	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) for the year		4,723,550		5,221,163
Total income tax expense		1,822,216		1,266,546
Profit before total income tax expense		6,545,766		6,487,709
Income tax using the Thai corporation tax rate	30	2,980,385	25 and 30	2,443,283
Income tax reduction - deferred		87,749		-
Income not subject to tax		(1,462,061)		(1,155,068)
Expense not deductible for tax purposes		199,996		(16,736)
Under (over) provided in prior years		16,147		(4,933)
Total	28	1,822,216	18	1,266,546

	Separate financial statements			
	2011		2010	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) for the year		4,540,910		3,675,255
Total income tax expense		(62,820)		5,604
Profit before total income tax expense		4,478,090		3,680,859
Income tax using the Thai corporation tax rate	30	1,343,427	25	920,215
Income tax reduction - deferred		35,029		-
Income not subject to tax		(1,449,243)		(921,118)
Expense not deductible for tax purposes		8,090		6,658
Under (over) provided in prior years		(123)		(151)
Total	-	(62,820)	0.1	5,604

## Income tax reduction - deferred

On 11 October 2011, the Cabinet announced the change in the corporate income tax rate to 23% for accounting periods ending 31 December 2012, and to 20% for accounting periods ending 31 December 2013 onward. The effect of this change in tax rate resulted in a decrease in the deferred tax assets of the Group/Company as at 31 December 2011 of approximately of Baht 87.7 million and 35 million, respectively, and decrease in profit of the Group/Company for the year ended 31 December 2011 by the same amount.

## 28 Promotional privileges

## Ratchaburi Electricity Generating Company Limited

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the subsidiary has been granted privileges by the Board of Investment for Thermal Generating Power Plant and Combined Cycle Generating Power Plant. The privileges granted include:

- exemption from payment of import duty on machinery approved by the Board;
- exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations (31 October 2000 for Thermal power plant and 18 April 2002 for Combined cycle power plant).

### Ratchaburi Energy Company Limited

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the subsidiary has been granted privileges by the Board of Investment for Flared gas fuelled small power plant project. The privileges granted include:

- (a) exemption from payment of import duty on machinery approved by the Board;
- (b) exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations (27 June 2007 for BOI no.2222(2)/2549 and 2 December 2010 for BOI no.1091(2)/2553) which is not exceed 100% of investment excluded cost of land and working capital).

As promoted companies, the subsidiaries must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenues from promoted and non-promoted businesses:

	Consolidated financial statements					
	2011			2010		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
	(in thousand Baht)					
Revenue	48,404	41,386,926	41,435,330	8,056,301	34,189,533	42,245,834
Total revenues	48,404	41,386,926	41,435,330	8,056,301	34,189,533	42,245,834

## 29 Earnings per share

### Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2011 and 2010 were based on the net profit for the years attributable to equity holders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht / thousand shares)			
Net profit attributable to equity holders of the Company (basic)	4,840,642	5,225,910	4,540,910	3,675,255
Number of ordinary shares outstanding	1,450,000	1,450,000	1,450,000	1,450,000
Earnings per share (basic) (in Baht)	3.34	3.60	3.13	2.53

## 30 Dividends

At the Board of Directors meeting of the Company held on 15 August 2011, the Board approved the appropriation of interim dividend of Baht 1.10 per share, totalling Baht 1,595 million. The interim dividend was paid to shareholders in September 2011.

At the annual general meeting of the shareholders of the Company held on 28 March 2011, the shareholders approved the appropriation of dividend of Baht 2.25 per share, totalling Baht 3,262.50 million, from the net profit of 2010 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2010 from the net profit for the six-month period ended 30 June 2010. The balance of dividend amounted to Baht 1,667.50 million which was paid to shareholders in April 2011.

At the Board of Directors meeting of the Company held on 26 August 2010, the Board approved the appropriation of interim dividend of Baht 1.10 per share, totalling Baht 1,595 million. The interim dividend was paid to shareholders in September 2010.

At the annual general meeting of the shareholders of the Company held on 29 March 2010, the shareholders approved the appropriation of dividend of Baht 2.25 per share, totalling Baht 3,262.50 million, from the net profit of 2009 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2009 from the net profit for the six-month period ended 30 June 2009. The balance of dividend amounted to Baht 1,667.50 million which was paid to shareholders in April 2010.

## 31 Financial instruments

### Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes. Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

### Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

### Interest Rate Risk

Interest rate risk arises from the fluctuations in market interest rates, which may have negative effect on current future operations of the Group. Management believes that exposure to interest rate risk is minimal because the floating interest rate according to the condition in long-term loans agreement and debenture (note 17) is included in the availability payment as specified in the Power Purchase Agreement (note 6). Therefore, the Group does not enter into a hedging agreement to protect against such risk.

The effective interest rates of loans to and loans from related parties at 31 December 2011 and 2010 and the periods in which those liabilities mature or re-price were disclosed in note 6.

The effective interest rates of interest-bearing liabilities at 31 December 2011 and 2010 and the periods in which those liabilities mature or re-price were disclosed in note 17.

### Foreign Currency Risk

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of Long-term loans to related parties and debentures.

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>United States Dollars</i>				
Long-term loans to related parties	-	-	943,575	1,797,092
<i>Australia Dollar</i>				
Long-term loans to related parties	-	-	2,273,871	-
<i>Japan Yen</i>				
Debentures	6,170,142	-	-	-
Gross balance sheet exposure	6,170,142	-	3,217,446	1,797,092

### Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due. The Group has concentrations of credit risk since most of its revenues are contracted under long-term agreements with a small number of parties. However counterparties are generally government authorities and large public or private corporations and the risk perceived is low.

### Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

### Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The fair value of investments in equity and debt securities, which are held to maturity and available for sale, is determined by reference to their quoted bid price at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only.

The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Fair values of financial asset and liabilities, together with the carrying values shown in the balance sheets at 31 December, were as follows:

	Consolidated financial statements		Separate financial statements	
	Fair value	Carrying value	Fair value	Carrying value
	(in thousand Baht)			
<b>2011</b>				
<b>Asset</b>				
<b>Non-current</b>				
Equity securities available for sale	2,031,224	2,031,224	-	-
<b>Liabilities</b>				
<b>Current</b>				
Long-term loans from financial institutions	191,827	191,827	-	-
Bonds	4,041,272	3,658,854	-	-
<b>Non-current</b>				
Long-term loans from financial institutions	14,830,838	14,818,699	1,212,140	1,200,000
Bonds	15,179,780	15,788,341	-	-
<b>Total</b>	<b>34,243,717</b>	<b>34,457,721</b>	<b>1,212,140</b>	<b>1,200,000</b>



	Consolidated financial statements		Separate financial statements	
	Fair value	Carrying value	Fair value	Carrying value
	(in thousand Baht)			
<b>2010</b>				
<b>Asset</b>				
<i>Non-current</i>				
Equity securities available for sale	1,301,461	1,301,461	-	-
<b>Liabilities</b>				
<i>Current</i>				
Long-term loans from financial institutions	3,479,422	3,617,468	-	-
<i>Non-current</i>				
Long-term loans from financial institutions	11,003,814	13,237,527	-	-
<b>Total</b>	<b>14,483,236</b>	<b>16,854,995</b>	<b>-</b>	<b>-</b>

## 32 Commitments with non-related parties

### Power Purchase Agreement

On 17 September 2010, Ratchaburi Energy Company Limited, a subsidiary, entered into the 0.9 Megawatts Power Purchase Agreement with Provincial Electricity Authority ("PEA") for the period of 5 years. The contract can be extended for a period of five years by subject to the provision either party giving of written notice to the counterparty.

On 8 February 2011, Ratchaburi Energy Company Limited, a subsidiary, entered into the 3.6 Megawatts Power Purchase Agreement with Provincial Electricity Authority ("PEA") for the period of 5 years. The contract can be extended for a period of five years subject by to the provision of either party giving written notice to the counterparty.

### Operation and Maintenance Agreement and Other Service Agreement

On 10 March 2008, Ratchaburi Energy Company Limited, a subsidiary, entered into an Operation and Maintenance Agreement with a service provider having operation service fee of approximately Baht 2.85 million per year. The agreement is effective for a period of one year. On 1 April 2010 both parties agreed to extend the term of the agreement until 31 December 2011, with a rate of approximately Baht 2.07 million per year contract.

### Fuel Purchase Agreements

On 27 October 2000, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a 25-year Gas Sales Agreement with PTT Public Company Limited ("PTT") whereby PTT will supply natural gas to the subsidiary at an agreed quantity and price.

On 1 June 2004, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a 3-year Diesel Purchase Agreement with PTT Public Company Limited ("PTT"), which can be extended for a period of one year until the end of contract. However, without the three-month advance written notice designated the intention to terminate the contract from PTT, PTT would sell diesel to the subsidiary at the agreed quantity and price as stated in the contract.

On 17 January 2006, Ratchaburi Energy Company Limited, a subsidiary, entered into a Gas Sales Agreement (gas is a by-product from crude oil production) with PTTEP Siam Company Limited and PTT Exploration and Production Public Company Limited for its 2 Megawatts power plant project (PTO-A) and 0.9 Megawatts power plant project (PTO-A (EX)) with the initial price of Baht 26.65 per 1 million B.T.U. for eight years from the date of commencement of commercial operation, which was 27 June 2007 and 2 December 2010, respectively.

On 29 June 2011, Ratchaburi Energy Company Limited, a subsidiary, entered into a Gas Sales Agreement (gas is a by-product from crude oil production) with PTTEP Siam Company Limited and PTT Exploration and Production Public Company Limited for its 3.6 Megawatts power plant project (STN-A) with the initial price of Baht 29.50 per 1 million B.T.U. for eight years from the date of commencement of commercial operation.

### Contractual Service Agreement

On 29 December 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a Contractual Service Agreement for the Combined Cycle Generating Power Plant between the subsidiary and the Consortium of General Electric International Operations Co., Inc. and GE Energy Parts, Inc. The agreement is effective from the agreement date until the end of the operation of gas turbine according to Power Purchase Agreement in year 2027 with a total contract price of U.S. Dollars 428.60 million with adjustments as conditions specified in the agreement. As at 31 December 2011, such subsidiary had outstanding commitments amounting to U.S. Dollars 272.24 million (*As at 31 December 2010: U.S. Dollars 296.80 million*).

In addition, in accordance with the agreement, the subsidiary is required to open a letter of credit amounting to U.S. Dollars 6 million. As at 31 December 2011 the company had an unused letter of credit amounting to U.S. Dollars 6 million (*As at 31 December 2010: Nil*).

### Letter of Guarantee

As at 31 December 2011, The subsidiaries had commitment from letters of guarantee issued by a financial institution for compliance with agreement conditions in the amount of Baht 75.42 million. (*As at 31 December 2010: Baht 76.92 million*).

### Capital commitment

As at 31 December 2011, the Company had outstanding capital commitments amounting to Baht 415.12 million (*As at 31 December 2010: Baht 0.56 million*).

As at 31 December 2011, a subsidiary of SouthEast Asia Energy Limited, which is the Company's jointly-controlled entity, had an outstanding capital commitment on the significant agreements in the investing proportion under Consulting and Other Service Agreement for Hydro Power Plant Project Nam Ngum 2 and Hydro Power Plant Project Nam Barg 1-2 of Baht 89.29 million, Swiss Franc 0.13 million which are under construction. (*As at 31 December 2010: Baht 49.20 million, Swiss Franc 0.3 million, and U.S. Dollars 0.07 million*).

### Pledge of share agreement

On 15 November 2005, the Board of Directors' meeting of Ratchaburi Alliances Company Limited, a subsidiary, approved to pledge all of the share certificates of Ratchaburi Power Company Limited, a jointly-controlled entity, held by such subsidiary as collateral for loans.

Ratchaburi Gas Company Limited has pledged all of the share certificates of Tri Energy Company Limited, jointly-controlled entity, as collateral for loans from such jointly-controlled entity.

SouthEast Asia Energy Limited, a jointly-controlled entity, has pledged partially its share certificates and all of share certificates of Nam Ngum 2, a subsidiary of the jointly-controlled entity, as collateral for its loans and the subsidiary of the jointly-controlled entity's loans.

## 33 Events after the reporting period

On 20 January 2012, the Company paid for the additional paid-up capital of Ratchaburi World Cogeneration Company Limited, a jointly controlled entity, equivalent to 70 million of the new shares at par value of Baht 10 per share. The jointly controlled entity called for the paid-up share capital at Baht 1. The company paid for the share capital amounting to Baht 28 million, in proportion to its investment of 40%.

At the Board of Directors' meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 13 February 2012, the Board approved to submit for approval at the Annual General Meeting of the Shareholders, a full year 2011 dividend payment at the rate of Baht 2.24 per share, totalling Baht 4,092.14 million, from the net profit of 2011 after deducting the interim dividends of Baht 1.99 per share, totalling Baht 3,643.46 million. The remaining balance of dividend amounting to Baht 448.68 million. This dividend is subject to the approval of the Shareholders at the Annual General Meeting on 19 March 2012.

At the Board of Directors' meeting of held on 13 February 2012, the Board approved to submit for approval at the Annual General Meeting of the Shareholders, a full year 2011 dividend payment at the rate of Baht 2.25 per share, totalling Baht 3,262.50 million, from the net profit of 2011 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million. The remaining balance of dividend amounting to Baht 1,667.50 million. This dividend is subject to the approval of the Shareholders at the Annual General Meeting on 26 March 2012.

## 34 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group/Company has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are expected to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013

Management expects to adopt and apply these new TFRS in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate / Company's financial statements of those new standards assessed to have the greatest potential impact on the financial statements in the period of initial application. These standards are as follows:

#### TAS 21 (revised 2009) - The effects of changes in foreign exchange rates

The principal change introduced by TAS 21 is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21 requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21. Foreign currencies are defined by TAS 21 as all currencies other than the entity's functional currency.

Management has determined that the functional currency of the Company is Thai Baht. Accordingly, the adoption of TAS 21 from 1 January 2013 is not expected to have a significant impact on the Company's reported assets, liabilities or retained earnings.

### 35 Reclassification of accounts

Certain accounts in the 2010 financial statements have been reclassified to conform to the presentation in the 2011 financial statements as follows:

	2010					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	(in thousand Baht)					
<i>Statement of financial position as at 31 December</i>						
Investment in jointly-controlled entities	10,993,709	4,000	10,997,709	3,138,338	4,000	3,142,338
Investment in other-related parties	54,656	(4,000)	50,656	54,656	(4,000)	50,656
Trade accounts payable to related party	5,917	5,916	11,833	-	-	-
Dividend payable	10,699	(10,699)	-	10,699	(10,699)	-
Other current liabilities	948,933	4,783	953,716	644,445	10,699	655,144
		-			-	
<i>Statement of comprehensive income for the year ended 31 December</i>						
Other income	133,460	(61,068)	72,392	60,598	(46,277)	14,321
Gain from exchange rate	-	49,222	49,222	-	46,277	46,277
Administrative expense	(788,194)	(63,387)	(851,581)	(474,527)	(77,076)	(551,603)
Management personnel	(112,420)	112,420	-	(77,076)	77,076	-
Finance cost	(677,334)	(37,187)	(714,521)	-	-	-
		-			-	

The reclassifications have been made because in the opinion of management, the new classification is more appropriate to the Group's business.



## Management Discussion and Analysis

Ratchaburi Electricity Generating Holding Public Co., Ltd.  
For the year ended 31 December, 2011

### 1. The operating performance of the year 2011

In 2011, the Company invested in power plant projects and related businesses as well as established additional subsidiaries. The details are as follows:

#### 1.1 Investment in Solar Power Plant Projects

On January 13, 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase 49 per cent shares of Solarta Company Limited, in order to jointly develop 8 Solar Power Plant Projects located in Phra Nakhon Si Ayutthaya, Suphanburi, and Nakhon Pathom provinces for total capacity of 34.25 Megawatts. All of them have non-firm power purchase agreements for very small power producer using renewable energy with the Provincial Electricity Authority with subsidy of Baht 8 per kWh adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission for 10 years. As at December 31, 2011 such company has registered capital in the amount of Baht 1,320 million and the Company paid for the share capital amounting to Baht 539 million.

#### 1.2 Investment in Project Using Associated gas from Sao Thian-A Oil Rig, Sukhothai Province

On June 29, 2011, Ratchaburi Energy Company Limited, a subsidiary, entered into the Gas Sales Agreement to invested in an electricity generating project using associated gas from Sao Thian-A Oil Rig, Sukhothai Province, which total amounting 3.6 megawatts and started Commercial Operation to supply electricity to the Provincial Electricity Authority on January 26, 2012.

#### 1.3 The Acquisition in Shares Purchase of Transfield Services Infrastructure Fund ("TSIF")

On July 5, 2011 RH International (Singapore) Corporation PTE. Limited; a subsidiary, invested AUD 203.03 million for 56.16 per cent of the ordinary shares of the Transfield Services Infrastructure Fund (name changed to RATCH-Australia Corporation Limited) which is incorporated in Australia. Such entity was restructured to have the proportion of investment in ordinary shares at 80.00 per cent or AUD 130.25 million and loan to such entity amounting to AUD 72.78 million.

#### 1.4 The Investment in Huay Bong 3 Wind-Turbine Power Project

On July 26, 2011, the Company entered into the agreements to invest and develop wind-turbine power project and operated by First Korat Wind Company Limited, located in Nakorn Ratchasima Province. The project has installed capacity of 103.50 megawatts. The Company holds 20 per cent stakes and the project has been awarded a non-firm power purchase agreement for small power producer from the Electricity Generating Authority of Thailand with 10-year subsidy of Baht 3.50 per kWh adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission. The commercial operations are expected by 2013. As at December 31, 2011, such company has registered capital in the amount of Baht 1,996.02 million and the Company paid up the shares accordance with the Company proportionate in the amount of Baht 203.59 million.

#### 1.5 The Investment in 3 Solar Power Generation Projects

On August 4, 2011, the Company entered into the Share Purchase Agreement and Shareholders Agreement to purchase share of Solar Power (Korat 3) Co., Ltd., Solar Power (Korat 4) Co., Ltd. and Solar Power (Korat 7) Co., Ltd. Three project companies will develop and operate these three solar power generation projects which was total capacity of 18 megawatts, located in Nakorn Ratchasima Province. The Company holds 40 per cent stakes and all of them have non-firm power purchase agreements for very small power producer with the Provincial Electricity Authority with 10-year subsidy of Baht 8 per kWh adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission. The commercial operations are expected by 2013. As at December 31, 2011, such 3 solar power companies have total ordinary shares of Baht 500 million and the Company paid up the capital shares at Baht 171.86 million.

#### 1.6 The Investment in Songkhla Biomass Power Plant Project

On September 8, 2011, the Company entered into the Share Purchase Agreement and Shareholders agreements to purchase share of Songkhla Biomass Co.,Ltd, in order to jointly develop the project utilizing wood slabs and roots, located in Songkhla Province, with total capacity of 9.9 megawatts in the proportion of 40 per cent stakes. As at December 31, 2011, its registered capital in the amount of Baht 45 million, and the Company paid up the shares accordance with the Company proportionate in the amount of Baht 18 million.

#### 1.7 The Investment in HuayBong 2 Wind-Turbine Power Project

On November 30, 2011, the Company entered into the Share Purchase Agreements and Shareholders Agreement to invest and develop wind-turbine power project and operated by K.R Two Company Limited. The project has installed capacity of 103.50 megawatts and located in Nakorn Ratchasima Province. The Company holds 20 per cent stakes. The project has been awarded a non-firm power purchase agreement for small power producer from the Electricity Generating Authority of Thailand with 10-year subsidy of Baht 3.50 per kWh adder from the Power Department



Fund Management Division, Office of the Energy Regulatory Commission. The commercial operations are expected by 2013. As at December 31, 2011, such company has registered capital in the amount of Baht 1,827 million and the Company paid for the share capital at Baht 153.47 million.

#### 1.8 An underwriting agreement to issue the financial instrument of Ratchaburi Electricity Generating Company Limited.

On March 18, 2011, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into an underwriting agreement with a financial institution to issue the bill of exchange and debentures totaling Baht 16,110 million to repay the full amount of the existing loans. Such debentures are unsubordinated, unsecured, and with the non-holder representative which the tenor not exceeding four years. Such debentures are payable until 1st quarter of 2015. Subsequently, the issuance of such financial instruments will effect financial costs of such subsidiary during the year 2011 to 2015 decreasing in the amount of Baht 276 million.

#### 1.9 The Issuance of Debentures of RH International (Singapore) Corporation PTE. Limited.

On August 9, 2011, RH International (Singapore) Corporation PTE. Limited, a subsidiary, has issued unsecured and unsubordinated debentures to foreign investors for the total amount of JPY 15 billion, fully guaranteed by the company with the tenor of 15 years and carrying a coupon rate of 2.72 per cent per annum. The debentures have been rated BBB by Standard and Poor's and will be used to fund the acquisition of RATCH-Australia Corporation Limited.

## 2. Management Discussion and Analysis Report According to Consolidated Financial Statements

The Company and its subsidiaries for the year ended December 31, 2011 presented profit of Baht 4,840.64 million, decreasing by Baht 385.27 million or 7.37 per cent compared to profit of Baht 5,225.91 million of the year 2010. The details are as follows:

	Year		Increase (Decrease)	%
	2011	2010		
Revenue	45,726.07	44,187.68	1,538.39	3.48
Costs and expenses	41,002.52	38,966.52	2,036.00	5.22
Profit for the year	4,723.55	5,221.16	(497.61)	(9.53)
Loss attributable to Non-controlling	(117.09)	(4.75)	(112.34)	n.a.
Profit attribute to Owner of the Company	4,840.64	5,225.91	(385.27)	(7.37)

### 2.1 Analysis of Revenues

Total revenues of the Company and its subsidiaries for the year 2011 were Baht 45,726.07 million, increasing by Baht 1,538.39 million or 3.48 per cent from Baht 44,187.68 million in the previous year. The main reasons are as follows:

2.1.1 The electricity sales of the year 2011 were Baht 43,341.86 million, increasing by Baht 1,203.00 million or 2.85 per cent from Baht 42,138.86 million in the previous year. The details are as follows:

- (1) Revenue received from the Availability Payment ("AP") for the year 2011 was Baht 13,522.74 million, increasing by Baht 2,678.29 million from Baht 10,844.45 million from the previous year due to AP of Ratchaburi Power Plant for the year 2011 was Baht 11,856.06 million, increasing by Baht 1,011.61 million from Baht 10,844.45 million or 9.33 per cent from the previous year. The main reason was the average of Base Availability Credit in the year 2011 is higher than that of the year 2010 as specified in the Power Purchase Agreement. Moreover the Company included AP of RATCH-Australia in the year 2011 at Baht 1,666.68 million.
- (2) Revenue received from the Energy Payment ("EP") for the year 2011 was Baht 29,819.12 million, decreasing by Baht 1,475.29 million or 4.71 per cent from Baht 31,294.41 million in the previous year. The main reason was that the Ratchaburi Power Plants were shutdown according to the maintenance plan in the year 2011 more than the previous year, therefore the fuel consumption was lower than that of the previous year in the amount of Baht 2,033.39 million. Moreover the Company included EP of RATCH-Australia in the year 2011 at Baht 422.13 million.

2.1.2 Management service income for the year 2011 was Baht 188.55 million, decreasing by Baht 70.11 million or 27.11 per cent from Baht 258.66 million in the year 2010. The main reason was, in 2010, the Company received the financing service income from Hongsa Power Company Limited, the jointly-controlled entity, in the amount of Baht 93 million.

2.1.3 RH International (Singapore) Corporation PTE. Limited and RATCH-LAO Services Company Limited, the subsidiaries, earned dividend amounting to Baht 60.06 million from the investment in Electricite du Laos-Generation Public Company ("EDL-Gen") in Lao PDR's stock exchange accordance with the proportion of investment of 10 per cent.

2.1.4 Interest income for the year 2011 was Baht 577.70 million, increasing by Baht 345.32 million or 148.60 per cent from Baht 232.38 million for the year 2010. The main reason was due to the consolidation of interest income of RATCH-Australia at Baht 237.27 million.

2.1.5 Losses on exchange rate of the Company, subsidiaries and jointly-controlled entities for the year 2011 were Baht 67.31 million, increasing by Baht 468.44 million from the year 2010 which recorded gains on exchange rate in the amount of Baht 401.13 million. This summarizes as follows:

Gains (Losses) on exchange rate			
	2011	2010	Variance
- Jointly-controlled entities	(31.96)	351.91	(383.87)
- The Company and subsidiaries	(35.35)	49.22	(84.57)
<b>Total</b>	<b>(67.31)</b>	<b>401.13</b>	<b>(468.44)</b>

2.1.6 In the year 2011, the Company recorded share of profit of jointly-controlled entities in the amount of Baht 1,333.09 million, decreasing by Baht 110.04 million or 7.63 per cent from Baht 1,443.13 million in the year 2010. However such share of profit of jointly-controlled entities excluded the gains or losses on exchange rate as indicated in the item 2.1.5 increasing by Baht 273.83 million from the previous year which was due to the Nam Ngum 2 Hydroelectric Power Plant, which the Company holds 25 per cent stakes has been Initial Operated since March 26, 2011.

## 2.2 Analysis of costs and expenses

Costs and expenses of the year 2011 were Baht 41,002.52 million, increasing by Baht 2,036.00 million or 5.22 per cent from Baht 38,966.52 million in the year 2010. The underlying reasons are as follows:

2.2.1 Cost of sales for the year 2011 were Baht 35,814.58 million, decreasing by Baht 368.52 million or 1.02 per cent from Baht 36,183.10 million in the year 2010. The main reasons were the Ratchaburi Power Plants were shutdown according to the maintenance plan in the year 2011 higher than the previous year, therefore, the fuel consumption decreased from the previous year in the amount of Baht 1,719.49 million and the maintenance and spare parts expense were higher than the previous year in the amount of Baht 242.39 million. In addition, cost of sales of RATCH-Australia has been included in the amount of Baht 1,149.14 million.

2.2.2 Administrative expenses for the year 2011 were Baht 1,393.45 million, increasing by Baht 541.87 million or 63.63 per cent from Baht 851.58 million in the year 2010. The main reason was due to the consulting fee regarding to the TSIF's acquisition in the amount of Baht 235.98 million. Furthermore, administrative expenses of RATCH-Australia has been included in the amount of Baht 244.33 million.

2.2.3 Finance costs for the year 2011 were Baht 1,936.92 million, increasing by Baht 1,222.40 million or 171.08 per cent from Baht 714.52 million in the year 2010. The main reasons was on March 2011 Ratchaburi Electricity Generating Co., Ltd, the subsidiary, recorded expenses of the prepayment fee in the total amount of Baht 153.05 million. Moreover such finance costs included interest expenses of RATCH-Australia in the amount of Baht 1,021.52 million.

2.2.4 Income tax expense for the year 2011 was Baht 1,822.22 million, increasing by Baht 555.68 million or 43.87 per cent from Baht 1,266.54 million for the year 2010. The main reason was that tax exemption from the office of Board of Investment for 3 blocks of Ratchaburi Combined Cycle Power Plants has expired, corporate income tax has been paid since April 18, 2010.

## 3. Analysis of Statements of Financial Position

### 3.1 Analysis of Assets

As at December 31, 2011 the total assets were Baht 95,899.07 million increasing by Baht 26,317.25 million from Baht 69,581.82 million as at December 31, 2010. The details are as follows:

	31 Dec 2011	31 Dec 2010	Increase (Decrease)	%
Current Assets	19,131.67	19,273.62	(141.95)	(0.74)
Non Current Assets	76,767.40	50,308.20	26,459.20	52.59
<b>Total Assets</b>	<b>95,899.07</b>	<b>69,581.82</b>	<b>26,317.25</b>	<b>37.82</b>

3.1.1 As at December 31, 2011 current assets were Baht 19,131.67 million decreasing by Baht 141.95 million from Baht 19,273.62 million as at December 31, 2010. The main reasons were as follows:

- (1) Trade account receivable from related party decreased by Baht 688.83 million. The main reason was trade account receivable of Ratchaburi Electricity Generating Co., Ltd decreased in the amount of Baht 1,000.73 million due to in the month of December 2011 Ratchaburi Power Plant was shutdown according to the maintenance plan. However such trade account receivable included receivables of RATCH-Australia in the amount of Baht 310.24 million.
- (2) Cash and cash equivalent decreased in the amount of Baht 181.32 million.
- (3) Spare parts and supplies increased in the amount of Baht 500.51 million. The main reason was due to the consolidation of spare parts and supplies of RATCH-Australia in the amount of Baht 597.47 million.
- (4) Other current assets increased by Baht 227.69 million due to the consolidation of other assets of RATCH-Australia in the amount of Baht 160.32 million.

3.1.2 As at December 31, 2011 non-current assets were Baht 76,767.40 million increasing by Baht 26,459.20 million from Baht 50,308.20 million as at December 31, 2010. The main reasons were as follows:

- (1) Investment in jointly-controlled entities increased by Baht 3,002.34 million due to in the year 2011, the Company recorded operating result and additional investment in jointly - controlled entities as follows:

Jointly-Controlled Entities	Increase (Decrease)
Tri Energy Co., Ltd.	243.27
Ratchaburi Power Co., Ltd.	40.07
Chubu Ratchaburi Electric Services Co., Ltd.	(4.01)
SouthEast Asia Energy Ltd.	373.40
Hongsa Power Co., Ltd.	(38.49)
Phufai Mining Co., Ltd.	(0.07)
Nam Ngum 3 Hydro electric Power Co., Ltd.	(0.07)
Nava Nakorn Electricity Generation Co., Ltd.	30.65
Ratchaburi World Cogeneration Co., Ltd.	146.49
Solarta Co., Ltd.	551.75
Solar Power (Korat 3) Co., Ltd.	56.61
Solar Power (Korat 4) Co., Ltd.	59.14
Solar Power (Korat 7) Co., Ltd.	44.94
Songkha Biomass Co., Ltd.	16.90
First Korat Wind Co., Ltd.	203.18
K.R Two Co., Ltd.	153.38
Perth Power Partnership (RATCH Australia's Jointly Controlled Entity)	1,125.20
<b>Total</b>	<b>3,002.34</b>

- (2) Other long-term investments increased by Baht 579.76 million due to during March - May 2011, RH International (Singapore) Corporation PTE. Limited has purchased additional shares of EDL-Gen in the amount of Baht 173.71 million. Moreover such increasing included the long-term investments of RATCH-Australia in the amount of Baht 606.41 million.
- (3) Long-term loans to related party increased by Baht 1,611.63 million due to shareholder's loans to Great Energy Alliance corporation Pty Ltd., RATCH-Australia holds 14 per cent stakes, in the amount of AUD 50.06 million.
- (4) Property, plant and equipment increased by Baht 15,391.35 million due to the including of property, plant and equipment of RATCH-Australia in the amount of Baht 18,431.65 million. However the depreciation during the year 2011 was Baht 3,206.90 million.

- (5) Intangible assets increased by Baht 5,301.64 million due to goodwill from acquisition in RATCH-Australia has been recorded at cost in the amount of Baht 1,202.96 million and including goodwill from business acquisition from RATCH-Australia in the amount of Baht 4,157.99 million.
- (6) Other Non-Current assets increased by Baht 572.48 million due to the project development expenses of the Nam Ngum 3 Hydroelectric Power Project, Wind Power Project and Xe-Pian Xe-Namnoy Hydro electric Power Project in the total amount of Baht 340.75 million. Furthermore, the deferred charge for Contractual Service Agreement increased in the amount of Baht 131.86 million from the previous year.

### 3.2 Analysis of Liabilities and Equity

As at December 31, 2011, Total liabilities and equity were Baht 95,899.07 million increasing by Baht 26,317.25 million from Baht 69,581.82 million as at December 31, 2010. The reasons were as follows:

	31 Dec 2011	31 Dec 2010	Increase (Decrease)	%
Liabilities	47,287.93	22,905.51	24,382.42	106.45
Equity	48,611.14	46,676.31	1,934.83	4.15
Total Liabilities and Equity	95,899.07	69,581.82	26,317.25	37.82

3.2.1 Liabilities were Baht 47,287.93 million increasing by Baht 24,382.42 million from Baht 22,905.51 million in the year 2010. The main reasons were RH International (Singapore) Corporation PTE. Limited, a subsidiary, has issued unsecured and unsubordinated debentures for the total amount of JPY 15 billion (equivalent approximately Baht 6,185 million) and including long-term loans from related party and Deferred tax liabilities of RATCH-Australia in the amount of Baht 16,394.02 million and Baht 2,039.39 million respectively.

3.2.2 Equity increased by Baht 1,934.83 million. The main reason was the profit in the year 2011 increased retain earnings in the amount of Baht 4,840.64 million and the dividend paid during the year decreased retain earnings in the amount of Baht 3,262.50 million.

Total equity in the amount of Baht 48,611.14 million consists of authorized share capital (issued and paid-up share capital) at Baht 14,500 million, share premium at Baht 1,531.78 million, appropriated retained earnings for legal reserve at Baht 1,450.00 million, unappropriated retained earnings, net with other components of equity, at Baht 30,435.57 million and non-controlling interests at Baht 693.79 million.

## 4. Significant Financial Ratios

Ratios		Y2554	Y2553
1) Current Ratio	(Times)	1.50	1.99
2) Ratio of Net Profit	(%)	10.33	11.82
3) Return on Equity	(%)	10.24	11.47
4) Return on Assets	(%)	5.71	7.52
5) EBITDA	(Million Baht)	11,818.37	9,916.30
6) Ratio of EBITDA to Total Assets	(%)	14.28	14.28
7) Debt to Equity Ratio	(Times)	0.97	0.49
8) Debt Service Coverage Ratio	(Times)	1.64	2.48
9) Book Value per Share	(Baht)	33.05	32.16
10) Earning per Share	(Baht)	3.34	3.60



## 5. Analysis of Cash Flows

	2011	2010	Increase (Decrease)	%
Net cash from operating activities	7,954.03	9,323.77	(1,369.74)	(14.69)
Net cash from (used in) investing activities	(6,736.70)	4,914.51	(11,651.21)	(237.08)
Net cash from (used in) financing activities	(2,253.07)	(6,757.96)	4,504.89	(66.66)
Net increase(decrease) in cash and cash equivalents	(1,035.74)	7,480.32	(8,516.06)	(113.85)
Effect of exchange rate on balances held in foreign currencies	58.51	-	58.51	-
Cash and cash equivalents at beginning of year	11,289.25	3,774.09	7,515.16	199.13
Cash of subsidiary acquired during the year	386.61	34.84	351.77	n.a.
Cash and cash equivalents at end of year	10,698.63	11,289.25	(590.62)	(5.23)

Cash and cash equivalents of the Company and its subsidiaries as at December 31, 2011 were Baht 10,698.63 million decreased by Baht 590.62 million from Baht 11,289.25 million on December 31, 2010. The details were summarized below:

5.1 The decrease in net cash used in operating activities decreased cash flow in the amount of Baht 1,369.74 million. The main reason was due to the changes in trade account payable in the amount of Baht 1,361.28 million due to the Ratchaburi Thermal Power Plant was shutdown for maintenance on December 2011, therefore, the amount of trade account payable was less than the previous year.

5.2 Net cash used in investing activities increased in the amount of Baht 11,651.21 million. The main reasons were the investment in acquisition in RATCH-Australia in the amount of Baht 6,575.29 million and the investment in financial instrument increasing by Baht 6,016.65 million from the previous year.

5.3 Net cash used in financing activities decreased in the amount of Baht 4,504.89 million. The main reasons were as follows :

5.3.1 In the year 2011 the Company entered into a long term agreement with a branch of foreign financial institution amounting to Baht 1,200 million and on August 9, 2011 RH International (Singapore) Corporation PTE., Ltd., a subsidiary, entered into an underwriting agreement with a foreign financial institution to issue debenture amounting to JPY 15 billion.

5.3.2 In the year 2011, Ratchaburi Electricity Generating Co.,Ltd., a subsidiary, paid for finance cost and loan repayment increasing from the year 2010 in the amount of Baht 844.37 million. Furthermore, RATCH-Australia paid for finance cost and long-term loan repayment in the amount of Baht 1,823.70 million.



## Related Parties Transactions

### Ratchaburi Electricity Generating Holding Public Company Limited

#### Related Parties Transaction

For the Year Ending 31 December 2011

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<b>Ratchaburi Electricity Generating Holding Public Company Limited</b>			
<b>1. Management Service Agreements</b>			
<b>1.1 Providing services in internal audit, legal, secretariat to the Board of Directors, information technology and financial management</b> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 8.50 million</li> <li>As of 31 December 2011, other receivables in December is Baht 0.86 million</li> </ul>	Ratchaburi Electricity Generating Co., Ltd. (agreement signed on 5 January 2009)	8.50	Ratchaburi Electricity Generating Co., Ltd. does not have employees with these skills while the Company does. Service fee is charged in actual hours spent based on market rate.
<b>1.2 Providing service and management on issuance debentures and bill of exchange to repay the existing loans</b> <ul style="list-style-type: none"> <li>In 2011, the service fee is Baht 60.41 million</li> </ul>	Ratchaburi Electricity Generating Co., Ltd. (agreement signed on 15 March 2011)	60.41	Ratchaburi Electricity Generating Co., Ltd. does not have employees with these skills while the Company does. Service fee is charged at 0.375 per cent of the total Baht 16,110 million loan.
<b>1.3 Providing management and operations for PTO-A Power Plant and its expansion</b> <ul style="list-style-type: none"> <li>In 2011, service fee is Baht 1.89 million</li> <li>As of 31 December 2011, other account receivables - accrued service for December 2011 is Baht 0.16 million</li> </ul>	Ratchaburi Energy Co., Ltd. (agreement signed on 11 January 2010)	1.89	Ratchaburi Energy Co., Ltd. does not have employees with these skills while the Company does. Service fee is charged on monthly basis, totaling Baht 0.91 million per year (excluding VAT) plus other actual expenses based on the market rate.
<b>1.4 Providing service by secondment 3 executives to take position at Tri Energy Co., Ltd. as the Managing Director, Accounting and Finance Manager, and Administration and Agreement Manager</b> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 26.36 million</li> <li>As of 31 December 2011, other account receivables - accrued service is Baht 2.42 million</li> </ul>	Tri Energy Co., Ltd. (Agreement signed on 14 November 2003)	26.36	Tri Energy Co., Ltd., requested for the service and the Company has experts in this area. Service is charged at market rate, starting from Baht 1.42 million (excluding VAT) according to the agreement and is increased 6 per cent per annum.
<b>1.5 Providing service by secondment 2 executives to take position at Chubu Ratchaburi Electric Services Co., Ltd., as the Managing Director and Administration and Finance Manager.</b> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 9.59 million</li> <li>As of 31 December 2011, other account receivables - accrued service for December is Baht 0.86 million</li> </ul>	Chubu Ratchaburi Electric Services Co., Ltd. (agreement signed on 1 January 2006)	9.59	Chubu Ratchaburi Electric Services Co., Ltd. requested for the service and the Company has experts in this area. Service is charged on market rate.

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<p>1.6 Providing service by secondment an executive to take position at Ratchaburi Power Co., Ltd. as Finance Director</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 4.73 million</li> </ul>	Ratchaburi Power Co., Ltd. (agreement signed on 1 March 2007)	4.73	Ratchaburi Power Co., Ltd., requested for the Company to provide the service while the Company has experts in this area. Service is charged at market rate of Baht 0.371 million per month (excluding VAT)
<p>1.7 Providing service by secondment 2 executives to take position at SouthEast Asia Energy Ltd. to work in the engineering and finance departments</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 7.26 million)</li> <li>As of 31 December 2011, other account receivables - accrued service for December 2011 is Baht 0.63 million</li> </ul>	SouthEast Asia Energy Ltd. (agreement signed on 10 April 2006)	7.26	SouthEast Asia Energy Ltd. requested for the Company to provide the service while the Company has experts in this area. Service is charged at market rate of Baht 0.42 million per month (excluding VAT) and increased by 7 per cent per year.
<p>1.8 Providing internal audit, legal, tax, secretariat to the Board of Directors, information technology, financial management and human resource management services</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 4.05 million</li> </ul>	RATCH-Lao Services Co., Ltd. (agreement signed on 1 December 2009)	4.05	RATCH-Lao Serviced Co., Ltd. requested for the Company to provide the service while the Company has experts in this area. Service is charged at market rate of Baht 0.335 million per month (excluding VAT).
<p>1.9 Management Agreement Contract with Ratchaburi Power Co., Ltd.</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 74.80 million</li> <li>As of 31 December 2011, deferred income is Baht 12.74 million</li> </ul>	Ratchburi Power Co., Ltd. (agreement signed on 27 February 2004)	74.80	The Company provides media relations and technical consult on the construction, operation and maintenance for the power plant. The Company receives USD 625,000 per quarter, which is regularly paid in advance every three months, starting from the first commercial operation date of the first unit (1 March 2008). Agreement term is 25 years and three months.
<p>1.10 Providing technical, financial, accounting, legal and office rental services</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 7.24 million</li> <li>As of 31 December 2011, other account receivables - accrued service for September 2011 is Baht 0.61 million</li> </ul>	Sustainable Energy Corporation Co., Ltd. (agreement signed on 1 November 2009 and 1 November 2010)	7.24	Sustainable Energy Corporation Co., Ltd. requested for the Company to provide the service while the Company has experts in technical, financial, accounting and legal services. Service fees are based on market rates. For office rental, monthly fee is Baht 0.24 million (excluding VAT).

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<p>1.11 Providing technical, financial and accounting services</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 13.00 million</li> <li>As of 31 December 2011, other account receivables - accrued service is Baht 13.00 million</li> </ul>	RATCH-Australia Corporation Ltd.	13.00	RATCH-Australia Corporation Ltd. requested for the Company to provide the service while the Company has experts in technic, finance, and accounting. Service charge is based on market rates.
<p>1.12 Providing technical, financial, accounting and legal services</p> <ul style="list-style-type: none"> <li>As of 2011, service income is Baht 17.65 million</li> <li>As of 31 December 2011, other account receivables - accrued income for December 2011 is Baht 4.19 million</li> </ul>	Hongsa Power Co.,Ltd.	17.65	Hongsa Power Co., Ltd. requested for the Company to provide such service while the Company has skilled personnel in the area. Service is charged based on market rates.
<p>1.13 Providing technical, financial, accounting and office rental services</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 7.55 million</li> <li>As of 31 December 2011, other account receivables - accrued income is Baht 6.70 million</li> </ul>	Ratchaburi World Cogeneration Co., Ltd.	7.55	Ratchaburi World Cogeneration Co., Ltd. requested for the Company to find 6.6 x 7.37 metres office rental space at market rate.
<p>1.14 Service Agreement with Nam Ngum 2 Power Co., Ltd.</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 25.00 million</li> </ul>	Nam Ngum 2 Power Co., Ltd. (agreement signed on 26 May 2006)	25.00	Nam Ngum 2 Power Co., Ltd. has a service agreement with the Company. The Company receives Baht 25 million service income per year (excluding VAT).
<p>1.15 Securing loan and loan guarantee service</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 28.95 million</li> <li>As of 31 December 2011, account receivables - accrued service is Baht 31.83 million</li> <li>As of 31 December 2011, deferred income is Baht 2.88 million</li> </ul>	RH International (Singapore) Corporation Pte. Ltd. (agreement signed on 30 November 2011)	28.95	RH International (Singapore) Corporation Pte. Ltd. requested the Company to provide the services as the Company has employees with the require skills to secure loan and loan guarantee. The service is charged on market rates.



Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<b>2. Loans to subsidiaries/ jointly-controlled entities</b>			
<b>2.1</b> Loan to Ratch Udom Power Co., Ltd. in promissory notes format. Total loans as of 31 December 2011 is Baht 236.20 million. <ul style="list-style-type: none"> <li>In 2011, interest received is Baht 14.00 million</li> <li>As of 31 December 2011, account receivables - accrued interest is Baht 2.56 million)</li> </ul>	Ratch Udom Power Co., Ltd. (Board of Directors' resolution 2/2006)	14.00	The loan allows Ratchaburi Alliances Co., Ltd. lend to invest in Ratchaburi Power Co., Ltd. Interest rate is based on 1-year Fixed deposit rate for corporate of Siam Commercial Bank Plc. Plus 1 per cent, which is considered appropriate.
<b>2.2</b> Loan to SouthEast Asia Energy Ltd.'s Vientiane branch in the form of Shareholders' Loan Agreement. Total loan as of 31 December 2011 is Baht 62.50 million. <ul style="list-style-type: none"> <li>In 2011, interest received is Baht 5.05 million</li> <li>As of 31 December 2011, other account receivables - accrued interests is Baht 17.15 million</li> </ul>	SouthEast Asia Energy Ltd. (agreement signed on 4 September 2010)	5.05	The loan is to support the feasibility study of the Nam Bak I - II Project. Baht 250 million loan was sought from shareholders at MLR rate of Krung Thai Bank, TMB and Siam City Bank plus 1 per cent, which is considered an appropriate rate.
<b>2.3.</b> Loan to RATCH-Lao Services Co., Ltd. through USD 30 million Loan Agreement. Total loan as of 31 December 2011 is USD 30 million <ul style="list-style-type: none"> <li>In 2011, interest received is Baht 23.32 million</li> <li>As of 31 December 2011, other account receivables - accrued interest receivable is Baht 3.94 million</li> </ul>	RATCH-Lao Services Co., Ltd. (agreement signed on 17 December 2010) RH	23.32	The loan is proposed for subscription of shares offered by EDL-Generation Public Company (EDL-Gen) which would be traded in Lao Securities Exchange. The interest rates for the loan is 2.50 per cent per year.
<b>2.4</b> Loan to RH International Corporation Ltd. through loan agreement as follows: <div style="margin-left: 40px;"> Million Australian dollars  30 Jun 2011 Loan 216.00  25 Aug 2011 Repayment 187.51  29 Dec 2011 Additional loan <u>43.00</u>  31 Dec 2011 Balance <u>71.49</u> </div> <ul style="list-style-type: none"> <li>In 2011, interest received is Baht 42.24 million</li> <li>As of 30 December 2011, other account receivables - accrued interest receivable is Baht 10.28 million</li> </ul>	International Corporation Ltd. (agreement signed on 22 Jun 2011)	42.24	The loan is proposed for the acquisition of Transfield Services Infrastructure Fund (TSIF) in Australia at 3.10 per cent interest per year, which is considered appropriate.

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
2.5    Loan to Ratchaburi Electricity Generating Co., Ltd. • In 2011, interest received is Baht 0.54 million	Ratchaburi Electricity Generating Co., Ltd. (The Board of Directors' Resolution on 11/2005 and 6/2006)	0.54	The loan is for natural gas expenses paid to PTT because in some months income from power sales to EGAT was received later than natural gas payment to PTT. The interest rate is based on MLR plus one rate for oneyear fixed deposit of Siam Commercial Bank Plc.
RH International Corporation Ltd.			
1.        RH International Corporation Ltd. lend to RH International (Mauritius) Corporation Ltd. in form of loan agreement as follows. <div>Million Australian dollars</div> <div>30 Jun 2011    Loan    </div>			

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<b>Ratchaburi Electricity Generating Co., Ltd.</b>			
<b>1. Power purchase agreement - Ratchaburi Power Plant</b> 1.1 Power purchase agreement - Ratchaburi Power Plant Ratchaburi Electricity Generating Co., Ltd. entered into the 25-year power purchase agreement with EGAT <ul style="list-style-type: none"> <li>In 2011, revenue from sales is Baht 41,204.64 million</li> <li>As of 31 December 2011, related transactions are as follows: Trade account receivables Baht 2,324.29 million Accrued income Baht 7.89 million</li> </ul>	EGAT (agreement signed on 9 October 2000)	41,204.64	Ratchaburi Electricity Generating Co., Ltd. has to supply power from its plant to EGAT and will receive income from EGAT according to the Power Purchase Agreement according to the normal business practice.
1.2 Fuel oil supply agreement EGAT supplies fuel oil to Ratchaburi Electricity Generating Co., Ltd. <ul style="list-style-type: none"> <li>In 2011, expenses are Baht 2,622.23 million</li> <li>As of 31 December 2011, total trade payable are Baht 140.40 million</li> </ul>	EGAT (agreement signed on 9 October 2000)	2,622.23	EGAT supplies fuel oil at market price according to power purchase agreement.
<b>2. Station service power and power for water supply system</b> <ul style="list-style-type: none"> <li>In 2011, expense is Baht 173.44 million</li> <li>As of 31 December 2011, related transactions are as follows: Account payable - Nov 2011 Baht 16.25 million Accrued expenses - December 2011 Baht 26.52 million</li> </ul>	EGAT (agreement signed on 24 July 2001)	173.44	Ratchaburi Electricity Generating Co., Ltd. had to buy electricity from EGAT to maintain its station service power and electricity for water supply system. The power price is the same as other companies buying electricity from EGAT.
<b>3. Power Plant Operation and Maintenance Agreement</b> Ratchaburi Electricity Generating Co., Ltd., commissioned EGAT to provide power plant operation and major and general maintenance services <ul style="list-style-type: none"> <li>In 2011, total expenses is Baht 1,212.82 million, including: Monthly retainer of Baht 1.50 million Other expenses of Baht 251.32 million</li> <li>As of 31 December 2011, related transactions are as follows: Account payables Baht 5.85 million Accrued expenses Baht 43.71 million</li> </ul>	EGAT (agreement signed on 7 Jan 2009)	1,212.82	EGAT has experience and expertise in power plant operations and maintenance. Initial service fees according to the agreement are Baht 16,608 million and are adjusted according to Thailand's annual consumer price index, which is a normal practice in business standard.
<b>4. Management service agreement</b> 4.1 Ratchaburi Electricity Generating Co., Ltd., lease to Ratchaburi Power Co., Ltd., a plot of 143 rai of land. <ul style="list-style-type: none"> <li>In 2011, income is Baht 11.52 million</li> <li>As of 31 Dec 2011, deferred income is Baht 1.45 million</li> </ul>	Ratchaburi Power Co., Ltd. (agreement signed on 7 June 2004)	11.52	Ratchaburi Power Plant has comprehensive facilities and infrastructure that support power generating business. Ratchaburi Electricity Generating Co., Ltd., charges Baht 10.90 million per year for the lease which will be increased every 5 years in accordance to Thailand's consumer price index, which is a normal business practice standard.

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<p>4.2 Ratchaburi Electricity Generating Co., Ltd. leases to Ratchaburi Power Co., Ltd., a plot of 2 rai land for national gas receiving station</p> <ul style="list-style-type: none"> <li>In 2011, income is Baht 0.16 million</li> <li>As of 31 December 2011, deferred income is Baht 0.02 million</li> </ul>	Ratchaburi Power Co., Ltd. (agreement signed on 21 October 2005)	0.16	Ratchaburi Power Plant has comprehensive facilities and infrastructure that support power generating business. Ratchaburi Electricity Generating Co., Ltd., charges Baht 0.15 million per year for the lease which will be increased every 5 years in accordance to Thailand's consumer price index, which is a normal business practice standard.
<p>4.3 Common Facility Agreement</p> <ul style="list-style-type: none"> <li>In 2011, total income is Baht 34.45 million, including Environmental services Baht 3.19 million Diesel oil tank rental Baht 2.06 million Infrastructure services Baht 29.20 million</li> <li>As of 31 December 2011, related transactions are as follows: Other account receivables of Baht 2.96 million Accrued income of Baht 0.04 million</li> </ul>	Ratchaburi Power (agreement signed on 25 November 2005)	34.45	Ratchaburi Electricity Generating Co., Ltd., has comprehensive infrastructure and facilities to support power generating business. Services fees are as follows: - Environmental service of Baht 2.67 million per annum (excluding VAT) - Diesel oil tank of Baht 2.00 million per annum, increasing every five years according to Thai CPI which is a normal business standard - Infrastructure service charge based on the previously agreed agreement, which is a normal business standard.
<p>5. Environmental service agreement</p> <p>5.1 Environment quality monitoring for Ratchaburi Power Plant 2010-2011</p> <ul style="list-style-type: none"> <li>In 2011, total expense is Baht 4.49 million</li> <li>As of 31 December 2011, prepaid expense is Baht 0.22 million</li> </ul>	EGAT (agreement signed on 9 February 2010 and 20 January 2011)	4.49	Ratchaburi Electricity Generating Co., Ltd., does not have employees with this skill while EGAT has specialists in this area. Service fee is Baht 4.50 million per annum (excluding VAT) according to the agreement, which is a normal business practice standard.
<p>5.2 Environmental quality monitoring for bunker oil supply system for 2010-2011</p> <ul style="list-style-type: none"> <li>In 2011, expense is Baht 0.85 million</li> <li>As of 31 December 2011, prepaid expense is Baht 0.09 million</li> </ul>	EGAT (agreement signed on 9 February 2010 and 20 January 2011)	0.85	Ratchaburi Electricity Generating Co., Ltd., does not have employees with this skill while EGAT has specialists in this area. Service fee is Baht 0.81 million and 0.87 million per annum (excluding VAT) according to the agreement, which is a normal business practice standard.



Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<p>5.3 Environment monitoring for waste water treatment system agreement at Ratchaburi Power Plant for 2010-2011</p> <ul style="list-style-type: none"> <li>In 2011, total expense is Baht 0.23 million</li> <li>As of 31 December 2011, prepaid expense is Baht 0.01 million</li> </ul>	EGAT (agreement signed on 9 February 2010 and 30 January 2011)	0.23	Ratchaburi Electricity Generating Co., Ltd., does not have employees with this skill while EGAT has specialists in this area. Service fee is Baht 0.22 million per annum (excluding VAT) according to the agreement, which is a normal business practice standard.
<p>5.4 OHSAS 18001 system implementation and integration with ISO 14001 system</p> <ul style="list-style-type: none"> <li>In 2011, accrue expense is Baht 0.40 million</li> </ul>	EGAT (agreement signed on 15 October 2009)	0.40	Ratchaburi Electricity Generating Co., Ltd., does not have employees with this skill while EGAT has specialists in this area. Service fee is Baht 1.14 million per annum (excluding VAT) according to the agreement, which is a normal business practice standard.
<b>Ratchaburi Energy Co., Ltd.</b>			
<p><b>1. Power Purchase Agreement</b></p> <p>Ratchaburi Energy Co., Ltd. entered into a power purchase agreement with EGAT to supply electricity from PTO-A Associated Gas Power Plant which has 1.75 megawatts installed capacity</p> <ul style="list-style-type: none"> <li>In 2011, revenue from sale is Baht 32.56 million</li> <li>As of 31 December 2011, Trade account receivables are Baht 3.20 million Accrued income is Baht 3.37 million</li> </ul>	EGAT (agreement signed on 3 December 2008)	32.56	Ratchaburi Energy Co., Ltd., has to supply electricity generated from the PTO-A Associated Gas Power Plant in Sukhothai province to EGAT and receive from EGAT income as stated in the power purchase agreement, which is a normal business practice standard.

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<b>RATCH-Lao Services Co., Ltd.</b>			
<p><b>1. O&amp;M Agreement for Nam Ngum 2 Hydroelectric Power Plant</b> RATCH-Lao Services Co., Ltd. signed agreement to provide operation and maintenance services to Nam Ngum 2 Hydroelectric Power Plant, including building maintenance facility, and management service</p> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 115.00 million</li> <li>As of 31 December 2011, related trade account receivable is Baht 9.58 million</li> </ul>	<p>Nam Ngum 2 Power Co., Ltd. (agreement signed on 25 June 2009)</p>	115.00	<p>RATCH-Lao Services Co., Ltd. provides operation and maintenance service for the power plant and dam, including building and facility and management service for 27 years. Service charge for the operational phase (1 November 2010 until end of the concession period) is Baht 115 million per year, which will be increased 3 per cent per year, which is a normal business practice standard.</p>
<p><b>2. O&amp;M agreement for the Nam Ngum 2 Hydroelectric Power Plant</b> RATCH-Lao Services Co., Ltd. signed a subcontract agreement to provide operation and maintenance service to Nam Ngum 2 Hydroelectric Power Plant and dam</p> <ul style="list-style-type: none"> <li>In 2011, total service is Baht 71.00 million</li> <li>As of 31 December 2011, Related trade account payable is Baht 5.92 million</li> <li>Accrued expense-related parties for December 2011 is Baht 5.92 million</li> </ul>	<p>EGAT (agreement signed on 26 September 2008)</p>	71.00	<p>RATCH-Lao Services Co., Ltd. does not have employees with this skill while EGAT has specialists in this area. RATCH-Lao Services Co., Ltd., therefore signed the subcontract agreement with EGAT with service fee for the operation phase (1 November 2010 until the end of the concession period) is Baht 5.92 million per month (excluding VAT) and increased at three per cent per year, which is a normal business practice standard.</p>
<p><b>3. Providing extra work security service under the O&amp;M Agreement for Nam Ngum 2 Hydroelectric Power Plant</b> RATCH-Lao Services Co., Ltd. signed an agreement to provide security service at Nam Ngum 2 Hydroelectric Power Plant by army officials (Ministry of Defence)</p> <ul style="list-style-type: none"> <li>In 2011, total service income is Baht 1.23 million</li> <li>As of 31 December 2011, prepaid service income is Baht 0.41 million</li> </ul>	<p>Nam Ngum 2 Power Co., Ltd.</p>	1.23	<p>RATCH-Lao Services Co., Ltd. provides security service for the power plant and dam for approximately one year, starting from 1 April 2011 until 31 March 2012.</p>

Related Transactions	Related Parties	Value (Million Baht)	Necessities and Reasons
<b>4. Outsource Service Agreement on technicians, administrative officers, drivers and cleaning services for the Nam Ngum 2 Hydroelectric Power Plant project under the purchase order</b> <ul style="list-style-type: none"> <li>In 2011, service income is Baht 2.24 million</li> <li>As of 31 December 2011, other account receivable is Baht 0.28 million</li> </ul>	EGAT	2.24	RATCH-Lao Services Co., Ltd. provides service to supply technicians, administrative officers and drivers as well as cleaning service for Nam Ngum 2 Power Plant operation and maintenance project under the purchase order from EGAT.

#### Relationship between Parties Engaged in Related Transactions is As Follows:

1. **The Company and Ratchaburi Electricity Generating Company Limited**
  - 1.1 The Company holds 99.99 per cent in Ratchaburi Electricity Generating Company Limited
  - 1.2 Some of the Company's executives are directors of Ratchaburi Electricity Generating Company Limited
2. **The Company and Ratchaburi Energy Company Limited**
  - 2.1 The Company holds 99.99 per cent in Ratchaburi Energy Company Limited
  - 2.2 Some of the Company's executives are directors of Ratchaburi Energy Company Limited
3. **The Company and Tri Energy Company Limited**
  - 3.1 Ratchaburi Gas Company Limited which is a subsidiary of the Company holds 50.00 per cent stake in Ratchaburi Gas Company Limited
  - 3.2 Some of the Company's executives are directors of Tri Energy Company Limited
4. **The Company and Chubu Ratchaburi Electric Service Company Limited**
  - 4.1 The Company holds 50.00 per cent in Chubu Ratchaburi Electric Service Company Limited
  - 4.2 Some of the Company's executives are directors of Chubu Ratchaburi Electric services
5. **The Company and Ratchaburi Power Company Limited**
  - 5.1 Ratchaburi Alliances Company Limited which is the Company's subsidiary holds 25.00 per cent in Ratchaburi Power Company Limited
  - 5.2 Some of the Company's executives are directors of Ratchaburi Power Company Limited
6. **The Company and SouthEast Asia Energy Limited**
  - 6.1 The Company holds 33.33 per cent in SouthEast Asia Energy Limited
  - 6.2 Some of the Company's executives are directors of SouthEast Asia Energy Limited
7. **The Company and RATCH-Lao Services Company Limited**
  - 7.1 The Company holds 99.99 per cent in RATCH-Lao Services Company Limited
  - 7.2 Some of the Company's executives are directors of RATCH-Lao Services Company Limited

**8. The Company and Sustainable Energy Corporation Company Limited**

- 8.1 Ratchaburi Energy Company Limited, which is the Company's subsidiary, holds 55.18 per cent stake in Sustainable Energy Corporation Company Limited
- 8.2 Some of the Company's executives are directors of Sustainable Energy Corporation Company Limited

**9. The Company and Ratch Udom Power Company Limited**

- 9.1 The Company holds 99.99 per cent in Ratch Udom Power Company Limited
- 9.2 Some of the Company's executives are directors of Ratch Udom Power Company Limited

**10. The Company and Ratchaburi Alliances Company Limited**

- 10.1 Ratch Udom Power Company Limited which is the Company's subsidiary, holds 99.99 per cent in of Ratchaburi Alliances Company Limited
- 10.2 Some of the Company's executives are directors in Ratchaburi Alliances Company Limited

**11. The Company and Hongsa Power Company Limited**

- 11.1 The Company holds 40.00 per cent stake in Hongsa Power Company Limited
- 11.2 Some of the Company's executives are directors of Hongsa Power Company Limited

**12. The Company and EGAT**

- 12.1 EGAT holds 45.00 per cent stake in the Company.
- 12.2 Some of EGAT directors and executives are directors of the Company

**13. The Company and RH International Corporation Limited**

- 13.1 The Company holds 99.99 per cent in RH International Corporation Limited
- 13.2 Some of the Company's executives are directors of RH International Corporation Limited

**14. The Company and RH International (Mauritius) Corporation Limited**

- 14.1 RH International Corporation Limited which is a Company's subsidiary holds 100 per cent stake in RH International (Mauritius) Corporation Limited
- 14.2 Some of the Company's executives are directors of RH International (Mauritius) Corporation Limited

**15. The Company and RH International (Singapore) Corporation Pte. Limited**

- 15.1 RH International (Mauritius), which is a subsidiary of the Company, holds 100 per cent stake in RH International (Singapore) Corporation Pte. Limited
- 15.2 Some of the Company's executives are directors of RH International (Singapore) Corporation Pte. Limited

**16. RATCH-Australia Corporation Limited**

- 16.1 RH International Corporation Limited, a subsidiary of the Company, holds 80 per cent stake in RATCH-Australia Corporation Limited
- 16.2 Some of the Company's executives are directors of RATCH-Australia Corporation Limited

**17. The Company and Ratchaburi World Cogeneration Company Limited**

- 17.1 The Company holds 40 per cent stake in Ratchaburi World Cogeneration Company Limited
- 17.2 Some of the Company's executives are directors of Ratchaburi World Cogeneration Company Limited

**18. Ratchaburi Electricity Generating Company Limited and EGAT**

- 18.1 The Company holds 99.99 per cent stake in Ratchaburi Electricity Generating Company Limited
- 18.2 EGAT holds 45 per cent stake in the Company
- 18.3 Some of EGAT's executives are directors of Ratchaburi Electricity Generating Company Limited

**19. Ratchaburi Electricity Generating Company Limited and Ratchaburi Power Company Limited**

- 19.1 The Company holds 99.99 per cent in Ratchaburi Electricity Generating Company Limited
- 19.2 Ratchaburi Alliance Company Limited, which is a subsidiary of the Company, holds 25 per cent stake in Ratchaburi Power Company Limited
- 19.3 Some of the Company's directors and executives are directors of Ratchaburi Power Company Limited

**20. Ratchaburi Energy Company Limited and EGAT**

- 20.1 EGAT holds 45 percent stake in the Company
- 20.2 The Company holds 99.99 per cent stake in Ratchaburi Energy Company Limited

**21. RATCH-Lao Services Company Limited and Nam Ngum 2 Company Limited**

- 21.1 The Company holds 99.99 per cent stake in Ratch-Lao Services Company Limited
- 21.2 SouthEast Asia Energy Limited, which is a jointly-controlled entity of the Company, holds 75 per cent stake in Nam Ngum 2 Company Limited.

**22. RATCH-Lao Services Company Limited and EGAT**

- 22.1 EGAT holds 45 per cent stake in the Company
- 22.2 The Company holds 99.99 per cent stake in RATCH-Lao Services Company Limited





## Auditor's Remuneration

### Audit Fee

The Company and its subsidiaries consist of Ratchaburi Electricity Generating Co., Ltd., Ratchaburi Energy Co., Ltd., Ratchaburi Gas Co., Ltd., Ratch Udom Power Co., Ltd., Ratchaburi Alliances Co., Ltd., RH International Corporation Ltd. and RATCH-Lao Services Co., Ltd. recorded the audit fee at Baht 1,780,000 (excluding out-of-pocket expenses not exceeding Baht 60,000) to the auditor's office in the previous year. This included Baht 715,000 for the Company's audit fee and Baht 1,065,000 (excluding out-of-pocket expenses not exceeding Baht 60,000) for audit fee of its subsidiaries who was responsible for their own fee. The Company did not pay audit fee to the auditor or any related parties to the auditor and the auditor's office in the previous year.

### Non Audit Fee

In the previous year, the Company paid Baht 1,600,000 to related party of the auditor's office, for consultancy service on specific purpose. Accrued expense from such services is Baht 400,000.

The engagement of the related party to the auditor's office to provide the non-audit work, reported to the Audit Committee, was not involved the conflict of interest of the audit work which would interfere the independence and judgment of the auditor.



## Profile of the Company's Directors

### 1. Mr. Kurujit Nakornthap

Age 56 years

Chairman of the Board of Directors

(EGAT's Representative Director)

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
1	30,000 shares	None	None	None	Connected Transactions with EGAT, a Major Shareholder, as disclosed in this Annual Report and the Connected Person did not participate in the consideration and he has no right to vote in the transaction.

#### Education and Training

- Ph.D. in Petroleum Engineering, University of Oklahoma, U.S.A.
- Master of Science in Petroleum Engineering, University of Oklahoma, U.S.A.
- Bachelor of Science (with Special Distinction) in Petroleum Engineering, University of Oklahoma, U.S.A.
- Certificate, Senior Executive Development Program (Visionary Leadership) Class 46, Office of the Civil Service Commission
- Certificate, Senior Executive Program (SEP 60), London Business School, U.K.
- Diploma, National Defence College (Class 51)
- Certificate, Top Executive Program in Commerce and Trade Program (Class 3) (2010)
- Certificate, Director Accreditation Program (DAP 64/2007), Thai Institute of Directors Association
- Certificate, Audit Committee Program (ACP 32/2010), Thai Institute of Directors Association
- Certificate, Role of Compensation Committee (RCC 12/2011), Thai Institute of Directors Association
- Certificate, Senior Executive Justice Governing Officer Course, Class 2 (2011)

#### Previous Working Experiences

- 2008 - 2010 Director-General of the Department of Mineral Fuels, Ministry of Energy
- 2006 - 2008 Deputy Director-General, Ministry of Energy
- 2006 Deputy Director-General of the Department of Mineral Fuels, Ministry of Energy
- 2000 - 2004 Chief Executive Officer, Malaysia-Thailand Joint Authority (MTJA)

#### Other Positions at Present

- 2011 - Present Board of Directors Member, The Electricity Generating Authority of Thailand (EGAT)<sup>(1)</sup>
- 2010 - Present Deputy Director-General, Ministry of Energy
- 2007 - Present Board of Directors Member, Esso (Thailand) Public Company Limited<sup>(4)</sup>

## 2. Mr. Nathi Premrasmi

Age 63 years

Independent Director

Audit Committee Chairman

Investment Committee Member

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
2	None	None	None	None	None

## Education and Training

- Bachelor of Political Science (Honored), Thammasat University
- Diploma, National Defence College (Class 15)
- Certificate, Senior Executive Development Program (Class 36), Institute of Administration Development
- Certificate, Political Government in Democracy Regime Program for Senior Executive (Class 4), King Prajadhipok's Institute
- Certificate, School of Sheriff (Class 28), Ministry of Interior
- Certificate, Senior Governing Officers Course (Class 26), Ministry of Interior
- Certificate, Director Certification Program, Thai Institute of Directors Association
- Certificate, Public Director Certification Program (Class 3), King Prajadhipok's Institute, State Enterprise Policy Office and Office of the Public Sector Development Commission, Thailand

## Previous Working Experiences

- 2010 - 2011 Audit Committee Member, PTT Aromatics and Refining Public Company Limited<sup>(4)</sup>
- 2009 - 2010 Vice Chairperson of Committee on Selection of Outstanding Persons and Organizations for Promotion as National Outstanding Achievements, Office of the Prime Minister
- 2009 - 2011 Chairperson of Committee to Organize, National Identity Activities, Office of the Prime Minister
- 2009 - 2010 Board of Directors Chairman, CAT Telecom Public Company Limited
- 2009 - 2010 Vice Chairman, Thailand Post Company Limited
- 2009 Permanent Secretary, Office of the Prime Minister
- 2007 - 2009 Vice Chairman, MCOT Public Company Limited
- 2007 - 2008 Deputy Permanent Secretary, Office of the Prime Minister
- 2005 - 2007 Inspector-General, Office of the Prime Minister
- 2003 - 2005 Advisor, Office of the Secretariat of the Cabinet
- 2001 - 2003 Assistant Secretary-General, Office of the Secretariat of the Cabinet

## Other Positions at Present

- 2011 - Present Chairperson of Committee on Selection of Outstanding Persons and Organizations for Promotion as National Outstanding Achievements, Office of the Prime Minister
- 2011 - Present Independent Directors, MCOT Public Company Limited
- 2011 - Present Chairman of Nomination Committee, MCOT Public Company Limited
- 2010 - Present Standing Committee for Considering and Issuer or Disputes, Office of the Election Commission

### 3. Mr. Metta Banturngsuk Age 60 years

Independent Director

Risk Management Committee Chairman

Human Resources and Remuneration Committee Member

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
2	None	None	None	None	None

#### Education and Training

- Bachelor of Accounting, Chulalongkorn University
- Bachelor of Laws, Ramkhamhaeng University
- Diploma, National Defence College (Class 46)
- Certificate, Director Certification Program, Thai Institute of Directors Association
- Certificate, Director Accreditation Program, Thai Institute of Directors Association

#### Previous Working Experiences

- 2009 - 2011 Deputy Permanent Secretary, Ministry of Energy
- 2010 - 2011 Audit Committee Member, Ratchaburi Electricity Generating Holding Company Limited
- 2008 - 2009 Board of Directors Member, PTT Exploration and Production Public Company Limited <sup>(4)</sup>
- 2006 - 2009 Director-General, Department of Energy Business, Ministry of Energy
- 2003 - 2007 Board of Directors Member, PTT Public Company Limited <sup>(4)</sup>
- 2002 - 2006 Director-General, Energy Policy and Planning Office, Ministry of Energy
- 1995 - 2002 Deputy Secretary-General, National Energy Policy Office, The Prime Minister's Office
- 1993 - 1995 Director, Petroleum Department National Energy Policy Office, The Prime Minister's Office

#### Other Positions at Present

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#### 4. Mr. Atchada Kesornsook Age 62 years

Independent Director

Human Resources and Remuneration Committee Chairman

Investment Committee Member

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
2	None	None	None	None	None

##### Education and Training

- Master of Science (Industrial Engineering), Illinois Institute of Technology, Chicago, ILL, U.S.A.
- Bachelor of Science (Civil Engineering), Mapua Institute of Technology, The Philippines
- Certificate, Top Executives Program (Class 4), The Capital Market Academy Leader
- Certificate, Mini Master of Modern Management Program (Class 3), National Defence College
- Diploma in Public Law and Management for Executive Program (Class 3), King Prajadhipok's Institute
- Certificate, Politics and Government in Democratic System for Executive Program, (Class 6), King Prajadhipok's Institute
- Certificate, The Joint-State Sectors Regular Course (Class 11), National Defence College
- Certificate, International Management Program, The Association of Overseas Technical Scholarship (AOTS), Japan
- Certificate, APEC SME College for Management Capacity Building Program, The Association of Overseas Technical Scholarship (AOTS), Japan
- Certificate, The Leadership Development Program for Thailand (THLD), The Association of Overseas Technical Scholarship (AOTS), Japan
- Certificate, Senior Executive Program (Class 7), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Certificate, Top Management for Corporate Innovation, Asian Productivity Organization, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Certificate, Director Certification Program, Thai Institute of Directors Association
- Certificate, Audit Committee Program, Thai Institute of Directors Association
- Certificate, Finance for Non-Finance Director Program, Thai Institute of Directors Association
- Certificate, Monitoring the System of Internal Control and Risk Management Program, Thai Institute of Directors Association
- Certificate, Monitoring the Internal Audit Function Program, Thai Institute of Directors Association

- Certificate, Monitoring the Quality of Financial Reporting Program, Thai Institute of Directors Association
- Certificate, Successful Formulation & Execution of Strategy Program, Class 4/2009, Thai Institute of Directors Association
- Seminar on "Corporate Governance Report of Thai Listed Companies," Thai Institute of Directors Association, SET, SEC, and Listed Companies Association

##### Previous Working Experiences

- 2007 - 2009 Advisor to the Senator, The Senate of Thailand
- 2007 - 2008 Advisor to the Standing Committee on Energy, The Senate House
- 2007 - 2008 Audit Committee Member, Ratchaburi Electricity Generating Holding Public Company Limited
- 2005 - 2010 Board of Directors Member, Amata Power Limited<sup>(4)</sup>
- 2006 - 2008 Advisor to the Chairman of the Standing Committee on Transportation, The National Legislative Assembly of Thailand
- 2005 - 2007 Board of Directors Chairman, TUV SUD (Thailand) Company Limited
- 2003 - 2006 Advisor to the Standing Committee on Economic Affairs, Commerce and Industry The Senate House
- 1997 - 2000 President, B. GRIMM Energy Technology Company Limited
- 1992 - 1997 Senior Executive Vice President, B. GRIMM Industrial and Commercial Services Company Limited
- 1987 - 1992 Vice President, B. GRIMM Industrial and Commercial Services Company Limited

##### Other Positions at Present

- 2008 - Present Chairman, Loyal Contact Limited
- 2008 - Present Chairman, Ziberia International Productions Company Limited
- 2005 - Present Advisor, B. GRIMM Group



## 5. Mr. Sutat Patmasiriwat

Age 58 years

Director

(EGAT's Representative Director)

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
1	None	None	None	None	Connected Transactions with EGAT, a Major Shareholder, as disclosed in this Annual Report and the Connected Person did not participate in the consideration and he has no right to vote in the transaction.

## Education and Training

- Bachelor of Engineering (Mechanical Engineering), Chulalongkorn University
- Certificate, Advanced Management Program, Harvard Business School, U.S.A.
- Certificate, Senior Executive Development Program-2, Foundation for International Human Resource Development
- Certificate, Creating Value Through Product Management and Customer Profitability, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, ASEAN Executive Development Program, Thammasat Business School, Thammasat University
- Certificate, Director Certification Program, Thai Institute of Directors Association

## Previous Working Experiences

- 2010 - 2011 Board of Directors Chairman, EGAT Diamond Service Company Limited <sup>(3)</sup>
- 2009 - 2010 Board of Directors Member, EGAT International Company Limited <sup>(4)</sup>
- 2008 - 2009 Deputy Governor-Generation, The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2007 - 2008 Assistant Governor-Generation, The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2006 - 2007 Assistant Governor-Operation and Maintenance Business, The Electricity Generating Authority of Thailand <sup>(1)</sup>

## Other Positions at Present

- 2011 - Present Board of Directors Chairman, EGAT International Company Limited <sup>(4)</sup>
- 2010 - Present Board of Directors Chairman, Ratchaburi Electricity Generating Company Limited <sup>(2)</sup>
- 2010 - Present Board of Directors Chairman, Ratchaburi Power Company Limited <sup>(3)</sup>
- 2009 - Present Board of Directors Member, The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2009 - Present Governor, The Electricity Generating Authority of Thailand <sup>(1)</sup>

Notes:

(1) Major Shareholder

(2) Subsidiary Company

(3) Jointly-Controlled Entity

(4) Energy Enterprise

## 6. Mr. Wirash Kanchanapibul

Age 59 years

Director

Risk Management Committee Member

Investment Committee Member

(EGAT's Representative Director)

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
2	7,306 shares	None	None	None	Connected Transactions with EGAT, a Major Shareholder, as disclosed in this Annual Report and the Connected Person did not participate in the consideration and he has no right to vote in the transaction.

## Education and Training

- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University
- Certificate, Management of Public Economy for Executive Program, King Prajadhipok's Institute
- Certificate, Senior Executive Development Program-1, GE Co., Ltd., U.S.A.
- Certificate, Senior Executive Development Program-2, Foundation for International Human Resource Development
- Certificate, ASEAN Executive Development Program, Thammasat Business School, Thammasat University
- Certificate, Positioning Utility Executives for Change, University of Idaho, U.S.A.
- Certificate, Finance of Executive Decision Program, Continuing Education Center, Chulalongkorn University
- Certificate, Director Certification Program, Thai Institute of Directors Association

## Previous Working Experiences

- 2009 - 2010 Board of Directors Member, EGAT International Company Limited <sup>(4)</sup>
- 2009 - 2010 Board of Directors Member, District Cooling System and Power Plant Company Limited <sup>(4)</sup>
- 2008 - 2009 Deputy Governor - Corporate Social Responsibility, The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2006 - 2008 Assistant Governor - Transmission System Operation, The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2005 - 2006 Assistant Governor- Demand Side Management, The Electricity Generating Authority of Thailand <sup>(1)</sup>

## Other Positions at Present

- 2010 - Present Deputy Governor - Administration, The Electricity Generating Authority of Thailand <sup>(1)</sup>

## 7. Mr. Satit Rungkasiri

Age 51 years

Independent Director

Audit Committee Member

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
1	None	None	None	None	None

## Education and Training

- Doctor of Arts in Financial and Banking, Honoris Causa, Siam University
- Ph.D. (Honorary Degree) in Economics, Maejo University
- Master of Economics, Atlanta University, U.S.A. (Scholarship & Outstanding Student Award from the National Deans' Lists of America)
- Bachelor of Science (Economics), Kasetsart University
- Certificate, Advanced Management Program, Harvard Business School, U.S.A
- Certificate, Executive Program (Class 2), Capital Market Academy
- Diploma, National Defence College
- Certificate, the Civil Service Executive Program for Senior Civil Servants (Class 39), Office of the Civil Service Commission.
- Diploma on Taxation, France, by ACTIM Scholarship
- Certificate, EDI Taxation Technology, University of Canberra, Australia
- Certificate, Tax Authorities' Use of the Internet, University of New South Wales, Australia
- Certificate, Director Certification Program, Thai Institute of Directors Association

## Previous Working Experiences

- 2009 - 2011 Board of Directors Member, Securities and Exchange Commission
- 2009 - 2010 Board of Directors Member, Bank of Thailand
- 2009 - 2010 Vice Chairman, Financial Institution Development Fund
- 2009 - 2010 Board of Directors Member, Government Pension Fund
- 2009 - 2010 Board of Directors Member, Credit Information Protection Commission
- 2009 - 2010 Board of Directors Member, Capital Market Supervisory Board, Securities and Exchange Commission
- 2009 - 2010 Director-General, Fiscal Policy Office, Ministry of Finance
- 2009 - 2010 Deputy Permanent - Secretary, Ministry of Finance
- 2009 Board of Directors Member, ACL Bank Public Company Limited
- 2009 Board of Directors Member, Provincial Electricity Authority
- 2008 Principal Advisor on Strategic Tax Administration, and Spokesperson Revenue Department, Ministry of Finance
- 2007 Board of Directors Member, Small Business Credit Guarantee Corporation
- 2005 Board of Directors Member, State Railway of Thailand
- 2004 Board of Directors Member, Liquor Distillery Organization, Excise Department, Ministry of Finance

## Other Positions at Present

- 2010 - Present Director-General Revenue Department, Ministry of Finance

## 8. Mr. Weera Sriwathanatrakoon Age 55 years

Independent Director

Audit Committee Member

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
1	None	None	None	None	None

## Education and Training

- Master of Public Administration, National Institute of Development Administration
- Bachelor of Political Science, Thammasat University
- Certificate, School of Sheriff (Class 32)
- Certificate, School of Administration (Class 34)
- Certificate, National Defense College (Class 49)

## Previous Working Experiences

- 2008 Vice Governor of Petchaburi Province
- 2007 Vice Governor of Surin Province
- 2006 Vice Governor of Ratchaburi Province
- 2005 Vice Governor of Chumphon Province
- 2004 Deputy Governor of Chumphon Province
- 2004 Deputy Governor of Ranong Province

## Other Positions at Present

- 2009 - Present Governor of Prachuapkhirkhan Province

## 9. Mr. Trakul Winitnaiyapak

Age 61 years

Director

(EGAT's Representative Director)

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
1	None	None	None	None	Connected Transactions with EGAT, a Major Shareholder, as disclosed in this Annual Report and the Connected Person did not participate in the consideration and he has no right to vote in the transaction.

## Education and Training

- Master of Law, School of Law, Tulane University, U.S.A.
- Barrister at Law, Bar Institute of Thailand, Thailand
- Bachelor of Law, Thammasat University
- Certificate, National Defense Course for the Joint State-Private Sector (Class 17), National Defence College of Thailand
- Certificate, Politics and Governance in Democratic Systems for Executive Course (Class 11), King Prajadhipok's Institute
- Certificate, Crime, Prevention and Treatment of Offender, United Nations for Asia and Far East Institute, Japan
- Certificate, Training in Child Abuse Prosecutors and Investigators, American Prosecutor Research Institute, U.S.A.
- Certificate, Children's Rights, British Council International Seminar, Oxford University, U.K.
- Certificate, The 2000 Executive Leadership, Georgetown University, U.S.A.
- Certificate, Senior Criminal Justice Executive Program, International Law Enforcement Academy (ILEA), Thailand
- Certificate, Senior Crisis Management, Maryland University, U.S.A.
- Certificate, Director Certification Program, Thai Institute of Directors Association

## Previous Working Experiences

- 2006 - 2011 Inspector General, Office of the Attorney General
- 2005 - 2006 Director General, Advisory Department, Office of the Attorney General
- 2003 - 2005 Director General, International Affairs Department, Office of the Attorney General

## Other Positions at Present

- 2011 - Present Deputy Attorney General, Office of the Attorney General
- 2011 - Present Board of Directors Member, The Electricity Generating Authority of Thailand<sup>(1)</sup>

Notes:

(1) Major Shareholder

(2) Subsidiary Company

(3) Jointly-Controlled Entity

(4) Energy Enterprise



## 10. Mr. Ariyawich Ek-Ularnpun

Age 61 years

Director

(EGAT's Representative Director)

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
1	None	None	None	None	Connected Transactions with EGAT, a Major Shareholder, as disclosed in this Annual Report and the Connected Person did not participate in the consideration and he has no right to vote in the transaction.

## Education and Training

- Master of Business Administration, Chulalongkorn University
- Bachelor of Laws, Thammasat University
- Bachelor of Science (Agricultural Economics), Kasetsart University

## Previous Working Experiences

- 2002 - 2010 Executive Vice President, Krung Thai Asset Management Public Company Limited

## Other Positions at Present

- Independent Director, Classic Gold Futures Company Limited
- 2011 - Present Board of Directors Member, The Electricity Generating Authority of Thailand<sup>(1)</sup>

## 11. Mr. Noppol Milinhanggoon

Age 57 years

Director

Chief Executive Officer

Secretary to the Board of Directors

Secretary to the Human Resources and Remuneration Committee

(EGAT's Representative Director and Executive Director)

Current Position in Office	RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Management, Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
2	None	None	None	Executive Director	Connected Transactions with EGAT, a Major Shareholder, as disclosed in this Annual Report and the Connected Person did not participate in the consideration and he has no right to vote in the transaction.

## Education and Training

- Master of Engineering (Nuclear Engineering), Chulalongkorn University
- Bachelor of Engineering (Electrical Engineering) Honor, Chulalongkorn University
- Certificate, Advanced Security Management Program (Class 2), The National Defence College Association of Thailand
- Certificate, Capital Market Academy Leader Program, Class 9
- Diploma, Management of Public Economy for Executive Program, King Prajadhipok's Institute
- Diploma in Public Law and Management, King Prajadhipok's Institute
- Certificate, Finance for Executive Decision Program, Continuing Education Center, Chulalongkorn University
- Certificate, Senior Executive Development Program-1, GE Co., Ltd., U.S.A.
- Certificate, Senior Executive Development Program-2, Foundation for International Human Resource Development
- Certificate, ASEAN Executive Development Program, Thammasat Business School, Thammasat University
- Certificate, Senior Command Course, Class 22, Institute of Police Administration Development
- Certificate, Director Certification Program, Thai Institute of Directors Association

## Previous Working Experiences

- 2008 - 2010 Engineer Level 13 (Equivalent to Assistant Governor) The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2007 - 2008 Assistant Governor - Thermal Power Plant Construction The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2005 - 2007 Assistant Governor - Power Plant The Electricity Generating Authority of Thailand <sup>(1)</sup>

## Other Positions at Present

- 2011 - Present Board of Directors Member, RATCH - Australia Corporation Limited <sup>(2)</sup>
- 2010 - Present Board of Directors Member, Nava Nakorn Electricity Generating Company Limited <sup>(3)</sup>
- 2010 - Present Engineer Level 14 (Equivalent to Deputy Governor), The Electricity Generating Authority of Thailand <sup>(1)</sup>
- 2009 - Present Board of Directors Chairman, Hongsa Power Company Limited <sup>(3)</sup>
- 2009 - Present Board of Directors Chairman, Phu Fai Mining Company Limited <sup>(3)</sup>
- 2009 - Present Board of Directors Member, Ratchaburi Electricity Generating Company Limited <sup>(2)</sup>
- 2009 - Present Board of Directors Member, Tri Energy Company Limited <sup>(3)</sup>
- 2009 - Present Board of Directors Member, Ratchaburi Power Company Limited <sup>(3)</sup>
- 2008 - Present Board of Directors Member, SouthEast Asia Energy Limited <sup>(3)</sup>
- 2008 - Present Board of Directors Member, Nam Ngum 2 Power Company Limited <sup>(3)</sup>



## Profile of the Company's Management and Company Secretary

### 1. Mr. Noppol Milinhanggoon

Age 57 years

Chief Executive Officer

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	Executive Director	Connected Transactions with EGAT, a Major Shareholder, as disclosed in this Annual Report and the Connected Person did not participate in the consideration and he has no right to vote in the transaction.

#### Education and Training

- Master of Engineering (Nuclear Engineering), Chulalongkorn University
- Bachelor of Engineering (Electrical Engineering) Honor, Chulalongkorn University
- Certificate, Advanced Security Management Program (Class 2), The National Defence College Association of Thailand
- Certificate, Capital Market Academy Leader Program, Class 9
- Diploma, Management of Public Economy for Executive Program, King Prajadhipok's Institute
- Diploma in Public Law and Management, King Prajadhipok's Institute
- Certificate, Finance for Executive Decision Program, Continuing Education Center, Chulalongkorn University
- Certificate, Senior Executive Development Program-1, GE Co., Ltd., U.S.A.
- Certificate, Senior Executive Development Program-2, Foundation for International Human Resource Development
- Certificate, ASEAN Executive Development Program, Thammasat Business School, Thammasat University
- Certificate, Senior Command Course, Class 22, Institute of Police Administration Development
- Certificate, Director Certification Program, Thai Institute of Directors Association

#### Previous Working Experiences

Electricity Generating Authority of Thailand

- 2008 - Present Engineer Level 13 (Equivalent to Assistant Governor)
- 2007 - 2008 Assistant Governor - Thermal Power Plant Construction
- 2005 - 2007 Assistant Governor - Power Plant

#### Other Positions at Present

The Electricity Generating Authority of Thailand

- Engineer Level 14 (Equivalent to Deputy Governor)

Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member RATCH-Australia Corporation Limited
- Board of Directors Member Nava Nakorn Electricity Generating Company Limited
- Board of Directors Chairman Hongsa Power Company Limited
- Board of Directors Chairman Phu Fai Mining Company Limited
- Board of Directors Member Ratchaburi Electricity Generating Company Limited
- Board of Directors Member Tri Energy Company Limited
- Board of Directors Member Ratchaburi Power Company Limited
- Board of Directors Member SouthEast Asia Energy Limited
- Board of Directors Member Nam Ngum 2 Power Company Limited

## 2. Mr. Prachuab Ujjin

Age 60 years

Deputy Chief Executive Officer

Managing Director - Ratchaburi Electricity Generating Company Limited

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
43,500	None	None	None	None

## Education and Training

- Master of Science (Electrical Engineering), University of Missouri - Columbia, U.S.A.
- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University
- Certificate, Advanced Management Program (AMP), Harvard Business School, Boston MA., U.S.A.
- Certificate, Senior Executive Program (SEP), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Director Certification Program, Thai Institute of Directors Association

## Previous Working Experiences

- Ratchaburi Electricity Generating Holding Public Company Limited
- Senior Executive Vice President - Planning and Portfolio Management
- The Electricity Generating Authority of Thailand
- Director, Ratchaburi Power Plant Division
  - Director, Efficiency Control Division
  - Assistant Director, Efficiency Control Division

## Other Positions at Present

## Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member Tri Energy Company Limited
- Board of Directors Member Nam Ngum 3 Power Company Limited
- Board of Directors Member and Managing Director Ratchaburi Electricity Generating Company Limited
- Board of Directors Chairman Ratchaburi Gas Company Limited
- Board of Directors Chairman Chubu Ratchaburi Electric Services Company Limited
- Director of Executive Committee Ratchaburi Power Company Limited

## 3. Mr. Peerawat Pumthong

Age 53 years

Chief Operating Officer

Secretary to the Investment Committee

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

**Education and Training**

- Master of Business Administration, Monash University, Australia, (Certificate of Merit (Highest score ) in International Business)
- Master of Engineering, Asian Institute of Technology (AIT) (Germany Government Scholarship)
- Bachelor of Engineering (2<sup>nd</sup> Class Honor), Khonkaen University
- Certificate, Advanced Course in Public Economics (Class 8), King Prajadhipok's Institute
- Certificate, Director Certification Program (DCP), Thai Institute of Directors Association
- Certificate, ASEAN Executive Development Program (AEDP), Thammasat Business School, Thammasart University
- Certificate, Mini MBA, Chulalongkorn University
- Certificate, Electric Power Development from Swedish Board of Investment and Technical Support (BITS), Sweden
- Certificate, ASEAN Executive Program, General Electric International Operation Company, Inc., U.S.A.
- Certificate, Hydro Electric Power from Japan International Cooperation Agency (JICA), Columbo Plan, Japan
- Certificate, Thermal and Hydro Power Project Planning from Snowy Mountain Engineering Cooperation, Columbo Plan, Australia

**Previous Working Experiences**

Ratchaburi Electricity Generating Holding Public Company Limited

- Senior Executive Vice President - Business Development
- Executive Vice President - Business Development
- Senior Director, Business Management Division

Yanhee Solar Power Company Limited

- Board of Directors Chairman

The Electricity Generating Authority of Thailand

- Chief, Business Venture Group, Portfolio Management Division
- Chief, Contract Negotiation and Management Group, Domestic Power Purchase Division
- Chief, Engineering and Project Implementation Group, Business Venture Division

**Other Positions at Present**

Subsidiaries/Jointly-Controlled Entities

- |  |  |
|--|--|
| - Board of Directors Chairman                              | RH International Corporation Limited               |
| - Board of Directors Chairman                              | Ratchaburi Energy Company Limited                  |
| - Board of Directors Chairman                              | RATCH-Lao Services Company Limited                 |
| - Board of Directors Chairman                              | Ratchaburi World Cogeneration Company Limited      |
| - Board of Directors Chairman                              | Ratch Udom Company Limited                         |
| - Board of Directors Chairman                              | Ratchaburi Alliances Company Limited               |
| - Board of Directors Member                                | RATCH-Australia Corporation Limited                |
| - Board of Directors Member and Executive Committee Member | Hongsa Power Company Limited                       |
| - Board of Directors Member and Executive Committee Member | SouthEast Asia Energy Limited                      |
| - Board of Directors Member and Executive Committee Member | Nam Ngum 2 Power Company Limited                   |
| - Board of Directors Member                                | Phu Fai Mining Company Limited                     |
| - Board of Directors Member                                | Nava Nakorn Electricity Generating Company Limited |
| - Board of Directors Member                                | RH International (Mauritius) Corporation Limited   |
| - Board of Directors Member                                | RH International (Singapore) Corporation Pte. Ltd. |
| - Director of Executive Committee                          | Ratchaburi Power Company Limited                   |



#### 4. Mr. Suchart Avusosakul Age 60 years

Executive Vice President - Domestic Business Development

Acting Chief Finance Officer

Secretary to the Risk Management Committee

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
20,000	None	None	None	None

##### Education and Training

- Bachelor of Accounting, Chulalongkorn University
- Bachelor of Law, Sukhothai Thammathirat Open University
- Certificate, Senior Executive Program (SEP), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Chief Finance Officer (CFO), Federation of Accounting Professions

##### Previous Working Experiences

Ratchaburi Electricity Generating Holding Public Company Limited

- Executive Vice President - Planning and Portfolio Management
- Executive Vice President - Finance
- Senior Director, seconded to be the Chief Financial Officer, Ratchaburi Power Company Limited
- Director, Accounting Division
- Director, Accounting and Finance Division, Ratchaburi Electricity Generating Company Limited

The Electricity Generating Authority of Thailand

- Chief, Operative and Hydro Plant Audit Department
- Chief, Generation and Transmission System Business Audit Department

##### Other Positions at Present

Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member Solar Power (Korat 3) Company Limited
- Board of Directors Member Solar Power (Korat 4) Company Limited
- Board of Directors Member Solar Power (Korat 7) Company Limited
- Board of Directors Chairman Sustainable Energy Corporation Limited
- Board of Directors Chairman Khao Kor Wind Power Company Limited
- Board of Directors Member Hongsa Power Company Limited
- Board of Directors Member Phu Fai Mining Company Limited
- Board of Directors Member Ratchaburi Energy Company Limited
- Board of Directors Member and Managing Director Ratchaburi Gas Company Limited
- Board of Directors Member and Managing Director Ratch Udom Power Company Limited
- Board of Directors Member and Managing Director Ratchaburi Alliances Company Limited
- Board of Directors Member and Managing Director RH International Corporation Limited

## 5. Mr. Ni-run Wongchanglor Age 51 years

Executive Vice President

Chief Financial Officer - Ratchaburi Power Company Limited

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

### Education and Training

- Master of Management, Asian Institute of Management (AIM), Philippines
- Bachelor of Arts - Accounting, Thammasat University
- Certificate Program, Chief Financial Officer (CFO), Federation of Accounting Professions
- Certificate, ASEAN Executive Development Program (AEDP), Thammasat Business School, Thammasat University
- Certificate, The Job of the Chief Financial Officer, New York Salomon Center & Singapore Institute of Management, Singapore
- Certificate, Managerial Skills Enhancement, SASIN Graduate Institute of Business Administration, Chulalongkorn University

### Previous Working Experiences

Ratchaburi Electricity Generating Holding Public Company Limited

- Executive Vice President - Planning and Portfolio Management
- Senior Director, Portfolio Management Division
- Senior Director, Finance Division
- Senior Director, seconded to be the Director-Finance & Accounting, Tri Energy Company Limited

Banpu Public Company Limited Group

- Vice President level 11, seconded to be the Director - Finance and Accounting, Tri Energy Company Limited
- Senior Manager - Investment Division
- Senior Manager - Finance Division

### Other Positions at Present

Subsidiaries/Jointly-Controlled Entities

- Chief Financial Officer Ratchaburi Power Company Limited

## 6. Mr. Prayut Thongsuwan Age 53 years

Executive Vice President

Managing Director - Ratchaburi Energy Company Limited

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

### Education and Training

- Master of Public and Private Management, the National Institute of Development Administration
- Bachelor of Political Sciences (Public Administration), Thammasat University
- Certificate, ASEAN Executive Program, General Electric International Operation Company, Inc., U.S.A.
- Certificate, Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Advanced Mini MBA, Chulalongkorn University

### Previous Working Experiences

Ratchaburi Electricity Generating Holding Public Company Limited

- Executive Vice President - Corporate Administration
- Director, General Administration Division
- Director, Ratchaburi Power Plant Communication Center, The Electricity Generating Authority of Thailand
- Chief - Procurement and General Services Department, Demand Side Management and Planning Division

### Other Positions at Present

Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member and Managing Director Ratchaburi Energy Company Limited

## 7. Mr. Somnuk Jindasup

Age 53 years

Executive Vice President

Managing Director - Tri Energy Company Limited

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
7,300	None	None	None	None

## Education and Training

- Master of Engineering (Electrical Engineering), Chulalongkorn University
- Bachelor of Science (Electrical Engineering) (2<sup>nd</sup> Class Honor), King Mongkut's Institute of Technology North Bangkok Campus
- Certificate, ASEAN Executive Program, General Electric International Operation Company, Inc., U.S.A.
- Certificate, Senior Executive Program (SEP), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Advance Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Advanced Mini MBA, Chulalongkorn University
- Graduate Diploma in Public Law and Management, King Prajadhipok's Institute
- Certificate, Executive Development Program, Thai Listed Company Association

## Previous Working Experiences

- Ratchaburi Electricity Generating Holding Public Company Limited
- Executive Vice President, seconded to be the Deputy Managing Director, Ratchaburi Electricity Generating Company Limited
- Ratchaburi Electricity Generating Company Limited
- Director, Operating Division
- The Electricity Generating Authority of Thailand
- Chief, Plant Maintenance Department Wang-Noi Power Plant
  - Head, Thermal Power Plant Operating Section, South Bangkok Thermal Power Plant
  - The Cogen (SPP) Operation Project Team Leader, South Bangkok Thermal Power Plant

## Other Positions at Present

## Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member RATCH-Lao Services Company Limited
- Board of Directors Member EGAT Diamond Service Company Limited
- Board of Directors Member Tri Energy Company Limited

## 8. Mr. Raluke Satayaporn

Age 52 years

Senior Vice President - Head of Laos Investment Division

Acting Executive Vice President - International Business Development

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

## Education and Training

- Master of Engineering (Civil Engineering), Asian Institute of Technology
- Bachelor of Engineering (Civil Engineering), Kasetsart University
- Certificate, Senior Executive Program (SEP), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Project Management, the Engineering Institute of Thailand

## Previous Working Experiences

- Ratchaburi Electricity Generating Holding Public Company Limited
- Senior Vice President - Foreign Investment Division, seconded to be the Deputy Managing Director, SouthEast Asia Energy Limited

- Senior Vice President, seconded to be the Deputy Managing Director, SouthEast Asia Energy Limited
  - Vice President, Project Management
  - Director, Engineering and Contract Management, Ratchaburi Energy Company Limited
- The Electricity Generating Authority of Thailand
- Head, Engineering Division: Lam Tha Khong pumped storage Hydropower Plant
  - Engineer Level 10

## Other Positions at Present

- None

## 9. Mrs. Sunee Rajatamutha Age 53 years

Executive Vice President - Finance

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

**Education and Training**

- Master of Accounting, Thammasat University
- Master of Business Administration (Finance), Chulalongkorn University
- Bachelor of Accounting (2<sup>nd</sup> Class Honor), Chulalongkorn University
- Certificate, Senior Executive Program (SEP), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Chief Financial Officer (CFO), Federation of Accounting Professions
- Certificate, Modern Management Program (MMP), Chulalongkorn University

**Previous Working Experiences**

Ratchaburi Electricity Generating Holding Public Company Limited

- Senior Vice President, acting Executive Vice President - Finance
  - Senior Director, seconded to be the Chief Financial Officer, Ratchaburi Power Company Limited
  - Director, Finance Division
  - Senior Manager, seconded to be the Director - Finance & Accounting, Tri Energy Company Limited
  - Manager, Finance Department
  - Manager, Management Accounting and Budgeting Department
- The Electricity Generating Authority of Thailand
- Chief, Management Accounting Financing and Budgeting Department

**Other Positions at Present**

Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member Ratchaburi Energy Company Limited
- Board of Directors Member Nava Nakorn Electricity Generating Company Limited

## 10. Mrs. Boontiva Dansamasatid Age 51 years

Executive Vice President - Corporate Administration

Acting Vice President - Head of Corporate Secretary Office

Company Secretary

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

**Education and Training**

- Master of Business Administration, Kasetsart University
- Bachelor of Arts (English) (2<sup>nd</sup> Class Honor), Chulalongkorn University
- Certificate, Mini MBA, Kasetsart University
- Certificate, Company Secretary Program, Thai Institute of Directors Association
- Certificate, Business Laws Program, Thammasat University
- Certificate, The Leadership Grid, and The Supervisory Grid

**Previous Working Experiences**

Ratchaburi Electricity Generating Holding Public Company Limited

- Senior Vice President, Head of Corporate Secretary Office
- Senior Vice President, Corporate Secretary Office
- Senior Manager, Board of Directors Secretariat Department
- Manager, Board of Directors Secretariat Department
- Manager, Administration and Human Resource Department

The Electricity Generating Authority of Thailand

- Administration Officer Level 10, acting Chief of Administration Affairs, Training Division

**Other Positions at Present**

Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member Solarta Company Limited

## 11. Mr. Sommai Poosanachakorn Age 47 years

Vice President - Head of Accounting Division

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

### Education and Training

- Master of Public and Private Management, the National Institute of Development Administration
- Bachelor of Accounting, Thammasat University
- Certificate, Chief Financial Officer (CFO), Federation of Accounting Professions
- Certificate, Senior Executive Program (SEP), SASIN Graduate Institute of Business Administration, Chulalongkorn University

### Previous Working Experiences

Ratchaburi Electricity Generating Holding Public Company Limited

- Manager, seconded to be the Finance Manager, SouthEast Asia Energy Limited
- Manager - Management Accounting and Budgeting Department
- Manager - Treasury Department

### Other Positions at Present

Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member RH International Corporation Limited
- Board of Directors Member RH International (Mauritius) Corporation Limited
- Board of Directors Member RH International (Singapore) Corporation Pte. Ltd.

## 12. Ms. Raywadee Srikongyos Age 53 years

Vice President - Head of Treasury Division

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

### Education and Training

- Master of Public and Private Management, the National Institute of Development Administration
- Bachelor of Business Administration (Finance) (1<sup>st</sup> Class Honor), Thai Chamber of Commerce University
- Certificate, Senior Executive Program (SEP), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Certificate, Fixed Income Primer Program, Lehman Brothers

### Previous Working Experiences

Ratchaburi Electricity Generating Holding Public Company Limited

- Vice President - Office Management
- Manager, Compliance Department
- Manager, Financial Planning and Management Department

### Other Positions at Present

Subsidiaries/Jointly-Controlled Entities

- Board of Directors Member Ratchaburi Gas Company Limited
- Board of Directors Member Ratch Udom Power Company Limited
- Board of Directors Member Ratchaburi Alliances Company Limited



## 13. Mrs. Wadeerat Charoengcoop Age 37 years

Vice President – Head of Financial Planning  
and Management Division

RATCH Shareholding	Prohibited Qualifications/ Dishonestly Committed an Offence	Close Relatives to Management	Participation in Business Relations, Professional Service Provider to RATCH Group in Previous Year	Conflict of Interest in Previous Year
None	None	None	None	None

## Education and Training

- Master of Business and Administration, University of Washington, U.S.A.
- Bachelor of Business Administration (Finance and Banking)  
(2<sup>nd</sup> Class Honor), Chulalongkorn University

## Previous Working Experiences

- Ratchaburi Electricity Generating Holding Public Company Limited
- Manager, Financial Planning and Management Department

## Other Positions at Present

- None





## The Group of Company's Security Holding of Directors and Executives

### RATCHABURI ELECTRICITY GENERATING HOLDING PCL.

as at 31 December 2011

Name		Position	Ratchaburi Electricity Generating Holding Public Company Limited										Subsidiaries										Jointly - Controlled Entities												
			Common Share <sup>a)</sup>	RG	RGAS	RUP	RA	RHC	RHM	RHS	RAC	RE	SEC	KKW	RL	TECO	RPCL	SEAN	NN2	HPC	NN3	RW	NNEG	SLT	FWK	SKB	KORAT 3	KORAT 4	KORAT 7	KR2	CHESCO	EDS	PRM		
			Year 2010	Year 2011	Increase/ Decrease																														
1.	Mr. Kuraji Nakornthap	Chairman	n/a <sup>(a)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
2.	Mr. Natti Permarn	Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
3.	Mr. Mittra Bantlungak	Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
4.	Mr. Atchada Kesomack	Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
5.	Mr. Sutat Palmasiwat	Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
6.	Mr. Witach Kanchanapabul	Director	7,306	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
7.	Mr. Sattit Rungkasi	Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
8.	Mr. Weera Swathanakoon	Independent Director	n/a <sup>(a)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
9.	Mr. Takul Winthayapok	Independent Director	n/a <sup>(a)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
10.	Mr. Anyawich Ek-Umpun	Director	n/a <sup>(a)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
11.	Mr. Noppol Mitthirangoon	Director and Chief Executive Officer	-	1	1	1	1	1	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
12.	Mr. Prachub Ujin	Deputy Chief Executive Officer	43,500	-	1	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-		
13.	Mr. Peerawat Punthong	Chief Operating Officer	-	-	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
14.	Mr. Suchart Avastikul	Executive Vice President - Domestic Business Development and Acting Chief Finance Officer	60,000	20,000	(40,000)	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
15.	Ms. Sune Rajatamultha	Executive Vice President - Finance	-	-	-	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
16.	Ms. Boontiva Domsomsatid	Executive Vice President - Corporate Administration and Acting Vice President - Head of Corporate Secretary Office	-	-	-	1	1	1	1	1	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-			
17.	Mr. Somrak Indaup	Executive Vice President	7,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
18.	Mr. Ployit Thongsuan	Executive Vice President	3,100	-	(3,100)	1	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-			
19.	Mr. Ni-nun Wongchonglar	Executive Vice President	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
20.	Mr. Reakie Satayaporn	Senior Vice President - Head of Loss Investment and Acting Executive Vice President - International Business Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
21.	Mr. Samnol Poonanachokom	Vice President - Head of Accounting Division	-	-	-	-	-	1	1	1	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
22.	Ms. Rayadee Sitkongas	Vice President - Head of Treasury Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
23.	Ms. Waddeerat Charoencoop	Vice President - Head of Financial Planning and Management Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
The Shareholdings of the Directors and the Executives that Resigned from His/Her Position during the Year 2011 <sup>(a)</sup>																																			
1.	Mr. Samnol Khawachaporn	Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
2.	Mr. Lao Dikakidhyarat	Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
3.	Mr. Chanin Vongkuskulit	Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
4.	Ms. Sineerat Sittaratnangsee	Director	n/a <sup>(a)</sup>	34,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
5.	Mr. Wilson Smachokdee	Chairman	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
6.	Mr. Vitavas Sivihok	Director	n/a <sup>(a)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
7.	Ms. Triphip Sivakul	Chief Finance Officer	n/a <sup>(a)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

The Shareholdings of the Directors and the Executives That Resigned from His/Her Position during the Year 2011<sup>a)</sup>

Notes: (1) The numbers of RATCH shares held by the Directors and the Executives of RATCH have included those held by their spouse and their minor children. The table shows the securities that held by Directors, Chief Executive Officer, all executives in the 1<sup>st</sup> to 4<sup>th</sup> rank and those with equivalent positions to the executive of 4<sup>th</sup> ranked. Also include the executives in accountability and finance (in accordance with the SEC regulation No. 50 for 12/2552).

(2) The numbers of the debentures and common shares of the Jointly-Controlled Entities held by the Directors and the Executives of RATCH represent only the part that held by each Director and the Executive solely (in accordance with the Public Company Limited Act, Section 88 (2)).

(3) The Shareholding of the Director or the Executive who resigned from his/her position during the Year represents the number of securities held by that person until the date of his/her retirement or resignation from the Company.

(4) n/a means the person is not a Director or the Executive of the Company during the said period.

Changes of Director/Executive Positions

(1) Mr. Somnol Khawachaporn resigned from being the Independent Director since 10 February 2011.

(2) Mr. Lao Dikakidhyarat and Mr. Chanin Vongkuskulit retired from being the Board of Directors' member since 29 March 2011.

(3) Ms. Sineerat Sittaratnangsee has resigned from the Board of Directors' member effective since 20 October 2011.

(4) Mr. Witon Sittachokdee and Mr. Vitavas Sivihok have resigned from the Board of Directors' Chairman and member respectively effective since 1 December 2011.

(5) Ms. Triphip Sivakul was appointed as Chief Finance Officer on 15 January 2011 and resigned from her position since 16 October 2011.

RGAS = Ratchaburi Gas Company Limited  
RHC = Ratchaburi Alliances Company Limited  
RHS = RH International (Singapore) Corporation Pte. Ltd.  
SEC = Sustainable Energy Corporation Company Limited  
SEAN = SouthEast Asia Energy Limited  
NIS = Nam Ngum 3 Power Company Limited  
SLT = Solaria Company Limited  
KORAT 7 = Power (Korat 7) Company Limited  
EDS = EGAT Diamond Service Company Limited

RGAS = Ratchaburi Gas Company Limited  
RHC = Ratchaburi Alliances Company Limited  
RAC = RATCH-Australia Corporation Limited  
TECO = Tri Energy Company Limited  
NN2 = Nam Ngum 2 Power Company Limited  
RW = Ratchaburi World Cogeneration Company Limited  
NNIS = Nova Nisom Electricity Generating Company Limited  
SKB = Singkhla Biomass Company Limited  
CHESCO = Chubu Ratchaburi Electric Services Company Limited





Information about Directorship and Executives in the Company, Subsidiaries and Jointly-Controlled Entities of the Company's Directors and Executives

RATCHABURI ELECTRICITY GENERATING HOLDING PCL.

as at 31 December 2011

Companies		Directors and Executives																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
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Ratchaburi Electricity Generating Holding Public Company Limited		The Controller: Electricity Generating Authority of Thailand																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
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Remark  
DD = Board of Directors Chairman  
A = Audit Committee Member  
RR = Chairman of the Risk Management Committee  
V = Investment Committee Member  
CCO = Chief Operating Officer  
VP = Vice President  
D = Board of Directors Member  
HH = Chairman of the Human Resources and Remuneration Committee  
R = Risk Management Committee Member  
CFO = Chief Executive Officer  
RATCH : CFO = Chief Finance Officer  
MD = Managing Director  
AA = Chairman of Audit Committee  
H = Human Resources and Remuneration Committee Member  
Deputy CEO = Deputy Chief Executive Officer  
RPCL : CFO = Chief Financial Officer  
EVP = Executive Vice President



## General Information about the Company, Subsidiaries and Jointly-Controlled Entities

### Ratchaburi Electricity Generating Holding Public Company Limited

Company	: 555/1 Energy Complex, Building A, 7 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand
Tel.	: 66(0) 2794 9999
Fax	: 66(0) 2936 4000
Website	: www.ratch.co.th
Email	: contactinfo@ratch.co.th
Registration No.	0107543000031
Type of business	: Investing, developing and operating electricity generating and related businesses
Registered capital	: Baht 14,500 million
Par value	: Baht 10
Paid-up Capital	: Baht 14,500 million
Status	: <b>1. The Company's total installed capacity is 5,311.78 megawatts (as at January 2012) comprising</b> <ol style="list-style-type: none"> <li>1.1 8 commercially operated power plants and other capital investment namely <ul style="list-style-type: none"> <li>- Ratchaburi Power Plant accounting for the Company's 3,645 megawatts</li> <li>- Tri Energy Power Plant accounting for the Company's 350 megawatts</li> <li>- Ratchaburi Power Company's Power Plant accounting for the Company's 350 megawatts</li> <li>- PTO-A and Expansion Associated Gas Power Plant Project; the Non-Firm SPP Power Plant that has installed capacity of 2.65 megawatts</li> <li>- Nam Ngum 2 Hydroelectric Power Plant accounting for the Company's 153.75 megawatts</li> <li>- RATCH-Australia Corporation Limited's Power Plant accounting for the Company's 766.58 megawatts</li> <li>- Solar Power Generation Project of Solarta Company Limited accounting for the Company's 1.5 megawatts</li> <li>- Sao Thian-A Power Plant accounting for the Company's 3.6 megawatts</li> <li>- The proportion of investment in generating capacity of EDL-Generation Public Company, Lao PDR accounting for the Company's 38.7 megawatts</li> </ul> </li> <li>1.2 The developing projects in domestic and Lao PDR. <ul style="list-style-type: none"> <li>Domestic projects are <ul style="list-style-type: none"> <li>- Khao Kor Wind Farm Project, Petchabun Province accounting for the Company's 33.11 megawatts</li> <li>- Huaybong 2 and Huaybong 3 Wind-Turbine Power Projects, Nakorn Ratchasima Province and each project is accounting for the Company's 20.7 megawatts</li> <li>- Solar Power Generation Project of Solarta Company Limited accounting for the Company's 15.28 megawatts</li> <li>- Solar Power (Korat 3) Project, Solar Power (Korat 4) Project and Solar Power (Korat 7) Project, each project is accounting for the Company's 2.4 megawatts</li> <li>- SPP Cogeneration Projects of Ratchaburi World Cogeneration Company Limited accounting for the Company's 89.6 megawatts</li> <li>- SPP Cogeneration Project of Nava Nakorn Electricity Generating Company Limited accounting for the Company's 48.8 megawatts</li> <li>- Songkla Biomass Company Limited Power Plant Project accounting for the Company's 3.96 megawatts.</li> </ul> </li> <li>Lao PDR projects are <ul style="list-style-type: none"> <li>- Hongsa Thermal Power Plant Project accounting for the Company's 751.2 megawatts</li> <li>- Nam Ngum 3 Hydroelectric Power Project accounting for the Company's 110 megawatts</li> <li>- Xe-Pian Xe-Namnoy Hydroelectric Power Project accounting for the Company's 97.5 megawatts</li> </ul> </li> </ul> </li></ol>



**2. The Company has 12 subsidiaries namely**

- 1) Ratchaburi Electricity Generating Company Limited
- 2) Ratchaburi Gas Company Limited
- 3) Ratch Udom Power Company Limited
- 4) Ratchaburi Alliances Company Limited
- 5) Ratchaburi Energy Company Limited
- 6) RATCH-Lao Services Company Limited
- 7) RH International Corporation Limited
- 8) RH International (Mauritius) Corporation Limited
- 9) RH International (Singapore) Corporation Pte. Ltd.
- 10) RATCH-Australia Corporation Limited
- 11) Sustainable Energy Corporation Company Limited
- 12) Khao Kor Wind Power Company Limited

**and also has 18 jointly-controlled entities that are**

- 1) Tri Energy Company Limited
- 2) Ratchaburi Power Company Limited
- 3) SouthEast Asia Energy Limited
- 4) Nam Ngum 2 Power Company Limited
- 5) Chubu Ratchaburi Electric Services Company Limited
- 6) EGAT Diamond Service Company Limited
- 7) Hongsa Power Company Limited
- 8) Phu Fai Mining Company Limited
- 9) Nam Ngum 3 Power Company Limited
- 10) Ratchaburi World Cogeneration Company Limited
- 11) Nava Nakorn Electricity Generation Company Limited
- 12) Solarta Company Limited
- 13) First Korat Wind Company Limited
- 14) K.R. Two Company Limited
- 15) Solar Power (Korat 3) Company Limited
- 16) Solar Power (Korat 4) Company Limited
- 17) Solar Power (Korat 7) Company Limited
- 18) Songkhla Biomass Company Limited

## Subsidiaries

### 1. Ratchaburi Electricity Generating Company Limited

Company	: 128 Moo 6, Phikunthong Subdistrict, Muang District, Ratchaburi 70000, Thailand	Status	: Supervising the operations of Ratchaburi Power Plants, including two units of thermal power plant with 735 megawatts each, and three blocks of combined cycle plants with 725 megawatts each, totaling 3,645 megawatts. It has 25-year power purchase agreement with EGAT.
Tel.	: 66(0) 2978 5111-9 66(0) 3236 5740 ext 3210		
Fax	: 66(0) 2978 5110 66(0) 3236 5740 ext 3204		
Registration No.	0125543002288		
Type of business	: Electricity generating business		
Registered capital	: Baht 18,275 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 18,275 million		
Company's shareholding (%)	: 99.99		

### 2. Ratchaburi Gas Company Limited

Company	: 555/1 Energy Complex, Building A, 7 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand	Status	: Holding 50 per cent stake in Tri Energy Company Limited, which oversees the operations of the 700 megawatts Tri Energy Power Plant.
Tel.	: 66(0) 2794 9999		
Fax	: 66(0) 2936 4000		
Registration No.	0105539137646		
Type of business	: Electricity generating business		
Registered capital	: Baht 500 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 500 million		
Company's shareholding (%)	: 99.99		

### 3. Ratch Udom Power Company Limited

Company	: 555/1 Energy Complex, Building A, 7 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand	Status	: Holding 99.99 per cent in Ratchaburi Alliances Company Limited.
Tel.	: 66(0) 2794 9999		
Fax	: 66(0) 2936 4000		
Registration No.	0105546140266		
Type of business	: Electricity generating business		
Registered capital	: Baht 420.90 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 420.90 million		
Company's shareholding (%)	: 99.99		

## Subsidiaries (continue)

**4. Ratchaburi Alliances Company Limited**

Company	: 555/1 Energy Complex, Building A, 7 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand	Status	: Holding 25 per cent in Ratchaburi Power Company Limited which oversees the operations of the 1,400 megawatts Combined Cycle Power Plants.
Tel.	: 66(0) 2794 9999		
Fax	: 66(0) 2936 4000		
Registration No.	: 0105547004145		
Type of business	: Electricity generating business		
Registered capital	: Baht 420.20 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 420.20 million		
Company's shareholding (%)	: 99.99 (held by Ratch Udom Power Company Limited)		

**5. Ratchaburi Energy Company Limited**

Headquarter	: 555/1 Energy Complex, Building A, 7 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand	Status	: (1) Overseeing the operations of PTO Power Plant and its expansion with total installed capacity of 2.65 megawatts. The project generates power using flare gases which are by products from the PTO A oil rig located at Ban Tham Mai Krai, Kong Subdistrict, Kong Krilat District, Sukhothai Province. (2) Jointly invest 55.18 per cent in developing wind farm project in Khao Kor District in Petchaboon Province. (3) Overseeing Sao Thian-A Power Plant with the installed capacity of 3.6 megawatts which generate electricity by using the associated gas from Sao Thian-A Oil Rig and has started the commercial operation on 26 January 2012.
Tel.	: 66(0) 2794 9999		
Fax	: 66(0) 2936 4000		
Branch I Office	: 32 Ban Tham Mai Krai Village Moo 11 Kong Subdistrict, Kong Krilat District, Sukhothai Province 64170, Thailand		
Branch II Office	: 32/1 Ban Tham Mai Krai Village Moo 11 Kong Subdistrict, Kong Krilat District, Sukhothai Province 64170, Thailand		
Tel.	: 66(0) 55 601 104		
Fax	: 66(0) 55 601 104		
Registration No.	: 0105544085845		
Type of business	: Investing in electricity generation business using alternative energy and in related businesses		
businesses Registered capital	: Baht 640 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 640 million		
Company's shareholding (%)	: 99.99		

## Subsidiaries (continue)

**6. RATCH-Lao Services Company Limited**

Company	: 13 Unit 01, Ban Nongsangthor, Xaysettha, Vientiane, Lao PDR	Status	: (1) Providing the operation and maintenance services for Nam Ngum 2 Hydroelectric Power Plant which EGAT is the subcontractor throughout the period of the power purchase agreement with EGAT.
Tel.	: (007) 856 21 414 895		
Fax	: (007) 856 21 454 075		
Type of business	: Providing operation and maintenance services to power plant, investing and operating other activities related to the Company's investment in Lao PDR		(2) Holding 6.46 per cent stake in EDL-Generation Public Company from its total stocks traded in Lao Securities Exchange.
Registered capital	: USD 2.5 million		
Par value	: USD 1		
Paid-up Capital	: USD 2.5 million		
Company's shareholding (%)	: 99.99		

**7. RH International Corporation Limited**

Company	: 555/1 Energy Complex, Building A, 7 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand	Status	: Holding 99.99 per cent stake in RH International (Mauritius) Corporation Limited.
Tel.	: 66(0) 2794 9999		
Fax	: 66(0) 2936 4000		
Registration No.	: 0105552116711		
Type of business	: Investing, developing and operating electricity and related businesses overseas		
overseas Registered capital	: Baht 600 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 600 million		
Company's shareholding (%)	: 99.99		

**8. RH International (Mauritius) Corporation Limited**

Company	: 4 <sup>th</sup> Floor, Ebene Skies, Rue de L'Institut, Ebene, Mauritius	Status	: Holding 99.99 per cent stake in RH International (Singapore) Corporation Pte. Ltd.
Type of business	: Investing, developing and operating electricity and related businesses overseas		
Registered capital	: USD 19,130,000		
Par value	: USD 1		
Paid-up Capital	: USD 19,130,000		
Company's shareholding (%)	: 99.99 (held by RH International Corporation Limited)		

## Subsidiaries (continue)

**9. RH International (Singapore) Corporation Pte. Ltd.**

Company	: 8 Marina Boulevard #05-01 Marina Bay Financial Centre Tower 1 Singapore 018981	Status	: (1) Invest in RATCH-Australia Corporation Limited at 68.08 per cent stake (at January 2012) and is considering to increase the investment proportion to 80 per cent within 2012.
Type of business	: Investing, developing and operating electricity and related businesses overseas		(2) Holding 3.54 per cent stake in EDL-Generation Public Company from its total stocks traded in Lao Securities Exchange.
Registered capital	: USD 19,032,000		
Par value	: SGD 1		
Paid-up Capital	: USD 19,032,000		
Company's shareholding (%)	: 99.99 (held by RH International (Mauritius) Corporation Limited)		

**10. RATCH-Australia Corporation Limited**

Company	: Level 13, 111 Pacific Highway North Sydney NSW 2060, Australia	Status	: Doing business in infrastructure in Australia. Its assets comprise 8 power plants located nation wide in Australia. The fuel usage in the power plants is diverse from natural gas, coal and wind farms. The total electricity generating capacity is at 1,126 megawatts. The installed capacity of 766.58 megawatts is accounting to the Company.
Tel.	: (61) 2 9464 1000		
Fax	: (61) 2 9464 1111		
Type of business	: Electricity generating		
Paid-up Capital	: AUD 312,653,984		
Company's shareholding (%)	: 80 (held by RH International (Singapore) Corporation Pte. Ltd.)		

**11. Sustainable Energy Corporation Company Limited**

Company	: 123 Suntowers Building B, 31 <sup>st</sup> Floor, Vibhavadi Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand	Status	: (1) Overseeing a non-firm small power producer wind farm project that is located in Petchaboon Province with the installed capacity of 60 megawatts. The installed capacity of 33.11 megawatts is accounting to the Company.
Tel.	: 66(0) 2978 5300		(2) Shareholders comprise Wind Energy Holding Company Limited holds 34.16 per cent stake, other minor shareholders hold 10.66 per cent stake and Ratchaburi Energy Company Limited.
Fax	: 66(0) 2978 5333		
Registration No.	: 0105551036692		
Type of business	: Investing, developing and operating power generating businesses		
Registered capital	: Baht 440 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 265.07 million		
Company's shareholding (%)	: 55.18 (held by Ratchaburi Energy Company Limited)		



## Subsidiaries (continue)

## 12. Khao Kor Wind Power Company Limited

Company	: 123 Suntowers Building B, 31 <sup>st</sup> Floor, Vibhavadi Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand	Status	: Overseeing the operations of the Wind-Turbine Power Project that is located in Khao Kor District, Phetchabun Province.
Tel.	: 66(0) 2978 5300		
Fax	: 66(0) 2978 5333		
Registration No.	: 0105552030574		
Type of business	: Investing, developing and operating power generating businesses		
Registered capital	: Baht 950 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 238.25 million		
Company's shareholding (%)	: 55.18 (held by Sustainable Energy Corporation Company Limited)		

## Jointly-Controlled Entities

## 1. Tri Energy Company Limited

Company	: 1550 Thanaphum Building, 16 <sup>th</sup> Floor, New Petchaburi Road, Makkasan, Ratchthevi, Bangkok 10320, Thailand	Status	: (1) Overseeing the operations of Tri Energy Power Plant in Ratchaburi Province which is the combined cycled power plant with one unit of 700 megawatts installed capacity. The installed capacity of 350 megawatts is accounting to the Company. (2) Shareholders comprise Chevron Thailand Energy Company hold 50 per cent stake and Ratchaburi Gas Company Limited.
Tel.	: 66(0) 2207 0307 - 14		
Fax	: 66(0) 2207 0315 - 16		
Registration No.	: 0105538029882		
Type of business	: Electricity generating		
Registered capital	: Baht 3,423.80 million		
Par value	: Baht 100		
Paid-up Capital	: Baht 3,423.80 million		
Company's shareholding (%)	: 50 (held by Ratchaburi Gas Company Limited)		

## 2. Ratchaburi Power Company Limited

Company	: 1828 Sukhumvit Road, Bang Chak, Pra Khanong, Bangkok, 10260, Thailand	Status	: (1) Overseeing the operations of Ratchaburi Power Company Limited's plant located in the premise of Ratchaburi Power Plant. It has a 25-year Power Purchase Agreement with EGAT. There are two units of 700 megawatts combined cycled, totaling 1,400 megawatts. The installed capacity of 350 megawatts is accounting to the Company. (2) Shareholders comprise PAI International Power (Mauritius) Ltd. holds 25 per cent stake, Chubu Electric Power International B.V. holds 25 per cent stake, PTT Public Company Limited holds 15 per cent stake, Union Energy Company Limited holds 10 per cent stake Toyota Tshsho Corporation holds 10 per cent stake and Ratchaburi Alliances Company Limited.
Tel.	: 66(0) 2344 5111		
Fax	: 66(0) 2332 3882		
Registration No.	: 0105539081349		
Type of business	: Electricity generating		
Registered capital	: Baht 7,325 million		
Par value	: Baht 100		
Paid-up Capital	: Baht 7,325 million		
Company's shareholding (%)	: 25 (held by Ratchaburi Alliances Company Limited)		

## Jointly-Controlled Entities (continue)

### 3. SouthEast Asia Energy Limited

Company	: 587 Viriyathavorn Building, 20 <sup>th</sup> Floor, Suthisarn Vinichai Road, Din Daeng, Bangkok, 10400, Thailand	Status	: (1) SouthEast Asia Energy Limited (holding 75 per cent stake) and the Lao PDR's government (holding 25 per cent stake) jointly invested in Nam Ngum 2 Power Company Limited which oversees the construction of the 615 megawatts Nam Ngum 2 Hydroelectric Power Plant in Lao PDR. The installed capacity of 153.75 megawatts is accounting to the Company.
Tel.	: 66(0) 2275 4873		
Fax	: 66(0) 2691 8307		
Registration No.	: 0105547063036		
Type of business	: Investing, developing and operating electricity generating businesses in Lao PDR		(2) Shareholders comprise CK Power Limited holds 38 per cent stake, Bangkok Expressway Public Company Limited holds 16.67 per cent stake and other shareholders hold 12 per cent stake.
Registered capital	: Baht 6,606.75 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 6,606.75 million		
Company's shareholding (%)	: 33.33		

### 4. Nam Ngum 2 Power Company Limited

Company	: 215 Lanexang Avenue, Bann Siag Yuen, Chantabouly, Vientiane, Lao PDR	Status	: (1) Overseeing the construction of the Nam Ngum 2 Hydroelectric Power Plant in Lao PDR with installed capacity of 615 megawatts and a 27-year Power Purchase Agreement. The installed capacity of 153.75 megawatts is accounting to the Company.
Tel.	: (007) 856 21 223 215		
Fax	: (007) 856 21 215 500		
Type of business	: Electricity generating businesses		(2) Shareholders comprise the Lao PDR government holds 25 per cent stake and SouthEast Asia Energy Limited holds 75 per cent stake.
Registered capital	: Baht 8,809 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 8,809 million		
Company's shareholding (%)	: 25 (held by SouthEast Asia Energy Limited)		

### 5. Chubu Ratchaburi Electric Services Company Limited

Company	: 128 Moo 6, Phikunthong Subdistrict, Muang District, Ratchaburi 70000, Thailand	Status	: (1) Providing operation and maintenance services for Rachaburi Power Company Limited's Plant for 14-year period starting from the plant's commercial operation date in June 2008.
Tel.	: 66(0) 2978 5180		
Fax	: 66(0) 3236 5740 ext 3210		
Registered no.	: 0705548000938		(2) Shareholders comprise the Company and Chubu Electric Power Company Limited equally hold 50 per cent stake.
Type of business	: Operating and providing power plant maintenance services		
Registered capital	: Baht 40 million		
Par value	: Baht 100		
Paid-up Capital	: Baht 20 million		
Company's shareholding (%)	: 50		

## Jointly-Controlled Entities (continue)

**6. EGAT Diamond Service Company Limited**

Company	: 56/25 Moo 20, Klong Nueng, Klong Luang, Pathumthani, 12120, Thailand	Status	: (1) Established to operate power generating system's gas turbine maintenance workshop covering various countries in Asia. It is located in Navanakorn Industrial Promotion Zone and the commercial operation is scheduled in 2012.
Tel.	: 66(0) 2529 0808		(2) Shareholders comprise EGAT holds 45 per cent stake, Mitsubishi Heavy Industries, Ltd. holds 30 per cent, Mitsubishi Corporation holds 15 per cent stake and the Company.
Fax	: 66(0) 3529 0900		
Registered no.	: 0125552017292		
Type of business	: Investing in power plants' gas turbine maintenance service		
Registered capital	: Baht 623 million		
Par value	: Baht 100		
Paid-up Capital	: Baht 506.56 million		
Company's shareholding (%)	: 10		

**7. Hongsa Power Company Limited**

Company	: Sikhottabong, Vientiane, Lao PDR	Status	: (1) Established in Lao PDR to operate the electricity generating concession under the Hongsa Thermal Power Plant Project located in Xayaboury, Lao PDR. The project has a generating capacity of 1,878 megawatts and uses lignite as primary fuel. The installed capacity of 751.2 megawatts is accounting to the Company.
Tel.	: (007) 856 21 223 911		(2) Shareholders comprise the Company and Banpu Power Limited equally holds 40 per cent stake and Lao Holding StateEnterprise holds 20 per cent stake.
Fax	: (007) 856 21 222 089		
Type of business	: Electricity generating businesses		
Registered capital	: USD 76,000,000		
Par value	: USD 10		
Paid-up Capital	: USD 76,000,000		
Company's shareholding (%)	: 40		

**8. Phu Fai Mining Company Limited**

Company	: Sikhottabong, Vientiane, Lao PDR	Status	: (1) Established in Lao PDR to operate lignite mining concession project. Lignite from this project is used for electricity generation at Hongsa Thermal Power Plant.
Tel.	: (007) 856 21 223 911		(2) Shareholders comprise the Company and Banpu Power Limited equally holds 37.5 per cent stake and Lao Holding StateEnterprise holds 25 per cent stake.
Fax	: (007) 856 21 222 089		
Type of business	: Electricity generating businesses		
Registered capital	: USD 50,000		
Par value	: USD 10		
Paid-up Capital	: USD 50,000		
Company's shareholding (%)	: 37.5		

## Jointly-Controlled Entities (continue)

### 9. Nam Ngum 3 Power Company Limited

Company	: No. 026, Unit 02, Kaysone Phomvihane Avenue, Ban Phonexay, Xaysettha District, Vientiane, Lao PDR	Status	: (1) Established to operate Nam Ngum 3 Hydroelectric Power Plant with the installed capacity of 440 megawatts. The installed capacity of 110 megawatts is accounting to the Company.
Tel.	: (007) 856 21 412 639		(2) Shareholders comprise GMS Lao Company Limited holds 27 per cent stake, Marubeni Corporation holds 25 per cent stake, Lao Holding State Enterprise holds 23 per cent stake and the Company.
Fax	: (007) 856 21 412 644		
Type of business	: Electricity Generating		
Registered capital	: USD 300,000		
Par value	: USD 100		
Paid-up Capital	: USD 60,000		
Company's shareholding (%)	: 25		

### 10. Ratchaburi World Cogeneration Company Limited

Company	: 555/1 Energy Complex, Building A, 7 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand	Status	: (1) Operating 2 Firm, SPP Cogeneration Projects with total installed capacity of approximately 224 megawatts, located in Ratchaburi Industrial Estate, Ratchaburi Province. The installed capacity of 89.6 megawatts is accounting to the Company.
Tel.	: 66(0) 2978 5235		(2) Shareholders comprise Thai World Power Company Limited holds 60 per cent stake and the Company.
Fax	: 66(0) 2978 5239		
Register No.	: 0105552116967		
Type of business	: Electricity and Steam Generating		
Registered capital	: Baht 740 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 390 million		
Company's shareholding (%)	: 40		

### 11. Nava Nakorn Electricity Generation Company Limited

Company	: 999 Moo 13, Phaholyothin Road, Klong Nueng, Klong Luang, Pathumthani 12120, Thailand	Status	: (1) Operating 1 Firm, SPP Cogeneration Project with installed capacity of approximately 122 megawatts, located in Nava Nakorn Industrial Promotion Zone, Pathumthani Province. The installed capacity of 48.8 megawatts is accounting to the Company.
Tel.	: 66(0) 2794 9999		(2) Shareholders comprise PTT Public Company Limited and Nava Nakorn Public Company Limited equally hold 30 per cent stake and the Company.
Register No.	: 0135553000881		
Type of business	: Electricity and Steam Generating		
Registered capital	: Baht 82 million		
Par value	: Baht 10		
Paid-up Capital	: Baht 82 million		
Company's shareholding (%)	: 40		

## Jointly-Controlled Entities (continue)

**12. Solarta Company Limited**

Company	: 454 Charansanitwong Road, Bang-O, Bangplad, Bangkok 10700, Thailand	Status	:	(1) Operating 8 Non-firm VSPP solar power generation projects located in Phra Nakhon Si Ayutthaya Province, Suphan Buri Province and Nakhon Pathom Province with total installed capacity of 34.25 megawatts which 1 project has started the commercial operation and the other 7 projects are scheduled to start the operation within 2012. The installed capacity of 16.78 megawatts is accounting to the Company.
Tel.	: 66(0) 2879 0300 ext 59920			
Fax	: 66(0) 2879-0399			
Register No.	: 0105553085861			
Type of business	: Electricity Generating			
Registered capital	: Baht 1,320 million			
Par value	: Baht 100			
Paid-up Capital	: Baht 1,100 million			
Company's shareholding (%)	: 49			(2) Shareholders comprise Yanhee Solar Power Company Limited holds 51 per cent stake and the Company.

**13. First Korat Wind Company Limited**

Company	: 87 MThai Tower Building, 27 <sup>th</sup> Floor, All Seasons Place, Lumpinee, Pathumwan, Bangkok 10330, Thailand	Status	:	(1) Operating Huaybong 3 Wind-Turbine Power Project with the installed capacity of 103.5 megawatts. It is located in Nakorn Ratchasima Province and has been awarded a non-firm power purchase agreement for small power producer from the Electricity Generating Authority of Thailand with 10-year subsidy of Baht 3.50 per unit adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission. The commercial operations are expected by 2012. The installed capacity of 20.7 megawatts is accounting to the Company.
Tel.	: 66(0) 2654 1155-8			
Fax	: 66(0) 2654 1159			
Register No.	: 0105552056166			
Type of business	: Electricity Generating			
Registered capital	: Baht 1,996.02 million			
Par value	: Baht 10			
Paid-up Capital	: Baht 1,018.4602 million			
Company's shareholding (%)	: 20			(2) Shareholders comprise Aeolus Power Company Limited holds 60 per cent stake, Chubu Electric Power, Korat B.V. holds 20 per cent stake and the Company.

**14. K.R. Two Company Limited**

Company	: 87 MThai Tower Building, 27 <sup>th</sup> Floor, All Seasons Place, Lumpinee, Pathumwan, Bangkok 10330, Thailand	Status	:	(1) Operating Huaybong 2 Wind-Turbine Power Project with the installed capacity of 103.5 megawatts. It is located in Nakorn Ratchasima Province and has been awarded a non-firm power purchase agreement for small power producer from the Electricity Generating Authority of Thailand with 10-year subsidy of Baht 3.50 per unit adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission. The commercial operations are expected by 2013. The installed capacity of 20.7 megawatts is accounting to the Company.
Tel.	: 66(0) 2654 1155-8			
Fax	: 66(0) 2654 1159			
Register No.	: 0105552072412			
Type of business	: Electricity Generating			
Registered capital	: Baht 1,827 million			
Par value	: Baht 10			
Paid-up Capital	: Baht 767.92 million			
Company's shareholding (%)	: 20			(2) Shareholders comprise Aeolus Power Company Limited holds 60 per cent stake, Chubu Electric Power, Korat B.V. holds 20 per cent stake and the Company.



## Jointly-Controlled Entities (continue)

### 15. Solar Power (Korat 3) Company Limited

Company	: 333/22 United Tower, 16 <sup>th</sup> Floor, Soi Sukhumvit 55 (Thonglor), Sukhumvit Road, Klongton Nua, Wattana, Bangkok 10110, Thailand	Status	: (1) Operating the Solar Power Generation Project installed capacity of 6 megawatts. It is located in Nakorn Ratchasima Province with non-firm power purchase agreements for very small power producer with the Provincial Electricity Authority with 10- year subsidy of Baht 8 per unit adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission. The commercial operation is expected by 2012. The installed capacity is 2.4 megawatts accounting to the Company.
Tel.	: 66(0) 2712 7374-6 66(0) 2185 2342-3		
Fax	: 66(0) 2712 7378 66(0) 2185 2344		
Register No.	: 0105553043106		
Type of business	: Electricity Generating		
Registered capital	: Baht 162.5 million		(2) Shareholders comprise Solar Power Company Limited holds 60 per cent stake and the Company.
Par value	: Baht 10		
Paid-up Capital	: Baht 162.5 million		
Company's shareholding (%)	: 40		

### 16. Solar Power (Korat 4) Company Limited

Company	: 333/22 United Tower, 16 <sup>th</sup> Floor, Soi Sukhumvit 55 (Thonglor), Sukhumvit Road, Klongton Nua, Wattana, Bangkok 10110, Thailand	Status	: (1) Operating the Solar Power Generation Project installed capacity of 6 megawatts. It is located in Nakorn Ratchasima Province with non-firm power purchase agreements for very small power producer with the Provincial Electricity Authority with 10-year subsidy of Baht 8 per unit adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission. The commercial operation is expected by 2012. The installed capacity is 2.4 megawatts accounting to the Company.
Tel.	: 66(0) 2712 7374-6 66(0) 2185 2342-3		
Fax	: 66(0) 2712 7378 66(0) 2185 2344		
Register No.	: 0105553043555		
Type of business	: Electricity Generating		
Registered capital	: Baht 175 million		(2) Shareholders comprise Solar Power Company Limited holds 60 per cent stake and the Company.
Par value	: Baht 10		
Paid-up Capital	: Baht 153,312,400		
Company's shareholding (%)	: 40		

### 17. Solar Power (Korat 7) Company Limited

Company	: 333/22 United Tower, 16 <sup>th</sup> Floor, Soi Sukhumvit 55 (Thonglor), Sukhumvit Road, Klongton Nua, Wattana, Bangkok 10110, Thailand	Status	: (1) Operating the Solar Power Generation Project installed capacity of 6 megawatts. It is located in Nakorn Ratchasima Province with non-firm power purchase agreements for very small power producer with the Provincial Electricity Authority with 10-year subsidy of Baht 8 per unit adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission. The commercial operation is expected by 2012. The installed capacity is 2.4 megawatts accounting to the Company.
Tel.	: 66(0) 2712 7374-6 66(0) 2185 2342-3		
Fax	: 66(0) 2712 7378 66(0) 2185 2344		
Register No.	: 0105553043637		
Type of business	: Electricity Generating		
Registered capital	: Baht 162.5 million		(2) Shareholders comprise Solar Power Company Limited holds 60 per cent stake and the Company.
Par value	: Baht 10		
Paid-up Capital	: Baht 113,844,960		
Company's shareholding (%)	: 40		

## Jointly-Controlled Entities (continue)

### 18. Songkhla Biomass Company Limited

Company	: 1842 Bangkok-Nonthaburi Road, Bangsue, Bangkok 10800, Thailand	Status	: (1) Operating Songkhla Biomass Power Plant Project has 9.9 megawatts electricity generating capacity and uses rubber wood residues as primary fuel. It is located in Chana District, Songkhla Province. The installed capacity of 3.96 megawatts is accounting to the Company.
Tel.	: 66(0) 2910 9700		
Fax	: 66(0) 2910 9713		
Register No.	: 0105552090909		
Type of business	: Electricity Generating		(2) Shareholders comprise Precise Power Producer Company Limited holds 40 per cent stake, Assiddeek Savings Cooperative Limited holds 20 per cent and the Company.
Registered capital	: Baht 45 million		
Par value	: Baht 100		
Paid-up Capital	: Baht 45 million		
Company's shareholding (%)	: 40		

## Other Capital Investment

### 1. EDL-Generation Public Company

Company	: Nongbone Road, Fai Village, P.O.Box 2392 Vientiane Capital LAO PDR 7th Floor Room No. 507	Status	: (1) Operating the electricity generating in Lao PDR with installed capacity of 387 megawatts. The shareholders comprise the Electricite de Laos holds 75 per cent stake and the Company's subsidiaries that are RATCH-Lao Services Company Limited and RH International (Singapore) Corporation Pte. Ltd. hold total of 10 per cent stake and the rest are held by shareholders in Lao Securities Exchange. The installed capacity of 38.7 megawatts is accounting to the Company.
Tel.	: (007) 856 21 454 401		
Fax	: (007) 856 21 454 400		
Website	: www.edlgen.com.la		
Type of business	: Electricity Generating		(2) EDL-Gen is the first security to be traded in Lao Securities Exchange. The dividend policy is to pay not less than 50 per cent of its net profit.
Registered capital	: Kip 3,474,388,200,000		
Par value	: Kip 4,000		
Company's shareholding (%)	: 10 ( 3.54 held by RH International (Singapore) Corporation Pte. Ltd.) and 6.46 held by RATCH-Lao Services Company Limited)		



## Reference Persons

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