



บริษัท ระยองเพียวริฟายเออร์ จำกัด (มหาชน)
RAYONG PURIFIER PUBLIC COMPANY LIMITED

Environmental Caring

ANNUAL REPORT
2011





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General Information	
Company Name	Rayong Purifier Public Company Limited (“Company”)
Type of Business	Petroleum business with a 17,000 BPD refining capacity and 4 depots covering the distribution of High Speed Diesel, RONC 91 Gasoline, RONC 95 Gasoline, Chemicals, and Fuel Oil through marketing channels including retails.
Head Office	1010, Shinnawatra Tower III, 14th Floor , Viphavadee Rangsit Road, Chatuchak, Bangkok 10900
Registered Capital	529,870,229 Baht
Ordinary shares	529,870,229 Baht
Par value	1 Baht
Paid registered capital	529,870,229 Baht
Company Register No.	0107546000202
Telephone No.	0-2791-1811 0-2515 9000
Fax No.	0-2791-1818
Factory	7/3 Pakorn Songkrohrad Road, Tambol Map-ta-phut, Amphur Muang-Rayong, Rayong Province 21150
Telephone No.	(038) 685 816-9
Fax No.	(038) 685 243
Home page	http://www.rpcthailand.com

References	
Securities Registration	Thailand Security Depository Co.,Ltd.
Address	62 The Stock Exchange of Thailand Building, 4th and 7th Floors Ratchadapisek Road, Klongtoey, Bangkok 10110
Telephone No.	0-229 2800 0-2654 5599
Auditor (year 2008)	Ms. Sumalee Leewarabandtt Certified Public Accountant (Thailand) No. 3970
Address	Ernst & Yong Office Limited 33 Floor, Lake Rajada Office Complex 193/136-137 Rachadapisek Road, Klongtoey, Bangkok 10110
Telephone No.	0-2264 0777 0-2661 9190
Fax No.	0-2264 0790



Chairman's statement



In the 2011, the world suffered from series of economic turmoil. Several countries, including the US and European Union, faced public debt problems. At present, these problems are spreading to Italy, whose economy is the third-largest in Europe, leading to economic stagnation in China, India, Russia, Brazil and Asean countries. Many European countries' ratings were downgraded. Besides, Japan was affected by the catastrophe, and Thailand by the massive flooding. As a result, a number of industries (especially in automobile and electronic component industries, etc) in various countries, such as Japan or the US, have been negatively affected, since Thailand is a sizable production base for such industries. Due to the fluctuation in global economy and the world financial circumstances, the central banks of many countries tend to reduce the policy interest rate.

With respect to the world's oil price which have been fluctuating throughout the year, the average Dubai crude oil price in 2011 was USD 106 per barrel due to the unrest in the Middle East and North Africa. Besides, there were concerns toward the US's economy, the public debt crisis in Europe, the downgrade of ratings in both the US and European countries, the earthquake in Japan and the increasing demand for oil consumption owing to the severe cold weather across Europe, causing the world's oil price to be continuously increased. Compared with the US Dollar, the value of Thai Baht appreciated because of a concern over US's economic recovery.

In connection with the Company's operating result in the year 2011, the Company was relentlessly attempting to operate and improve the business status under the condition of high-level fluctuation. The result was fairly good even though its net profit decreased from the previous year. The Company had the total sale volume of 897 million litres, increasing by 11% from 809 million litres in the previous year. As a result, the total revenue of the Company was THB 24,452 million, increasing by 24% from THB 19,544 million in the previous year. The net profit in the year 2011 was THB 171 million, decreasing by THB 25 million or 13 % from THB 196 million in the previous year.

With regards to the renewable energy business, Pure Biodiesel Co., Ltd. has already produced and sold its "B100" Biodiesel Fuel. However, due to aggressive competition in the palm oil industry, fluctuation in palm oil price and change in government's policy, the biodiesel business was negatively affected, resulting in losses. The Company are trying its best to improve the situation.

In connection with the retail business, Pure Thai Energy Co., Ltd. operates a total of 70 branches of petrol station throughout the country with emphasis on fuel oil services, including the provision of diesel, Gasohol 91 and Gasohol 92 in order to respond to and support its marketing aspect. In addition, Pure Summakorn Development Co., Ltd. is in the middle of construction of the department store named "Pure Place, the Green Living Mall", a community mall in area of Ratchapruk road, which is expected to be opened in the beginning of the year 2013.



As the Company had involved in trade disputes and filed lawsuits against PTT Public Company Limited ("PTT") and since 1 February 2012 PTT has stopped supplying materials to the Company, the Company had to stop its production for an indefinite period from 7 February 2012. This makes PTT in breach of clause 15.5 of the contract, and causes the auditor to refrain from issuing an opinion toward the financial statements of the year 2011. Without any adjustment in value of sellable assets and its debts to be paid back and without creating a new accounting category in case where the Company is unable to operate continuously because of its above-mentioned trade disputes and lawsuits, the Company's financial statements were prepared under the assumption that the Company's business would be continuously operated. The result of the case still cannot be determined.

With the loss of its mainstream revenue, the Company was required to rapidly and significantly reduce its costs, and to utilize on its existing assets, including to reduce the size of the organisation to be suitable with the current situation whereby the arbitration's and Civil Court's decision is still pending. When the decision could be obtained cannot be determined. In order for the Company to be able to gain profitability, it is indispensable for the Company to make some employees redundant. The dismissal proceeding will be divided into 3 phases in accordance with remaining workloads. The Company will fully pay severance to the dismissed employees in accordance with the applicable laws. In addition, the Company will pay the dismissed employees special remuneration apart from what is required by the labour law to comfort and console those employees.

As for the Company's future business operation, other than the proceedings relating to the above-mentioned lawsuits, the Company is searching for a new investment opportunity in renewable energy business, i.e. solar power plants. Currently, it is waiting for a clearer government's policy for private participation in a Power Purchase Agreement (or "PPA"), which is expected to be settled within this year. In the meantime, the Company has been conducting a feasibility study and finding business alliance and source of funding necessary for this project in advance. In addition, the Company has made a feasibility study and entered into a negotiation in several other businesses, namely oil refinery and operation and management service, including a joint venture with partners in neighbouring countries within the area of the Company's expertise. As these are still under negotiation, the Company cannot disclose any details at present.

On behalf of the Board of Directors, I would like to extend my appreciation to all shareholders, trading partners, customers, and executives in all level and staffs for their physical and mental dedication in solving the Company's past difficulties, and in using their best efforts to continuously generate valuable profits and rewards for all shareholders. This is considered as impressive virtue in the past, and hopefully it will be maintained into the future.

Mr. Satja Janetumnugul
President



Pictures of the Board of Directors and Advisors to the Board of Directors



Mr. Satja Janetumnugul

Chairman of the Board of Directors /
Director



Mr. Suwinai Suwanhirunkul

Director



Mr. Supapong Krishnakan

Director /
Chairman of the
Board of Directors



Mr. Sumit Chanmatee

Director



Mr. Suthad Khancharoensuk

Director



Mr. Tawat Ungsuprasert

Director



Mr. Viravat Cholvanih

Independent Director



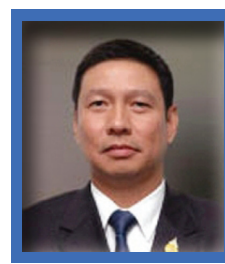
Dr. Vichit Yamboonruang

Independent Director /
Chairman of the Audit Committee



Mr. Arnooparp Charmikorn

Independent Director/
Audit Committee



Mr. Bibit Bijaisoradat

Independent Director/
Audit Committee



Pictures of the Executive Board of Directors



Mr. Supapong Krishnakan

Director /
Chairman of the
Board of Directors



Mr. Suwinai Suwanhirunkul

Director



Mr. Satja Janetumnugul

Chairman of the
Board of Directors /
Director



Mr. Sumit Chanmatee

Director

Picture of the Management



Mrs. Siraporn Krishnakan

President



Mr. Somboon Sirichainarumitr

General Manager –
Business & Finance



Mr. Wasun Sutrong

General Manager -
Manufacturing Function

Department Manager

1. Mr. Chutipon Poldech
2. Mr. Thanate Pipatthanawachakit
3. Mr. Boonlert Petlerkwong
4. Ms. Moluedee Prapakornrattana
5. Mrs. Wannee Kitiworanunnakul
6. Mrs. Supanee Tunchaisrinakorn
7. Mr. Praival Bannasirilux
8. Mr. Rungson Muangsorot

- Distribution Department Manager
- Information Technology Department Manager
- Business Department Manager
- Engineering and Technical Department Manager
- Finance and Accounting Department Manager
- Managing Director Office Manager
- Internal Control and Audit Office Manager
- Operation Department Manager
- Plant Administration Department Manager



1. Rayong Purifier (PCL)'s policy on Corporate Social Responsibility.

Rayong Purifier (PCL) (The "Company") policy on Corporate Social Responsibility is to involve and assist in various social activities with many communities whether they are related to the company or not.

The Company is a refinery that is own and operates wholly by Thai. The Company is conscious of the importance of the community that the company has established and conducts business. The Corporate Social

Responsibility policy dictates that the Company must conduct business fairly, justly, and conscientiously of environment and surrounding communities. Furthermore, the Company established plans and policies on give back to the communities through various social contribution activities with the communities that may or may not be related to the company.

2. The Company's structures or plans relating to social relation

Currently the Company has established structures or plans of social relation. A PR section of the Corporate Affairs Office will administrate these activities which will divide into the following categories.

Mass relation

The Company has consistently focuses on the community and the mass relation. This reinforces the better understanding of each other. The Company maintains a good standing relation with schools, community leaders, and government agencies in each local community such as in Rayong, Nakhonsawan, Nakhonratchasima, or where "Pure" service station is located. The activities include Children's Day event, drawing contest, scholarship, employees' volunteer teaching, educational activities, or involvement in local community activities.

Corporate Social Responsibility

Sports:

The Company has a policy to promote sports. The company support Thailand National Futsal Team. This is to support the team to be successful and to be well known internationally. Moreover, to promote the development and propel the Thai futsal team into international success and to promote the popularity of the sport among Thais. The Company also sees the significance of employee health, supporting the establishment of Badminton Club such that all employees get to exercise and build good relationship among the working unit, and among management and employees.





Giving back to the community

Giving back to the community: The Company has established a Project for giving back to the community “We’re Pure Group For With Love To Thailand”, to consideration various social activities such as :

- support mobile medical units to improve the health of residents living in remote rural area
- donations to the Rajaprajanugroh Foundation to assist victims of various events
- support the activities of the Association of the Physically Handicapped of Thailand
- Perform useful activities with students, by cleaning the area in Yannasangwararam Temple.
- Lunch activities for students at Phu ngam non sa ard School. And provide seeds for vegetables grown as food to school lunch for children.
- employees enthusiastically participate in each of the company supported activities through Company's established clubs such as San Farn Pan Ruk (pursue dreams, share love) Club
- employees will gather to donate money and goods to various foundations on a monthly basis

The environment:

The Company received environmental certification ISO 14001, which include wastewater treatment systems, and monitoring and test air quality before discharge. From this point, the Company established policies pertaining the environment. The Company organized krathong contest to the elementary to high school level schools. The krathong was to be made of materials made from tapioca starch, which is biodegradable. This is another activity that received a lot of interest from various schools.

RPC Group join with Suphan Buri Energy Office “Vounteerism, Youth Development” Project

Rayong Purifier Public Company Limited joined with Suphan Buri Province Energy Office have conducted the activities “Vounteerism, Youth Development” project for 5 school Students in Sriphrachan District. The objectives are to provide energy knowledges to Students and Community, while to create a good relationship with to Community.





RPC Group to grow coral conservation

Rayong Purifier Public Company Limited and RPC Group joined activities Coral cultivated In order to preserve the natural resources of the sea at Sattahip, Chonburi.



RPC Group unity and bags to help the flood victims

Rayong Purifier Public Company Limited by management and employees. Together donated consumer goods and relief supplies bags to Disaster Relief of Armed Forces Development Command, Royal Thai Armed Forces, to help the flood victims. In addition, RPC Group joined with Ruamkatuny Foundation together volunteer spirit by gave the relief supplies bags to the flood victims in their area, and then "Pure" Gas Station donated Fuel Oil to Ruamkatuny Team for used in the mission help the victims also.

RPC congratulated the foundation stone laying ceremony of Pure Place Rachaphruek branch

On March 10, 2554, The Board of Management of Rayong Purifier Public Company Limited participated in the foundation stone laying ceremony of Pure Place Rachaphruek branch, this is the 3rd Community Mall of Pure Sammakorn Development Co.,Ltd. The project has the concept "The Green Living Mall", this will be a green shopping center emphasis on saving energy and natural greenery.





Financial Highlights

Financial Ratios	Unit	31 Dec. 2009	31 Dec. 2010	31 Dec. 2011
Current Ratio	Times	0.86	1.11	1.01
Inventory Turnover Ratio	Times	15.90	15.57	19.09
Average Collection Period	Day	3	7	10
Net Profit Margin	%	2.17	1.00	0.71
Gross Profit Margin	%	5.30	3.33	3.59
Return on Equity	%	29.24	13.55	11.03
Return on Assets	%	8.97	4.49	4.20
Net Profit per Share	Baht	0.69	0.37	0.32
Book Value per Share	Baht	2.36	2.73	2.94
Debt to Equity Ratio	Times	2.26	2.02	1.63
Long-term Loan to Equity Ratio	Times	0.23	0.34	0.25

Financial Position and Operating Results

(Unit : Million Baht)

Baht million or stated otherwise	31 Dec. 2009	31 Dec. 2010	31 Dec. 2011
Total assets	3,713	4,364	4,067
Total liabilities	2,574	2,917	2,519
Total Shareholders' equity	1,139	1,446	1,548
Revenue from sales	15,357	19,544	24,212
Total revenue	15,484	19,744	24,452
Gross profit	814	651	869
EBITDA	541	426	523
Net profit	333	200	171
Earnings per share (Baht)	0.69	0.40	0.32



Rayong Purifier Public Company Limited (the "Company") concludes the 2011 performance as follows:

Operation Results

The Company's primary source of revenue is from selling Diesel, Biodiesel B5, Gasoline 91, Gasohol 91, Gasohol 95, petro-chemicals, and fuel oil. In 2011, the revenue from the sale of oil products and petro-chemicals was 24,212 million Baht; increasing by 23.88 % from 2010 which achieved the revenue of 19,545 million Baht. The average selling price per liter in 2011 was 27.21 Baht and in 2010 was 24.37 Baht. The total liter of oil products and petro-chemicals sold was 897 million liters in 2011 as compared to 809 million liters in 2010, an increased of 10.88 %. This is caused by the rising demand in oil consumption and the increase of oil price from the previous year.

In 2011 the total expenses of the Company and its subsidiaries was 24,092 million Baht; an increased of 23.63 % as compared to 19,487 million Baht in 2010. The expenses can be divided into 2 main categories, which are the cost of sales and sales and the administration expense. The cost of sales of the Company and its subsidiaries increased by 4,463 million Baht or 23.45 % from 19,036 million Baht (average prices of 23.54 Baht per liter) in 2010 to 23,499 million Baht (average prices of 26.19 Baht per liter) in 2011. The increase of the cost of sales is due to the cost of raw material which increased from the previous year. In 2011, the selling and administration expenses is 593 million Baht; a increased of 31.49 % as compared to 451 million Baht in 2010.

In 2011, the Company achieved a net profit of 171 million Baht as compared to a net loss of 200 million Baht in 2010, a decreased of 29 million Baht or 15 %.

Production

In 2011, the Company produced 681 million liters or 11.73 KBD as compared to the production capacity of 987 million liters or 17 KBD, representing 69.00% utilization. This is compared with the fact that in 2010, the Company produced 631 million liters or 10.87 KBD as compared to the production capacity of 9.87 KBD, representing 62.067% utilization. In 2011, the energy consumption in production in FOEB was 1.56 %, decreasing from 2010, which was 1.60%. The majority of products were diesel and the remaining were petro-chemicals, fuel oil, and other products.

Currently the refinery operates securely and efficiently. The Company is certified in Quality System ISO 9001:2000, Occupational Health and Safety (OHSAS 18001 of the U.S. and BS8800 of England), and Environmental Management Systems (ISO 14001).



Future Plan

In 2012, the Company invested in the 2 following projects.

1. Renewable Energy Projects

The Company is interesting in investing in the renewable energy projects such as biodiesel production, ethanol production, which can be used to mix with the Company's petroleum oil, and other alternative renewable energy projects. This also satisfies the policy of the government in the reduction of petroleum imports by increasing the usage of domestic agricultural product.

Other renewable energy projects:

In August 2010, the Board of Directors of the Company passed the resolution that the Company and Renewable Energy Co., Ltd jointly would establish the joint venture company called RPC Energy Co., Ltd. The Company will holds shares of 70% of the registered capital of THB 125 million. Such joint venture company will conduct the renewable energy business. Initially, if the team of analysts of the Company finds that the project is feasible and commercially worthwhile, the team will present its proposal to the Company's executive for proposing to the Board of Directors for approval. It is expected that the project will be operated through the joint venture company. As of 31 March 2011, Board of Directors resolved to cancel the RPC Energy Company Limited.

Currently, the Company is performing feasibility study, cost-benefit analysis, and investment risks in other possible projects relating to renewable energy.

2. Expansion of service stations

The Company aims to expand the number of "Pure" service station to 100 stations to satisfy the need of consumers as well as to increase the profits of the Company by capitalize from the final marketing margin in the value chain of the petroleum business.

Currently, the Company expanded and increased the number of service stations to the total of 70 stations. The Company plans to increase the number of service stations, as well as improve the services to increase sales. In addition, the Company plans to expand the development of other non-oil business by developing a plaza in the services station; the first of which is expected to begin operation in early 2010.

customer confidence in "Pure" by focusing on diesel oil "Pure B5", which is produced by the Company in all process, and to encourage people to turn to alternative energy. The 3-year anniversary event was to thank customers for their support of "Pure" for the last 3 years. Another pride of the company is that the Company's 7 stations won the prize in competing in the "pump khunnaparp plodpai nachaiborigarn" project (Station of quality, security, and service) organized by the Department of Energy Business, Ministry of Energy.



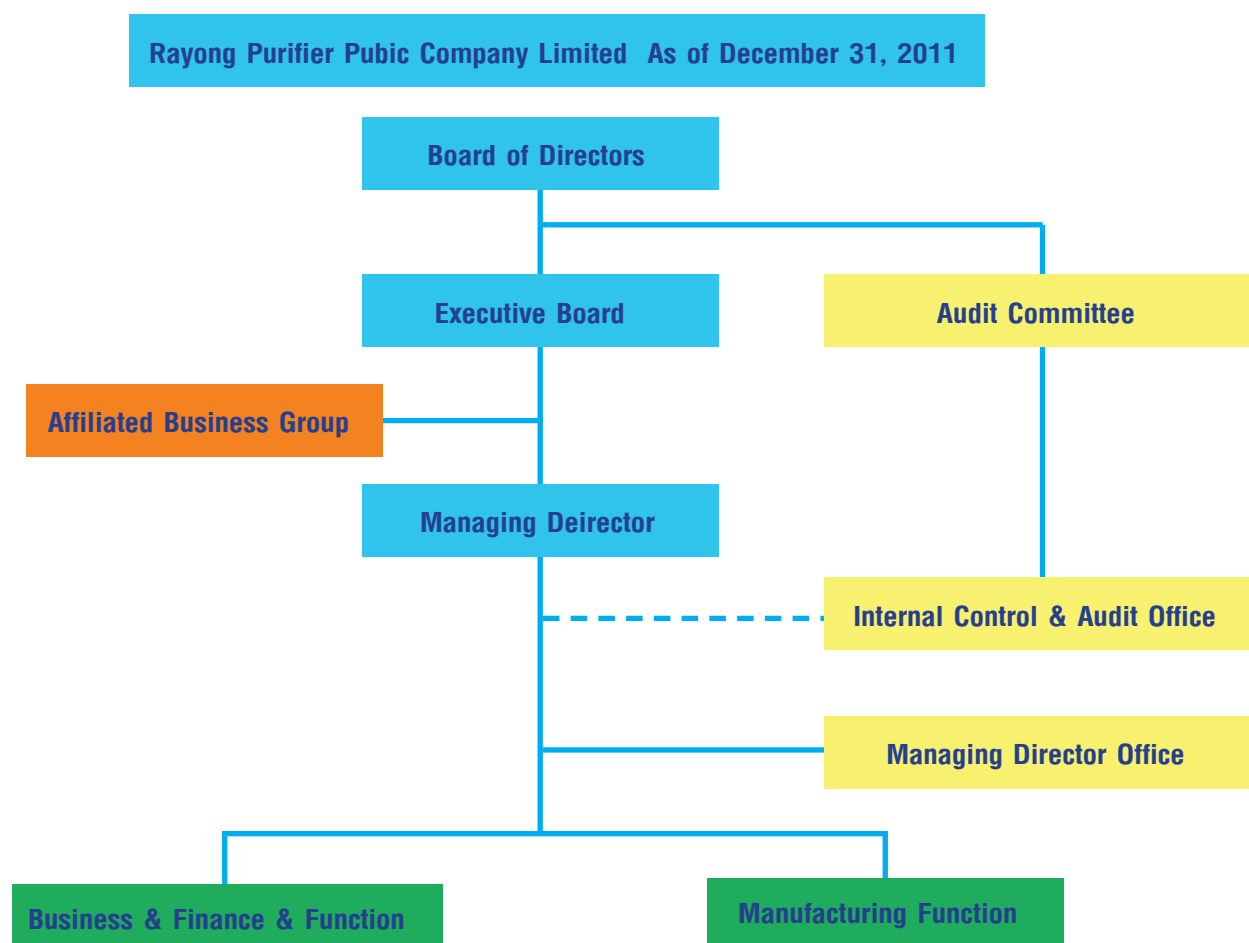
Shareholding and Management Structure

As of 20 January, 2012 the list of top ten shareholders including related persons as specified in Section 258 of the Securities Act B.E. 2535 is as follows:

Names of Shareholders	Number of shares	Percent
1. Petro-Instruments Corp.	158,293,625	29.87
2. Mr.Tawat Ungsuprasert & Spouse	34,035,250	6.42
3. Ms.Montana Janetumnugul	18,588,800	3.51
4. Ms.Pirakhwan Khancharoensuk	14,967,575	2.83
5. Mr.Piti Thammamongkol	14,030,900	2.65
6. Ms.Panyada Ploypadap	13,000,000	2.45
7. Mrs.Supaporn Janserivittaya	11,400,000	2.15
8. Mr.Satja Janetumnugul	9,312,375	1.76
9. Mr.Supapong Krishnakan	8,309,075	1.57
10. Mr.Sunchai Tinlakanon	7,067,000	1.33
Total	292,135,225	55.13

Source : List of registered shareholders of Rayong Purifier PLC as of 20 January, 2012

Note : Based on the paid-up capital of 529,870,229 shares





The Management Structure

The Company's management structure comprises the Board of Directors, Executive Board of Directors, the Audit Committee, and the Nominating and remuneration Committee.

Board of Directors

As of December 31, 2011, the Board of Directors comprises 9 directors as follows:

Name	Position
1. Mr.Satja Janetumnugul	Director
2. Mr.Suwinai Suwanhirunkul	Director / Managing Director
3. Mr.Sumit Chanmatee	Director
4. Mr.Supapong Krishnakan	Director
5. Mr.Suthud Khancharoensuk	Director
6. Mr.Tawat Ungsuprasert	Director
7. Dr.Vichit Yamboonruang	Independent Director / Chairman Of The Audit Committee
8. Mr.Anooparp Vharmikorn	Independent Director / Audit Committee
9. Mr.Bibit Bijaisoradat	Independent Director / Audit Committee

Mrs. Siraporn Krishnakan is the Secretary to the Board of Directors

Mrs. Supanee Tunchaisrinakorn is the Secretary to the Company Secretary.

The Authorized Signatory

The authorized signatory is composed of :

1. Mr. Supapong Krishnakan, Mr. Satja Janetumnugul, Mr. Sumit Chanmatee, and Mr. Suwinai Suwanhirunkul; two of the said four directors jointly sign and stamped with the Company's seal; or
2. Mr. Supapong Krishnakan, or Mr. Satja Janetumnugul, or Mr. Sumit Chanmatee, or Mr. Suwinai Suwanhirunkul; one of the said four directors jointly sign with Mr.Viravat Cholvanich or Mr. Suthud Khancharoensuk or Mr. Tawat Ungsuprasert, and stamped with the Company's seal.



Authority and Responsibilities of the Board of Directors

1. The Board of Directors may appoint any person to conduct the Company's business under the Board's supervision or may delegate authority to that person within the timeframe deemed appropriate. However, the Board may revoke or alter that authority anytime. The Board assigns the Executive Board to conduct business within the scope of authority and responsibility of the Executive Board. However, the authority of the Executive Board or the delegation of authority thereof to the appointed person(s) will exclude the power to approve transactions that may be in conflict of interests with the Company and its affiliated companies, or as specified in the Securities and Exchange Commission's announcements and regulations, except for transactions that are in accordance with the prescribed policy and criteria previously approved by the Board of Directors.
2. The Board of Directors has the authority to approve and change the authorized signatory director(s).
3. The Board of Directors may approve an interim dividend when the Company has sufficient profits and then reports the decision to the shareholders in the next shareholder meeting.
4. The Board of Directors must comply with laws and the Company's objectives, Article of Association, as well as the shareholder resolutions. However, in some cases, the Board must get the shareholders' approvals prior to implementation i.e., activities that need shareholders' approval per law requirement, related party transactions as required by SET's regulation on acquisition or disposal of assets, and those activities as required by related government agencies.
5. The Board of Directors must convene meet at least quarterly and attended by more than half of the Board members. The Board's decision is based on majority vote, in which each director has one vote. When the voting is equal, the Chairman of the meeting shall vote for the final decision.
6. The Board of Directors shall arrange for an annual general meeting of shareholders within four months after the end of the Company's fiscal year.
7. A director shall immediately inform the Company once he/she has any conflict of interests in a contract(s) executed by the Company executed or when his/her number of shares or debentures in the Company or affiliates that the director holds has increased or decreased.
8. A director shall not conduct any competing business with the Company, be a partner in any business partnership, be an unlimited-liability partner in a limited business partnership, or be a director of any private or public company that is operating competitively in similar business to that of the Company. However, the aforesaid requirements will not be in effect if the shareholders are notified of those conditions prior to appointing the said director to the Board of Directors.



Executive Board

As of December 31, 2011, the Executive Board comprises 4 directors as follows:

Name	Position
1. Mr.Supapong Krishnakan	Chairman of the Executive Board
2. Mr.Suwinai Suwanhirunkul	Executive Board/Managing Director
3. Mr.Sumit Chanmatee	Executive Board
4. Mr.Satja Janetumnugul	Executive Board

Authority and Responsibilities of the Executive Board

1. Prescribe policy, objectives, mission, guidelines, and oversee the company's operation on production and distribution activities
2. Consider and approve the purchase of fixed assets with the amount of not exceeding Baht 50 million. The approval has to be in accordance with the budget approved by the Board of Directors and complied with the regulation prescribed by the Stock Exchange of Thailand on the acquisition and disposal of assets of the listed companies or related party transactions, or those of related authorities.
3. Perform the request for and extension of credit line for the amount of not higher than Baht 50 million.
4. Consider and approve in principle for new project investment or business expansion to be proposed to the Board of Directors for further considerations.
5. Consider and approve the Company's general management and operation which exceed the Managing Director's authority.
6. Prescribe the Company's organization chart and management process as well as that of the Executive Board of Directors to include all details of the appointment, training, recruitment, and termination of the Company's employees.
7. Prescribe the policy of the compensation and salary structure.
8. Perform other tasks assigned periodically by the Board of Directors.



The Audit Committee

As of December 31, 2011 the Audit Committee comprises 3 directors as follows:

Name	Position
1. Dr.Vichit Yamboonruang	Chairman of the Audit Committee
2. Mr.Anooparp Charmikorn	Member of the Audit Committee
3. Mr.Bibit Bijaisoradat	Member of the Audit Committee

Mrs. Supanee Tunchaisrinakorn is the Secretary to the Audit Committee.

Authority and Responsibilities of the Audit Committee

The audit committee of the company has the scope of duties and responsibilities to the Board of Director on the following matters:

1. Review the Company's financial reporting process to financial statement to ensure the accuracy and sufficient;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer dismissal and to yearly performance evaluation of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and to ensure that they are in compliance with the laws and the Exchange's regulations;
7. Review and discuss risk management and internal control systems to Board of Directors to ensure;
8. Review reliability and effectiveness of information technology related to financial reporting and internal control;
9. Review the audit plans to ensure that generally accepted principles are in practiced;



10. Review the appropriateness of the Audit Committee Charter and the Internal Audit Charter;
11. The Committee, if necessary, might seeks independent opinion from experts in other profession at the expense of the company with the Board of Director' approval. The hiring procedure should conform to the company policy;
12. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

The Nominating and Remuneration Committee

As of December 31, 2011, the Nominating and Remuneration Committee comprises 4 directors as follows:

Name	Position
1. Dr.Vichit Yamboonruang	Chairman of the Committee
2. Mr.Tawat Ungsuprasert	Member of the Committee
3. Mr.Suthud Khancharoensuk	Member of the Committee
4. Mr.Bibit Bijaisoradat	Member of the Committee

Authority and Responsibilities of the Nominating and Remuneration Committee

1. Propose the remuneration of Directors and Managing Director thereof to the Board of Director for consideration and approval
2. Nominate Directors and Managing Director and propose to the Board of Director for consideration and approval
3. Perform other tasks assigned by the Board of Directors



The Management

As of December 31, 2011 the Company's managements are as follows:

Name	Position
1. Mr.Supapong Krishnakarn	Chairman of the Executive Board
2. Mr.Suwinai Suwanhirunkul	Executive Board/Managing Director
3. Mr.Satja Janetumnugul	Executive Board
4. Mr.Sumit Chanmatee	Executive Board
5. Mrs.Siraporn Krishnakarn	Assistant Managing Director
6. Mr.Somboon Sirichainarumitr	General Manager—Business and Finance Function
7. Mr.Wasun Sutrong	General Manager—Manufacturing Function

Authority and Responsibilities of the Managing Director

The Managing Director has the authority and responsibilities to conduct business in accordance with the Board of Directors' assignment and shall follow strictly and ethically the Company's business plan or budget that has been approved by the Board of Directors. The Managing Director shall also act diligently to protect the Company's and the shareholders' best interests. The authority and responsibilities of the Managing Director are described as follows:

1. Oversee and supervise the Company's routine operation
2. Oversee the process of recruitment, appointment, promotion, and salary adjustment, based primarily on the pre-approval of the related authority in each department
3. Consider and approve the purchase of fixed assets with the amount not exceeding Baht 10 million. The approval must be complied with the Stock Exchange of Thailand's regulation on the acquisition and disposal of assets of the listed companies or related party transactions or regulations of related authorities.
4. Prepare and propose the Company's policy, business plan, and budget to the Board of Directors for approval and report the progress thereof to the Board of Directors on the quarterly basis.
5. Execute the policy, business plan, and budget, which have been approved by the Board of Directors. The above authority of the Managing Director shall not be valid if, in exercising such authority, the Managing Director may receive benefits or have potential conflict of interest with the Company.



The Appointment of Directors and Management

The Company sets up the Nominating and Remuneration Committee to be responsible for the appointment of directors and management. In this regard, an individual who is eligible to be appointed as director and management of the Company must possess the qualifications as specified in the Public Company Act B.E. 2535, Section 68 and the Company's requirement, and shall not be disqualified per the SEC announcement dated March 22, 2000 on request for approval and Approval to offer new shares. The appointment process is as follows:

Appointment of the Board of Directors

The Board of Directors must comprise at least 5 members but not exceed 15 members. The directors shall be elected by the shareholders in the shareholder's meeting. At least half of the directors must have permanent residence in Thailand. According to the Company's Articles of Associations, the shareholder's meetings shall elect the directors per the following principles and methods:

1. One shareholder has one vote for one share held.
2. Each shareholder can use all of his/her eligible votes to elect only one or many director(s) but cannot split his/her votes erratically.
3. An individual in receipt of the highest number of votes and those in order of descent shall be elected as Directors as per the required number. In case that two or more individuals receive an equal number of votes which exceed the available positions, the Chairman of the meeting shall make the final decision.

At every Annual General Shareholder's Meeting, one-third of the directors shall resign. In case that the number of directors cannot be equally divided into three parts, the number nearest to one-third shall resign. Those outgoing directors may be re-elected.

The authorized signatory comprises the joint signatures from any two directors and stamped with the Company's seal.

Appointment of the Executive Board

The Board of Directors elects and appoints the Executive Board by electing from the Company's directors.

Appointment of the Audit Committee

The Board of Directors appoints at least 3 persons who are qualified per the SET's announcements to be the members of the Audit Committee with three-year term.



Remunerations for the Directors and Management

1. Financial remuneration

In 2010, the fee for 10 directors totaled Baht 4.59 million, paid for the meeting allowances in congruence with the Company's performance.

The fee for 15 Executive Directors and Managements totaled Baht 32.92 million, paid for salary and bonus in congruence with the Company's performance.

In 2011, the fee for 9 directors totaled Baht 40.32 million, paid for the meeting allowances in congruence with the Company's performance.

The fee for 15 Executive Directors and Managements totaled Baht 38.51million, paid for salary and bonus in congruence with the Company's performance.

The details of remuneration for individual directors are as follows:

Name	Payment (Baht)	Payment (Baht)
	2010	2011
1. Mr.Satja Janetumnugul	395,000.00	4,160,872
2. Mr.Suwinai Suwanhirunkul	400,000.00	3,677,797
3. Mr.Sumit Chanmatee	395,000.00	3,677,797
4. Mr.Supapong Krishnakan	400,000.00	3,677,797
5. Mr.Suthad Khancharoensuk	415,000.00	3,717,797
6. Mr.Tawat Ungsuprasert	420,000.00	3,707,797
7. Dr.Vichit Yamboonruang	525,000.00	3,827,797
8. Mr.Anooparp Vharmikorn	500,000.00	3,752,797
9. Mr.Bibit Bijaisoratat	520,000.00	3,797,797
10 Mr.Viravat Cholvanich	615,000.00	2,600,500
Total	4,585,000.00	36,598,750

2. Other forms of remuneration

2.1 Others

In 2010, the Company's provident fund contribution for 15 Executive Directors (excluding Independent Directors) and Management was Baht 2.59 million.

In 2011, the Company's provident fund contribution for 15 Executive Directors (excluding Independent Directors) and Management was Baht 3.15 million.



The Company perceives the importance to enforce the corporate governance practices in accordance with the Corporate Governance Policy across all levels of employees, the Management, and the Board of Directors. These practices are to ensure operating transparency, promote managerial integrity effectiveness, and efficiency across the firm, for the benefits of shareholders, customers, investors, and the general public.

1. Right of shareholders

The Company's Board of Directors perceives the significance of good corporate governance, the internationally standardized operation, the compliance with SET's regulations, the rights of shareholders and the promotion of their rights thereof. The Audit Committee was set up to supervise the business in various aspects so as to promote favorable corporate culture and corporate governance. This effort is a key factor encouraging the Company to achieve its desirable performances and targeted business objectives. As a result, the shareholders will reap the highest benefit out of this practice. In this regard, the Company aims that the Directors and the employees of all levels hold on to the following values:

- Perform each task with their best knowledge and capability, along with professional practices, honesty, and morality
- Formulate cooperative solidarity in workplace
- Hold firmly to rules and regulations and perform for the benefit of the Company, the country and the society as a whole
- Create mutual interactions and be readily responsive to any circumstances.

In 2003, the company registered in the Stock Exchange of Thailand and became a public company. The firm has a policy to send the inviting letters for a meeting and accompanying documents to the shareholders at least 7 days earlier, in order to reach the minimum period determined by the law. Moreover, the company has a policy to treat all the shareholders equally. That is, a shareholder can vote independently to elect the board of directors, partake in resolution making, opining, and enquiring the meeting as per the meeting's agenda and proposed issue. Every shareholder has the right and equity to receive correct, well-rounded, and updated information, of which he/she can also check for its verity. The company has a policy to provide more alternatives for the shareholders by permitting an independent director to be entrusted by a shareholder, in the event the latter cannot attend the meeting.



2. The equity of the shareholders

In 2003, the company registered in the Stock Exchange of Thailand and became a public company. The firm has a policy to send the inviting letters for a meeting and accompanying documents to the shareholders at least 7 days earlier, in order to reach the minimum period determined by the law. Moreover, the company has a policy to treat all the shareholders equally. That is, a shareholder can vote independently to elect the board of directors, partake in resolution making, opining, and enquiring the meeting as per the meeting's agenda and proposed issue. Every shareholder has the right and equity to receive correct, well-rounded, and updated information, of which he/she can also check for its verity. The company has a policy to provide more alternatives for the shareholders by permitting an independent director to be entrusted by a shareholder, in the event the latter cannot attend the meeting.

In the past years, the company's directors and management have been considering about the eradication of the interests' conflict with prudence, honesty, and independence under the frame of decent morality. This effort is to achieve the overall benefits of the company, transparency, and protection of personal interest through exploitation. The company is in the process of initiating an instruction bill forbidding the directors, management, and operational staffs not to use the firm and its subsidiary's internal data which are significant and confidential for the pursuit of personal benefits. Besides, if there is any interrelated program, the firm will be complied with the criterion and method notified by the Stock Exchange of Thailand.

3. The roles of stakeholders

The company is attentive to the right of the beneficiaries in all groups, be they the internal beneficiaries like staffs and the Company's and its subsidiaries' executives, or the external beneficiaries like competitors, creditor, the governmental authority and other related agents. The company actually conducts its operation in compliance with the provisions of law and other relevant regulations in order to maintain the appropriate care of these beneficiaries. Also, in the past years, the company has treated all of its staffs equally and fairly by providing appropriate amount of income. The purchase of products and services from the trade partners are done in accordance with the conditions mutually determined in the signed contract. The customers have been well taken care of with responsibility and confidentiality. Also, the company's conduct has specified the deeds of fair competition by not securing competitors' confidential data in the inappropriate manner. Finally, the firm has a policy to do business in regard to mutual development and prosperity with the community

4. Information Disclosure and Transparency

The Board of Director is responsible for the Company's and its subsidiaries' financial statement and information as appearing in the annual report. They also oversee the effective internal control system to ensure that the accounting records be thorough, accurate, and adequate to maintain the property, and to be notified of possible weaknesses to assure that the financial statements are free of material misstatements.



Investor Relations

After being registered in the Stock Exchange of Thailand, the Company has a policy to nominate a person to be in charge of investor relations. This particular individual will make sure that the disclosure of general and financial information, as well as significant data affecting the price of the Company's stock, be accurate, complete, transparent, and thorough. Such information will be distributed to investors and the public via the following channels:

- 1) The Stock Exchange of Thailand
 - List of annual data (Form 56-1)
 - Annual report (Form 56-2)
 - Electronic media (SCP Client)
- 2) Newspaper
- 3) Magazine
- 4) Television
- 5) Company website
- 6) Shareholder journal
- 7) Face-to-face interview
- 8) Trip to meet domestic and international investors
- 9) Meeting with stock analysts

5. Responsibilities of the Board of Directors

The company's board of directors is composed of well-versed, experienced directors who settle policies, vision, strategy, goal, mission, business plan, and the firm's budget. They also govern the management to operate the works effectively and efficiently as per the determined policy, within the boundary of law, the company's provisions, and the resolution of shareholders' meeting, with honesty, responsibility, and prudence; for the utmost economic value of the enterprise and supreme security of the shareholders. Besides, the company is highly attentive to an internal control system, internal auditing, appropriate method of risk management, including a checking system in order to enable the operation to be in compliance with the law, to make the utmost effectiveness and efficiency out of the internal control system. Moreover, the board of directors has considered about the settlement and separation of duty and responsibility between the board of directors, the audit committee, the executive board, and the managing director.



Conflict of interests

In the past years, the company's directors and management have been considering about the eradication of the interests' conflict with prudence, honesty, and independence under the frame of decent morality. This effort is to achieve the overall benefits of the company, transparency, and protection of personal interest through exploitation. The company is in the process of initiating an instruction bill forbidding the directors, management, and operational staffs not to use the firm and its subsidiary's internal data which are significant and confidential for the pursuit of personal benefits. Besides, if there is any interrelated program, the firm will be complied with the criterion and method notified by the Stock Exchange of Thailand.

Business ethics

The company has stood firmly on doing correct deeds in its business path. The directors, management, and all the staffs of the company have their own parts in doing the duty with honesty, under the law's boundary and their own responsibilities. They shall also exercise the prudent consideration in trading and treatment to others; abstaining from any conduct which will riskily lead to the company's infamy or damage, though that action seems to be beneficial to the company's business. However, the company is preparing the Bills of Staff Conduct and Business Conduct for all the personnel to be complied with.

The board of director's check and balance

The company's board of directors consists of 10 persons, who are:

- Directors who are the executives – 4 persons.
- Directors who are not the executives – 3 persons.
- Directors who are independent – 3 persons or 30 % of the whole board.

Unification or separation of rank

The chairman of the board of directors will not be the same person with the firm's managing director, in order to give check and balance in administration. More than half of the company's board of directors is consisted of a coalition of non-executive directors and the independent directors.

Remuneration for directors and management

The firm has clearly settled the policy on the directors and management's remuneration. However, the consideration of the directors' remuneration is under the approval of the shareholder's meeting, whereas the management's remuneration is under the approval of the board of directors. This consideration will be as high as that of the industry to maintain the highly-qualified directors and management with the firm.

The board of director's meeting

The company has a policy to send the inviting letters for a meeting with accompanying documents to the directors' consideration at least 7 days earlier, in order to reach the minimum period determined by the law. In 2011, the board of directors had 8 meetings with the written record, and the approved meeting report was kept for the checking by directors and related persons.



Name-Surname	meeting record (Times)	
	The 2010	The 2011
1. Mr.Satja Janetumnugul	7/8	8/8
2. Mr.Suwinai Suwanhirunkul	8/8	8/8
3. Mr.Sumit Chanmatee	7/8	8/8
4. Mr.Supapong Krishnakan	8/8	8/8
5. Mr.Suthud Khancharoensuk	7/8	8/8
6. Mr.Tawat Ungsuprasert	8/8	6/8
7. Dr.Vichit Yamboonruang	8/8	8/8
8. Mr.Arnooparp Charmikorn	8/8	7/8
9. Mr.Bibit Bijaisoradat	8/8	8/8

The subcommittee

The board of directors has appointed the subcommittee board to support on corporate governance, as follows:

- The Audit committee with a 3-year term in office. The committee's body consists of 3 persons, all are the independent directors.
- The Nominating and Remuneration Committee with a 3-year term in office. The committee's body consists of 4 persons, all are not the Executive Board and the committee's chairman must be the independent director.

Internal control and audit system

The firm has clearly settled mission, duty, and operational authority of the operational staffs and executives in a form of writing, along with the use of the company's property for beneficial purposes and the job segmentation of operational staffs, control staffs, and assessment staffs; in order to create check and balance.

The company has an internal audit office that will do the checking to assure the efficiency and compliance of the firm's main operation and major financial activities with the law and provisions related to the company. The internal audit office is independent, so it can do fully the check and balance. The internal audit office can directly report the audit result to the audit committee.



Control of the Use of Internal Information

The Company has informed all executives and management of each division about their duties to report the number of shares or securities of the Company that are held by them, their spouse and minor children as well as every change of securities holding occurring as a result of any purchase, sale, transfer or acknowledgement of transfer of securities to the Securities and Exchange Commission according to Clause 59 and Clause 275 of the Securities and the Stock Exchange Act B.E. 2535.

If any directors, executives or employees violates the Company's policy on the sale and purchase of securities by using internal information, those persons shall be punished or disciplined according to the Company's rules and regulations which include warning letter, pay cut, temporary forced leave without pay or employment termination. The level of disciplinary action shall depend on the degree of the violation.

Human Resources

1. Human Resources

As of 31 December 2011, the Company and its subsidiaries had 932 employees, which can be broken down by function as follows:

Organization Structure As of 31 December 2010		Organization Structure As of 31 December 2011	
Function	Quantities	Function	Quantities
Business & Finance	62	Business & Finance	53
Manufacturing	74	Manufacturing	80
Others	25	Others	13
Subsidiaries		Subsidiaries	
PTEC	667	PTEC	585
JTC	83	JTC	69
PSDC	27	PSDC	35
PBC	54	PBC	53
SAP	19	SAP	22
SCT	23	SCT	22
Total	1,027	Total	932

Remark - Others are employees who are not under any particular function, such as

Internal Audit Office, Managing Director's Office,



2. Remuneration

2.1 Financial Remuneration

Total remuneration to the Company's staff including salaries, overtime, fringe benefits, bonuses and provident fund contribution for the year 2010 and 2011 were Baht 278.83 million and Baht 372.23 million respectively and benefits on termination of employment.

3. Human Resource Development Policy

The Company's policy to promote the advancement of employees. The direction of the development staff. And employees at all levels. It was developed under the direction of such a system. And continued to function effectively in the current page. And are ready to take up higher in the future. With regard to the use of human resources for maximum benefit. And the merit system (Merit System) in salary and promotion. And promoted Based on skills, knowledge, abilities and potential of each employee's individual compound. Corporate Value consists of :

- Initiatives.
- Accountability.
- Synergy
- Sustainable.

Internal Control System

According to the Board meeting no. 1/2012 held on February 17, 2012, the Audit Committee concluded that the Board of Directors and the Executives have paid a continuous and considerable attention to the internal control system. They have directed their efforts to formulate the internal control system that is sufficient and appropriate with the Company's business operation. In this regard, proper attentiveness is geared toward asset maintenance, error and damage minimization, financial management, risk management, operation inspection, as well as efforts to promote compliance to existing legal requirements, along with rules and regulations. These measures are to achieve maximum job efficiency, and build up confidence in the Company's business capability to achieve its determined goals and heighten up its added values.

In order that the internal control system be efficient, the Board of Directors has focused the Company's internal control system to the following 5 sections:

1. Organization and Environment

The Company has formulated its business goal and objectives on a clear, possible, and measurable basis. In this regard, it has modified the organizational structure to facilitate job efficiency and flexibility, as well as to correspond with incessantly changing business environments. Hence, the Company has set regulations and penalty rules to prevent the management and employees from engaging in a conflict of interest with the Company. In addition, the policy and operational rules regarding financial transactions, selling, purchasing, and managing were also framed on the basis of fairness to all parties concerned.



2. Risk management

The Company's executives have set up a risk policy and an organization to be in charge of risk management. In this aspect, the risk management committee was founded along with a risk coordinator in each work unit. In addition to providing constant training to the employees on knowledge about risk management, the Company also assigns a person in charge of risk in each work unit, sets a plan and a measure for risk management, evaluates potentially threatening risk factors, formulates a measure for risk reduction, and follows up on risk management procedures of every work unit. The risk management committee will subsequently report its performance to the Audit Committee to be continually forwarded to the Company's management team.

3. Controlling of the Management

The Company has distinctly delineated the scope of authority and responsibility of both the management team and the employees of all levels. The approval scope of each management level is clearly and appropriately determined, and the operations of subsidiaries and affiliated companies are continuously and constantly supervised to comply with the existing legal requirements.

4. Information Technology and Communication System

The Company has utilized the ERP information technology system to efficiently manage purchasing, selling, accounting system, inventory, and permanent assets, so that the IT database be made efficient and handy for the executive's decision making. Moreover, additional developments have been brought in to advance the existing IT system, e.g. the systems for gas station management, close-circuit TV, and video conferencing. These developments aim prominently to facilitate work coordination and supervision, to cover extensive IT usage among employees, and to increase efficiency of communication channels between the Company and its subsidiaries and affiliated firms.

5. Monitoring System

The Board of Directors has conducted a thorough consideration and monitoring on the performance of the Management team. If any deviation from the preset goal is detected, the Board of Directors will have the Executives correct it immediately. In this regard, the Internal Control Committee will report directly to the Audit Committee in due time, especially when those deviations are critical. A report on correction process and progression should also be filed.



COMPANY BACKGROUND AND MAJOR DEVELOPMENT

Rayong Purifier Plc (RPC) was established in 1995 by a joint venture between Thai businessmen with extensive experiences in the petroleum and the petrochemical businesses and Petro-Instruments Co., Ltd. RPC's main business is to refine Condensate Residual (CR), which is a by product from the production process of Thai Aromatics Public Company Limited (ATC), into high quality petroleum and petrochemical products such as high-speed diesel oil, fuel oil, and petrochemical products for the wholesale and retail businesses. In addition, RPC is granted an fuel-trading license, according to Article 7 of Fuel Trade Act, B.E. 2543 (2000).

Summary of the company history and major developments

- | | |
|-------------|--|
| 1997 | <ul style="list-style-type: none">• Completed plant construction in September |
| 1998 | <ul style="list-style-type: none">• Rent oil depot at Payuhakhiri district, Nakornsawan province to support the company's expansion |
| 1999 | <ul style="list-style-type: none">• Grand opening the first 'PURE' gas station at the 202nd Km Phaholyothin road, Nakornsawan province in February• Introduced the quality management program ISO 9002 to its plant |
| 2000 | <ul style="list-style-type: none">• Production process was awarded ISO 9002 certification by Bureau Veritas Quality International (BVQI)• Rent Sathupradit oil depot and Thonburi oil depot to reduce the disadvantage of not having its own port for exports. |
| 2001 | <ul style="list-style-type: none">• Export intermediate chemical products to Nanning, China• Open the second "PURE" service station at Maptaput Industrial Estate in Rayong• Operate an oil depot in Pakthongchai district, Nakornrachasima province to support expansion and to service clients in the Northeastern region |
| 2002 | <ul style="list-style-type: none">• Received international standard certificates on safety from three organizations, namely OHSAS 18001, BS 8800 and TIS 18001• Increased registered capital by Baht 150 million to a total of Baht 300 million.• Open the third corporate-owned "PURE" service station in Pakthongchai district, Nakornrachasima province• Increased investment in Yothin Petroleum Company Limited to support the expansion of retail business.• Increased production capacity from 12,600 barrels/day to 17,000 barrels/day |



- 2003**
- Rent oil depot in Juksamet, Sattahip district, Chonburi province to be used as export base of the company's products while terminating the rental of Thonburi and Sathupadit oil depots.
 - Awarded ISO 14001
 - Increased registered capital to Baht 336.40 million, divided into 3.364 million ordinary shares with a par value of Baht 100 per share fully paid up on 24th July 2003
 - Converted into Public Company on 1st August 2003 and increased registered capital to Baht 415.55 million, divided into 83.11 million shares with a par value of Baht 5 per share, of which Baht 336.40 million, divided into 67.28 million ordinary shares with a par value of Baht 5 per share were fully paid up.
 - Offered 15,830,000 new ordinary shares to the public. Subscription period was on 12nd-14th November 2003.
 - Registered the Baht 79.150 million capital increase from Baht 336.40 million to Baht 415.55 million, divided into 83.11 million ordinary shares with a par value of Baht 5 per share with Department of Business Development, Ministry of Commerce on 18th November 2003.
 - RPC's shares started trading on the Stock Exchange of Thailand on 24th November 2003.
 - Upgraded ISO 9002 international quality system from Version 1994 to ISO 9001 Version 2000
- 2004**
- Registering the value change of ordinary share on November 26th, 2004 from 5 Baht per share to 1.00 Baht per share with the registered capital of Baht 415.55 million , all are ordinary shares which amount to 415,550,000 shares.
 - The company's Ordinary shares have been traded in the Stock Exchange of Thailand for the price of 1.00 Baht per share on December 1st, 2004.
 - Founded RPC Asia Co., Ltd. on July 27th, 2004
 - Increased shareholding portion in VTN-P from 20% to 60% on April 15th, 2004.
- 2005**
- Increased shareholding portion in SCT Petroleum Co., Ltd. from 30% to 99.99%
 - Registered the 8.49 million capital increase from Baht 415.55 million to Baht 424.04 million, divided into 8.49 million ordinary shares reserved to exercise warrant with a par value of Baht 1 per share with Department of Business Development, Ministry of Commerce on 18th April 2005.
 - Increase paid up capital from Baht 415.55 million to Baht 418,372,686 according with exercise ESOP-01, No.1/3 on December 8th, 2005.



- 2006**
- Yothin Petroleum Co., Ltd changed its name to Pure Thai Energy Co., Ltd on March 31st, 2006
 - Increase paid-up capitals from Baht 424.04 million to Baht 530.04 million by offering 106,008,171 new ordinary shares with a par value of Baht 1 per share reserved to stock dividends and ESOP No.2/3 with Department of Business Development, Ministry of Commerce on April 7th, 2006.
 - Paid-up capital increased to Baht 526.26 million on November 2006 by exercised ESOP No. 2/3 of 3,294,677 shares with a par value of Baht 1 per share, registered with Department of Business Development, Ministry of Commerce on December 4th, 2006
 - Completed Test-run of VTN-P, a refinery in Vietnam during February 13th – February 28th, 2006
 - Increased number of gas stations from 32 to 56
- 2007**
- Start operating Pure Sammakorn Development Co.,Ltd. on June 8th, 2007
 - Changed the name of RPC Asia Co.,Ltd., in which the Company holds 99.99% of shares, to Pure Bio-Diesel Co.,Ltd. (PBC), in which the registered capital increased to Baht 200 million
 - PBC received investment promotion certificate from BOI. Its income from net profit will be exempted for 8 years.
 - RPC and PBC received the loan of Baht 400 million from Kasikorn Thai Bank to invest in and construct of the Bio-Diesel project, with the production capacity of 100,000 tons per year.
 - Paid-up capital increased to Baht 529.87 million on November, 2006 by exercised ESOP of 3.6 million shares, with par value of 1 Baht per share, totaling to Baht 3.6 million, registered with the Ministry of Commerce on December 4th, 2007
 - Increased number of gas stations from 56 to 72
- 2008**
- Pure Thai Energy Co., Ltd. (PTEC) acquired 15,300 ordinary shares of SCT Petroleum Co., Ltd. (SAP) at 100 baht per share; representing 51 per cents of total shares in January 2008.
 - SCT Sahaphan Co., Ltd. (SAP) increased shares by 20,000 shares at Baht 100 per share and has registered the capital increase with the Ministry of Commerce on February 12th, 2008..
 - RPC paid stock dividends for the 6 months operation period at 0.17 Baht per share on 4th September 2008.



- Pure Biodiesel Company Limited (PBC) received license from the Department of Energy Business in August 2008.
- VTN-P made a 2.9 million U.S. dollars long-term loan payment to Exim Bank.
- 2009
 - VTNP registered its liquidation in February 2009.
 - Pure Sammakorn Development Co.,Ltd. increased its registered capital to 225 million Baht and registered the capital increase with the Ministry of Commerce in February 2009.
 - Pure Biodiesel Company Limited (PBC) has increased its registered capital to 280 million Baht and registered the capital increase with the Ministry of Commerce in September 2009
 - Pure Thai Energy Co., Ltd. (PTEC) increased its registered capital to 140 million Baht and registered the capital increase with the Ministry of Commerce in January 2010.
- 2010
 - On 5 March 2010, the Extraordinary General Meeting of Shareholders no. 1/2553 passed the resolution that the capital of the Company be increased from 529.87 million Baht to 802.87 million Baht by issuing new ordinary shares of 273 million shares at 1 Baht per share, that such newly issued shares be allotted in the offering of Taiwan Depository Receipts ("TDR") in the Republic of China (Taiwan), that the repurchased shares be completely disposed of and that the offer price of the newly issued shares be set at not less than 90% of the average market price for the past 15 days before the Board of Directors passes the resolution to specify the details in relation to the allotment. The objectives of the increase of capital are to expand the Company's business and to be used as a working capital. The Company registered the increase of capital with the Ministry of Commerce on 19 March 2010.
 - On 10 August 2010, the Board of Directors passed the resolution that the repurchased shares of 46,706,900 shares be disposed of by way of public offering at 2.55 Baht per share. And in September 2010 the Company completely disposed of the repurchased shares, the total value of which was 119 million Baht.



2011

- In March 2011, the Board resolved and approved to cancel the Board Resolution regarding establishment of RPC Energy Co., Ltd.
- In April 2011 approved from the shareholders meeting to extension for placement of common share rising in the form of Taiwan Depository Receipt (TDR).
- In May 2011 approved the TDR issuance and trading either at GreTai Securities Market (GTSM) at Public of China (Taiwan) or Taiwan Stock Exchange Corporation (TWSE) by allotting from increased common shares of 170,000,000 shares and outstanding common shares of 30,000,000 shares and the approval TDR Offering Plan for submitting to GreTai Securities Market (GTSM) or Taiwan Stock Exchange Corporation (TWSE) at Public of China (Taiwan).
- In August 2011, the Board of Directors approved the increase of Registered Capital of Pure Sammakorn Development Co., Ltd. (PSDC), the Company's 51% Subsidiary. PSDC's registered capital will be increased from 225 Million Baht to 260 Million Baht through the issuance of 350,000 additional Ordinary Shares at par value of 100 Baht per share, in total of 35 Million Baht. The Company's Board of Directors passed a resolution not to invest in these additional shares. As a result, the Company's shareholding in PSDC will decrease from 51% to 44% and approved the increase of Registered Capital of SCT Petroleum Company Limited (SCT), the Company's 100% Subsidiary. SCT's registered capital will be increased from 10 Million Baht to 36 Million Baht through the issuance of 260,000 additional Ordinary Shares at par value of 100 Baht per share, in total of 26 Million Baht. The shares will be allocated to the shareholders in accordance with their existing proportion of the share holding.
- In September 2011, the Board acknowledged the result of the issuance of TDR in TWSE at Republic of China (Taiwan), whereby TWSE returned the Company's application and resolved that the TDR Offering Plan in relation to 170,000,000 new shares and 30,000,000 existing ordinary shares, including all TDR Offering Plan related transactions be ceased to proceed and the Board resolved that the support in issuing and offering of TDR for the existing shareholders of 30,000,000 shares be cancelled, and resolved that two Independent Directors be appointed as authorized person to urgently deal with the return of 30,000,000 shares to the existing shareholders which are currently under the custody of the Company's Custodian.



Rayong Purifier Public Company Limited (RPC)

RPC engages in the distillation of condensate residue (CR), a by-product from the production process of PTT Aromatics and Refining Public Company Limited (PTTAR), to produce high quality petroleum and petrochemical products, e.g. high-speed diesel B5, fuel oil and other petrochemical products. RPC's refinery has a maximum capacity of 17,000 barrels per day or 80 million liters per month. Moreover, RPC also procures unleaded gasoline 91 & 95, gasohol 95 and high-speed diesel from other refineries to satisfy consumers' increasing demand. Besides, RPC also operates four oil depots in Rayong, Nakornsawan, Korat and Juksamet, to expedite the purchasing and delivery process. RPC's business operations through its subsidiaries are as follows:

RPC's subsidiaries

1. Pure Thai Energy Company Limited (PTEC)

RPC holds 99.99% of shares in PTEC. The registered capital of PTEC is 50 million Baht, divided into 500,000 ordinary shares at par value of 100 Baht per share. All shares are fully paid-up. PTEC engages in retail business of distributing high-speed diesel B5 ("Pure B5"), Benzene 91 and Gasohol 95 through "PURE" service stations. As of 31 December 2009, PTEC operated 74 PURE gas stations nationwide, categorized into 2 types of operation: 1) Company operated stations, and 2) Franchised stations.

2. Pure Bio-diesel Limited (PBC)

RPC holds 99.99% of shares in PBC. The registered capital of PBC is 280 million Baht, divided into 2,800,000 ordinary shares at par value of 100 Baht per share. All shares are fully paid-up. The objective of PBC is to produce bio-diesel (B100) from domestic palm oil. Its production capacity is 300,000 liters per day or 100,000 tons per year. Its product will be mixed with diesel to be Diesel B3 and Diesel B5 which are renewable energy according to the government's policy. In addition, it also produces glycerin of 10,000 tons per year, which can be used as a raw material in cosmetics and medical supplies. PBC obtains a BOI Promotion Certificate by which it receives an 8-year corporate income tax exemption.

The construction of the production plant was completed in 2008 and the certificate for distribution and stocking of fatty acid methyl ester bio-diesel was granted by the Department of Energy on 30 December 2008. PBC began its production and distribution in January 2009.

3. SCT Petroleum Co.,Ltd. (SCT)

RPC holds 99.99% of shares in SCT. The registered capital of SCT is 10 million Baht, divided into 2,000,000 ordinary shares at par value of 5 Baht per share, and all shares are fully paid up. SCT operates as an oil wholesale trader or jobber and trades all kinds of petrol products with major and minor dealers nationwide. The products traded are, for example, high-speed diesel, Diesel B5, Benzene 91, Gasohol 95, and fuel oil. The subsidiaries of SCT are as follows:



Names	Business Type	Shareholding Ratio by SCT (Percentage)
1. Jaturatis Transport Co.,Ltd.	Oil Transportation	99.98
2. Mitsamphan Petroleum Co.,Ltd.	Oil Wholesale	99.86
3. Metro Petroleum Co.,Ltd.	Oil Wholesale	99.86
4. I-sanrungruang Petroleum Co.,Ltd.	Oil Wholesale	99.86
5. Buraparungrot Petroleum Co.,Ltd.	Oil Wholesale	99.86
6. Benja Petroleum Co.,Ltd.	Oil Wholesale	99.86
7. Jatuchak Oil Co.,Ltd.	Oil Wholesale	99.86

4. VTN-P Petrochemical Joint Venture Co.,Ltd. (VTN-P)

RPC held 60% of shares in VTN-P. The registered capital of VTN-P is 3.5 million USD. All shares are fully paid-up. VTN-P operates a small-scale petroleum and petrochemical factory with the production capacity of 2,500 barrels per day. The plant is located on the Mekong River bank in Can Tho city, south of Vietnam. This project has an aim to expand RPC's business opportunity to the overseas market. The project also obtained an investment license from Can Tho city of Vietnam for tax and business privileges. Approximately 294 million Baht invested was poured into the project. The plant construction and plant commissioning was completed.

In 2007, VTN-P sold all of its fixed assets and the right to use land for 8.35 million USD or approximately 285 million Baht. Currently, VTN-P is in the process of liquidation which is expected to be completed within February 2009.

5. SCT Sahaphan Co., Ltd. (SAP)

RPC holds 51% of the total shares in SAP, being 1.53 million Baht. There was an increase of the registered capital from 3 million Baht to 5 million Baht by issuing new ordinary shares of 20,000 shares at par value of 100 Baht. Such new ordinary shares were subscribed by existing shareholders in proportion to their shareholding at 125 Baht per share. SAP conducts the business of sale of gas station equipment and repairing service. In March 2010, RPC purchased 25,500 shares of SAP from Pure Thai Energy Co., Ltd. at the price of 2.81 million Baht. Thus, RPC holds 51% of the total shares in SAP. There was an increase of the registered capital from 5 million Baht to 20 million Baht by issuing new ordinary shares of 150,000 shares at par value of 100 Baht per share. RPC bought the newly issued shares from the minority shareholders who waived their rights in subscribing for those newly issued shares. Thus, RPC holds 78% of the total shares in SAP. The increase of the registered capital was registered at the Ministry of Commerce on 12 April 2010.

6. Thai Good Petroleum Co., Ltd.

This is a joint venture company incorporated on 20 October 2009 with the registered capital of 300,000 USD. RPC holds 31.67 of the total shares, which have been fully paid-up. Such joint venture company conducts the business of selling engine lubricant product in China, Hong Kong and Macau.



7. RPC Energy Co., Ltd.

On 11 August 2010 the Board of Directors passed the resolution to establish RPC Energy Co., Ltd. This company is a joint venture company between RPC and Renewable Energy Co., Ltd., which is an expert in construction of power plant. The joint venture company will start with the registered capital of 125 million Baht, divided into 1.25 million ordinary shares at par value of 100 Baht per share. RPC will hold 70% of the registered capital. Such joint venture company will conduct the renewable energy business. In March 2011, the Board of Directors approved resolution to terminate the joint venture.



Revenue Structure

The revenues of RPC and its subsidiary firms as of 31st December, 2011 are as follows:

Sales values of RPC and its subsidiary firms

Products	2009		2010		2011	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Domestic						
High-Speed Diesel	10,479.62	67.78	12,089.24	61.36	13,097.16	53.66
Fuel Oil	-	-	0.97	-	96.46	0.40
Biodesel	595.36	3.85	578.41	2.94	1,960.19	8.03
Chemicals	299.96	1.94	466.94	2.37	630.51	2.58
Benzene 91, 95	1,639.62	10.60	2,315.69	11.75	2,620.60	10.74
Gasohol	780.58	5.05	928.99	4.72	667.79	2.74
Other Petroleum Products	10.30	0.07	40.58	0.21	186.73	0.77
Total Domestic Sale Values	13,805.43	89.29	16,420.82	83.35	19,259.45	78.91
Exports						
High-Speed Diesel	941.04	6.09	2,024.77	10.28	4,424.3	18.13
Chemicals	590.75	3.82	1,074.91	5.46	488.83	2.00
Others	19.62	0.13	23.99	0.13	38.85	0.16
Total International Sale Values	1,551.41	10.04	3,120.65	15.87	4,952.29	20.29
Income of Transportation and other products	104.03	0.67	156.17	0.78	195.78	0.80
Grand Total	15,460.87	100.00	19,700.66	100.00	24,407.45	100.00



Sales volumes of RPC and its subsidiary firms

Products	2009		2010		2011	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Domestic						
High-Speed Diesel	507.47	67.63	483.23	59.75	493.13	54.97
Fuel Oil	-	-	-	-	-	-
Biodiesel	22.80	3.04	18.95	2.34	57.77	6.44
Chemicals	18.83	2.51	24.33	3.01	25.05	2.79
Benzene 91	57.46	7.66	69.99	8.65	71.66	7.99
Gasohol	31.37	4.17	31.03	3.84	20.08	2.24
Other Petroleum Products	0.89	0.12	2.04	0.25	16.23	1.81
Total Domestic Sale Volumes	638.82	85.13	629.57	77.84	683.92	76.23
Exports						
High-Speed Diesel	65.37	8.71	115.23	14.25	189.54	21.13
Chemicals	43.69	5.82	61.53	7.61	21.22	2.36
Others	2.52	0.34	2.48	0.30	2.48	0.28
Total International Sale Volumes	111.58	14.87	179.24	22.16	213.23	23.77
Grand Sale Volumes	750.40	100.00	808.81	100.00	897.15	100.00



While operating in business, the Company has to encounter with numerous kinds of risks. Hence, it needs to initiate a concrete plan to deal with those risks as following:

Risk associated with refinery process:

This type of risk concerns the mechanical break-down that may disrupt the production process. To restart the machine inevitably incurs energy costs, as well as opportunity costs.

To handle this risk factor, the Company has conducted the following procedures:

- Put more raw materials on reserve. In this regard, the Company's maximum production capacity that is still higher than actual production, along with oil reserves in 4 depots, renders the Company the capability to have products readily available for sales for more than 10 days.
- Capable of increasing production capacity to its full extent in order to make up for the opportunity loss due to disrupted production that might happen because of the mechanical breakdown. In addition, reserves in oil depots are readily available for being used in the production process.
- The distillation process is being monitored 24 hours a day by skilled and experienced engineering teams utilizing the Distribution Control System. This system is capable of monitoring the distillation process accurately and efficiently.
- The computerized Process Simulation program is being used to ensure efficiency and energy saving, as well as to generate the required quantity and quality of products.
- Products are being controlled with the 'Material Balance' program, so that any changes regarding the volumes of raw material and products are made available.
- The 'Cedar' program is used to keep records of regular checking and maintenance, in accordance with the policy of continuous and proactive machine maintenance.

Outcomes

- Throughout 2005, only 4 hours of unplanned shut down took place while none occurred in 2007. and 2008.
- The Company was awarded with ISO 9002 quality standard in 2000.
- The Company was assured of quality production process by Bureau Veritas Quality International (BVQI), the worldwide renowned assurance institute.
- The Company was awarded with ISO 9001 Version 2000 quality standard in 2005 and ISO 9001 Version 2004 in 2006—the most updated quality management assurance of the worldwide renowned SGS.



Risk associated with main raw material procurement:

The Company purchases its main raw material, Condensate Residue (CR), from Thai Aromatics Public Company Limited (ATC) via PTT Public Company Limited. The CR is transferred to the Company through the 3.0 km long pipeline. Hence, any disruption to ATC's production process due to the maintenance process or other problems, or any damage to the CR pipeline, will halt the transfer of CR to the Company, and hence directly affect its production process.

To handle this risk factor, the Company has conducted the following procedures:

- Cooperate with ATC on the regular basis, so that the Company, once being notified six months in advance about ATC's maintenance plan, can formulate its plan for oil reserve and for the annual maintenance accordingly. In this regard, ATC has already set up CR reserves before maintenance shutdown to provide adequate quantity of CR to the Company.
- In case that ATC is incapable of providing CR to the Company for a long period of time, the Company may purchase finished products from other refineries or oil traders, for selling to the customers. The Company will nevertheless receive lower profit margin than usual.
- Conducting regular check-ups and maintenance of CR pipeline.
- A system of CR management being formulated, with the capacity of reserving raw materials sufficient for 10 days non-stop production.
- Attempting to reduce dependency on one main raw material, and currently being in the negotiation process to procure crude oil from other domestic and international sources
- Negotiating to get compensation when the Company receives CR of lower quality standard and specifications. This incident took place during the third quarter of 2006, incurring higher costs of product quality readjustment and other kinds of losses. The Company later cooperated with ATC to help prevent the occurrence of the similar incident in the future. As a result, throughout 2007, the Company received CR with the quality and specification as declared in the contract.

Risk associated with the agreement for purchase & sale of Condensate Residue:

This type of risk occurs when the demand in the Company's products is lower than the amount of purchased CR specified in the contract. This will subsequently result in excess CR or excess finished products, and later increasing the Company's storage cost for these excesses.

On 8th August, 1995, the Company signed the 15-year Agreement for Purchase & Sales of Condensate Residue with PTT starting from the commercial operation date on 1st February, 1997. This agreement binds the Company to purchase all of the CR produced by ATC in the amount of not exceeding 585,000 tons per year (approximately 12,600 barrels per day). On the contrary, the Company has no long-term selling contracts with any specific distributors even though the demand of the Company's products has so far been satisfactorily abundant with no excess left each year.



To handle this risk factor, the Company has conducted the following procedures:

- The Company is still capable of expanding its market shares if adequate quantities of products are made available. At present, the Company has only 3% of diesel market share, and the demand of high-speed diesel which is the Company's primary product, is still in the continuous growth.
- The Company is planning on enlarging its customer base through the available wholesale, retail, and industrial distribution channels.

Risk from having a sole provider of raw material:

This type of risk originates from the possibility that PTT may terminate the contract after the due date in 2012. The Company signed the 15-year Agreement for Purchase & Sales of CR with PTT solely, and after the duration of 15 year, the contract shall continue thereafter on an evergreen basis with one-year time written notice of termination by either party.

However, the Company believes that the long-term contract will be renewed due to their mutual positive relationship. During 2006-2007, the Company signed a contract to periodically purchase CR in order to augment its overall production capacity.

To handle this risk factor, the Company has conducted the following procedures:

- Attempting to secure raw materials from other sources, so as to reduce its sole dependency on PTT
- Attempting to find alternative raw materials to substitute CR. In 2003 and 2005, the Company tried using crude oil from domestic resources in the distillation process, to find out that the existing refining facility could accommodate this raw material with some minor adjustments.

Risk associated with price fluctuation of raw material

The Company has rather low risk concerning fluctuated price of raw materials. This is due to the fact that CR price is based on the refined oil price in Singapore market or Mean of Platt's Singapore (MOPS) of 4 products: Naphtha, Kerosene, Gas Oil and Fuel Oil. The Company's raw material cost structure is then different from other refineries, of which raw material costs are based on the world's crude oil price.

However, the Company's sale revenues depend on ex-refinery price in local market, which is also based on the refined oil price of Singapore market. With the same structure of sale revenues and raw material costs, its gross refinery margin is quite stable and has low fluctuation. This is another point that makes the Company differ from other refineries, of which gross refinery margins are in high fluctuation according to price uncertainty of the world's crude and refined oil prompted by uncontrollable external factors.



Risk associated with price fluctuation of refined oil

Even though the Company's sale revenues and raw material cost structure are based on the refined oil prices in Singapore's spot market, the Companies still carries risk concerning the fluctuation of refined oil prices in Singapore and world markets, caused primarily by uncontrollable external factors as following:

- Changes of the world's economic and political situations, as well as those in the regions where national gas and crude oil are produced, particularly in the Middle-East
- Determining and maintaining quota in natural gas and crude oil production by the Organization of Petroleum Exporting Countries (OPEC) and other petroleum producing countries
- Demand and supply of natural gas, crude oil and finished petroleum products both globally and regionally
- Government's related rules and regulations in the domestic and international levels
- Weather conditions
- Global economic circumstances

The important risk occurring from the fluctuation of oil prices is depreciation of gross margin. Raw material price moves according to the monthly average price of MOPS (Mean of Platt's Singapore) of 4 products comprising Naphtha, Kerosene, Gas Oil and Fuel Oil, and varies proportionately at the delivery date in Singapore's spot market. The Company's selling prices, however, are based on those listed in the domestic market, which is determined by the average price at MOPS at the date of products sold. The average price of MOPS may change during the lapse time of the date of raw material delivered and date of products sold. This eventually results in the fluctuation in gross margin.

To reduce the risk of price movements on revenue and cost, the Company has been monitoring and managing the production time so that the interval period between the raw material delivery and product sales is minimized. At present, the lapse time is less than 3 days or equivalent to the amount of not more than 5 million litres of refined oil.

Risk associated with Government's intervention on price

This risk basically stems from the possibility that the government may have to intervene to determine the finished oil price within the country, especially during the skyrocketing price of crude and finished oils in the world market. This is an effort to control inflation rate for the nations' benefit as a whole. However, this intervention may negatively affect the Company's business operation and financial status.

However, the Company does not perceive high impact from the government's intervention. This is due to the fact that the intervention measure is usually conducted on the short-term basis so as to alleviate hardship during the period of skyrocketing global oil price. Moreover, while setting the low price for consumers, the government actually reimburses the refinery business for any lost revenues resulting from the intervention. Therefore, the Company's gross refinery margin was not affected. Moreover, the Company has put an incessant endeavor to manage its inventory so as to reduce the said impact on the Company as much as possible.



Risk associated with safety concern and dangers arising from potential accidents or unprecedented events

This risk concerns potential mistakes or accidents that may take place in, and cause tremendous loss to, the oil refinery plant and/or oil depots. In this instance, the surrounding communities will be inevitably and badly affected.

To handle this risk factor, the Company has conducted the following procedures:

- Implementing a modernized safety management system so as to reduce possibly incurred losses from accidental disasters
- Assessing potential risks in every spot that may cause damage to the Company's properties, as well as injury to the employees
- Installing fire prevention and extinguishing equipments with the standard approved by NFPA (National Fire Protection Association), U.S.A.
- Providing regular practical trainings on fire control and fire drills, as the preparation measure for dealing with emergency. Firefighters, equipments, and tools are made readily available for prompt usage. In this regard, the outcome of each fire drill is reported to the relevant provincial government agency.
- Closely cooperating with related outside organizations such as the Industrial Estate so as to build up confidence in the Company's effective and efficient fire-fighting facilities
- Operating Bio-aid and safety system

Outcome

- The Company received three certificates for safety system assurance—OHSAS18001, BS 8800 and TIS 18001 from SGS Company Limited.
- The Company was awarded with ISO 14001 for environment management system.
- The Company was awarded with ISO 9000 Version 2000 to replace ISO 9002 Version 199 which expired on 8th January, 2004, and further upgraded to ISO 9000 Version 2004 in 2006.

Risk associated with fluctuation of Baht Currency Denomination

This type of risk may occur due to the direct and indirect impacts of Baht currency fluctuation on the Company. This is due to the fact that, although the Company's main revenue and cost of raw material is in Baht currency, the refined oil price and the cost of CR are fluctuating with the global market prices. Additionally, the Company has also earned foreign currency from its exports.



To handle this risk, the Company puts efforts in the following procedures:

- The effect from the fluctuation of the exchange rate on revenue will partly be offset with the cost of CR, which is also subject to exchange rate fluctuation (natural hedging).
- To prevent risk from the fluctuation in exchange rate, the Company has a policy to enter into a forward contract for the net balance between account receivable and account payable that are in foreign currency. On 31st December, 2011.



Related Transaction

Related transactions of the Rayong Purifier Public Company Limited (the “Company”) and its Subsidiaries with the connected persons in 2010 and 2011 are as follows:

Related transactions between the Company and Jazzy Creation Co., Ltd. (“Jazzy”)

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
The Company paid for printing and advertising.	<ul style="list-style-type: none"> Mr. Supapong Krishnakan, Chairman of the Executive Board and Director, and Mrs. Siraporn Krishnakan, Assistance Managing Director, are directors of Jazzy. 	0.09	0.04

Related transactions of the Rayong Purifier Public Company Limited and its Subsidiaries with Petro-Instruments Co., Ltd. (“PICO”)

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
The Company purchase equipments and consumable from PICO.	<ul style="list-style-type: none"> Mr. Satja Janetumnugul, Director, and Mr. Suthud Khancharoensuk, Director, are directors of PICO. 	0.08	0.27
The Company received management fees from PICO		-	0.04
SCT Sahaphand Co., Ltd. ; a subsidiary; receive payment from the construction of building extension and improvement, and radiation shielding projects.		15.04	0.50

Related transactions of the Rayong Purifier Public Company Limited and its Subsidiaries with Blue Planet Travel Agency Co., Ltd.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
The Company paid for business air-traveling expenses.	<ul style="list-style-type: none"> Mr. Bibit Bijaisoradat, Independent Director, is a Director of Blue Planet Travel Agency Co., Ltd.. 	0.63	0.59



Related transactions of the Company and its subsidiaries with Village Farm & Friend Co., Ltd. and Village Farm Marketing Co., Ltd.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
The Company paid entertainment fees to Village Farm Marketing Co., Ltd.	<ul style="list-style-type: none"> Mr. Viravat Chovanich; Chairman of the Board of Directors; is a director of Village Farm & Friend Co., Ltd. and Village Farm Marketing Co., Ltd. 	0.01	0.01

Related transactions of the Company's subsidiaries with Sammakorn Public Company Limited.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
Pure Sammakorn Development Co., Ltd.; a subsidiary; paid land rental fee and electricity to Pure Sammakorn PCL.	<ul style="list-style-type: none"> Mr. Bibit Bijaisoradat, Independent Director, is a director of Sammakorn PCL. 	2.20	2.24
Pure Thai Energy Co., Ltd. ("PTEC"); a subsidiary; received oil sale from Pure Sammakorn PCL.		0.81	1.15
Pure Thai Energy Co., Ltd. ("PTEC"); a subsidiary; paid return of joint venture to Pure Sammakorn PCL.		0.53	0.42

Related transactions between the Company and Honest & Efficient Co.,Ltd.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
The Company paid for inspection fees to Honest & Efficient Co.,Ltd.	<ul style="list-style-type: none"> Mr. Supapong Krishnakan, Chairman of the Executive Board and Director, and Mrs. Siraporn Krishnakan, Assistance Managing Director, are directors of Honest & Efficient Co.,Ltd. 	-	0.30



Related transactions of the Company's subsidiaries with Mongkol Chaipattana Co.,Ltd.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
Pure Thai Energy Co., Ltd. ("PTEC"); a subsidiary; paid entertainment fees to Mongkol Chaipattana Co.,Ltd.	<ul style="list-style-type: none"> Mr. Bibit Bijaisoradat, Independent Director, is a director of Mongkol Chaipattana Co.,Ltd. 	-	0.077

Related transactions of the Company's subsidiaries, directors, and connected persons.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
Pure Biodiesel Co., Ltd.; a subsidiary; paid interest from received financial assistance in the form of promissory notes (P/N) to directors, managements, and connected persons as follows.			
<ul style="list-style-type: none"> P/N with interest rate of 5.75% 	<ul style="list-style-type: none"> Sister of Mr. Suwinai Suwanhirunkul, Director and Managing Director 	-	0.142
<ul style="list-style-type: none"> P/N with interest rate of 5.75% 	<ul style="list-style-type: none"> Family of Mr. Sumit Chanmatee, Director 	-	0.235
<ul style="list-style-type: none"> P/N with interest rate of 5.75% 	<ul style="list-style-type: none"> Related companies of Mr. Bibit Bijaisoradat, Independent Director 	-	0.200



Related transactions of the Company, its directors, and connected persons.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2010	2011
The Company paid interest from received financial assistance in the form of promissory notes (P/N) and loan agreements from directors, managements, and connected persons as follows.			
• Loan agreements with interest rate of 5.75%	• Family of Mr. Arnooparp Charmikorn, Independent Director	0.45	1.78
• Loan agreements with interest rate of 5.75%	• Mr. Tawat Ungsuprasert, Director	0.004	0.14
• P/N and loan agreements with interest rate 5.75%	• Family of Mr. Suwinai Suwanhirunkul, Director and Managing Director	0.88	1.33
• Loan agreements with interest rate of 5.75%	• Wife of Mr. Suthud Khancharoensuk, Director	0.001	0.06
• P/N and loan agreements with interest rate of 5.75%	• Family of related companies and Mr. Satja Janetumnugul, Director	4.00	8.60
• P/N and loan agreements with interest rate of 5.75%	• Mr. Sumit Chanmatee, Director, and children	1.78	1.43
• P/N with interest rate of 5.75%	• Related companies of Mr. Bibit Bijaisoradat, Independent Director	0.75	1.32



The overall petroleum industry in 2011, the price fluctuation of crude oil and refined oil was volatile and continuously increased. Fluctuations up and down throughout the year due to the earthquake in Japan and unrest in the Middle East and North Africa and the anxiety on the situation of American economics, the public debt of Europe and downgrade of U.S. rating also caused depreciation to the U.S. currency and affecting the oil price to fluctuate upwards.

In 2011, Rayong Purifier Public Company Limited and its subsidiaries had Total Revenue of 24,452 million Baht, increased by 4,708 million Baht or 24% compared to 19,744 million Baht of the previous year. Total Cost of Goods Sold and Services was 23,499 million Baht, increased by 4,463 million Baht or 23% compared to previous year of 19,036 million Baht resulting from approximately 20 USD/BBL increase in average Gas Oil price in 2011, the annual Sales Volume increase to 897 million liters from 809 million liters of the previous year and the appreciation of Thai Baht.

Total Selling and Administrative Expenses was 593 million Baht, increased by 142 million Baht from previous year of 451 million Baht. The increased was from reserves of employee benefits in case of lay-off, Directors' Remuneration and the increase in Transportation cost which reflect the increase of domestic sales

In 2011 the Company and its subsidiaries had 171 million Baht Net Profit or 0.32 Baht per share, decreased by 25 million Baht or 13% YoY compared to 196 million Baht or 0.40 Baht per share in the previous year.

As of 31 December 2011, the Company and its subsidiaries had Total Assets of 4,067 million Baht; Total Liabilities of 2,519 million Baht; and Shareholders' Equity of 1,548 million Baht.



The Board of Directors is responsible for the financial statement and information of Rayong Purifier Public Co.,Ltd. and its subsidiaries as appeared in the annual report. The financial statement was prepared according to the generally accepted accounting standards using appropriate accounting policies with consistent practices. The judgment thereof was exercised cautiously with the best applicable estimates and adequate disclosure of important information in the financial remarks.

The Board of Directors has provided and maintained the efficient internal control system, to assure that the accounting records be thorough, accurate, and adequate to keep all assets, and to be notified of possible weaknesses to assure that the financial statements are free of material misstatements.

In this aspect, the Board of Directors has authorized the Audit Committee comprising non-executive committees to supervise the quality of financial statement, and the internal control system. Their opinion thereof appears in the report of Audit Committee.

The Board of Directors perceived that the Company's overall internal control system is in the acceptable and reliable level as appearing in the financial statement of the Company and its subsidiaries as of 31st December, 2011.

Mr. Satja Janetumnugul
Chairman of the Board of Directors



February 17, 2012

Subject: Performance report of the Audit Committee 2011 as per the scope of duties and responsibilities

To: The Board of Directors of Rayong Purifier Public Company Limited

The Audit Committee (the "Committee") performed its duties in accordance with the scope of duties and responsibilities set forth in the Audit Committee Charter, which complies with the regulations of The Stock Exchange of Thailand and authorized by the Board of Directors (the "Board").

For the accounting period of 2011, the Committee has performed its duties independently. The Committee met five times during the year with the management, external auditor, and internal auditor as appropriate to discuss the following issues:

1. Financial Statement and accounting practice according to the International Accounting Standards: The Committee reviewed Rayong Purifier Public Company Limited's (the "Company") quarterly and yearly financial statements for the accounting period of 2011 with management and external auditor. The Committee reviewed the opinion of the external auditor on the Company's financial statements and the disclosure of essential information and concurred that the financial statements were prepared according to the compliance with the International Financial Reporting Standards (IFRS) and that the disclosure of essential information was adequate.

The Committee also met with the external auditors without the presense of the Company's management to consider the system of internal controls and the 2012 external audit plan of the Company and its subsidiaries.

2. Related Transactions: The Committee considered the disclosure of Related Transactions and other transactions that may cause a conflict of interest, which the external auditor had expressed an opinion that the Company's transactions with related companies are disclosed in the Financial Statements and recorded in the notes to the Financial Statements. The Committee agreed with the opinion of the external auditor. Furthermore, the Committee expressed that the transactions were of sound business practices and for the best interest of the Company; and the disclosures were accurate, adequate, and in compliance with related laws and the regulations of the Stock Exchange of Thailand.

3. System of internal controls and independence of the internal audit function: The Committee reviewed the internal audit reports and the progress of the implementation of the approved Annual Audit Plan quarterly. Furthermore, the Committee advised the internal audit function to continue to perform effectively and efficiently, and diligently conducts follow-up reviews to ensure that material issues were corrected and the system of internal controls is adequate and effective. The Committee also reviewed the risk management policies and the progress of the management of risks and agreed that the risk management process was appropriate and effective, and that the internal audit function was adequately independent.



4. Compliance with applicable laws and regulations: The Committee reviewed the compliance with the Securities and Exchange Acts, the regulations of the Stock Exchange of Thailand (SET), and other laws relevant to the business practices of the Company. The Committee concluded that the Company's operation complied with all applicable laws and regulations and no issue existed.

5. Appointment of the external auditors and their remuneration: The Committee considered that the performance, the reputation, the scope of work, and the independency of the external auditors of the previous year to be appropriate. For the year 2011, the Committee recommended that the Board propose to the Shareholders, the appointment of the auditors from ERNST & YOUNG to serve as the Company's external auditor for the year 2012.

6. Good Corporate Governance: The Company recognized the importance of and continued to operate within the Good Corporate Governance principles. The Committee ensured that the Company accurately and adequately disclosed relevant information and promoted good corporate governance, transparency, and ethics; thus creating confidence among of shareholders, investors, employees and other parties. The Committee also reviewed the method of reporting the interest of the Company's directors and management in accordance with the Securities and Exchange Act.

In summary, the Committee has performed duties as described in the Audit Committee Charter which was approved by the Board. Furthermore, the Committee considered that the Company recognized the importance of good corporate governance which resulted in adequate and effective system of internal controls without any defects; appropriate and effective risk management process; and the Company's Financial Statement and information disclosure were accurate, completed, and in accordance with generally accepted accounting principles. The Company accurately and completely disclosed information concerning related transactions that might lead to conflict of interest; and adhered to related laws, rules, regulations, and other related requirements.

On behalf of the Audit Committee

(Dr. Vichit Yamboonruang)

Chairman of the Audit Committee

Rayong Purifier Public Company Limited



Report of Independent Auditor

To the Shareholders of Rayong Purifier Public Company Limited

I have audited the accompanying consolidated statements of financial position of Rayong Purifier Public Company Limited and its subsidiaries as at 31 December 2011 and 2010, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and have also audited the separate financial statements of Rayong Purifier Public Company Limited for the same periods. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

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.

1. As discussed in Note 1.2 and Note 41.3 a) to the financial statements, the Company is involved in a significant commercial dispute and outstanding litigation with its major raw material supplier. At present, these are under formal arbitration proceedings and litigation, meaning their outcomes cannot be determined and depend on the future judicial process. As a consequence of the dispute, the major raw material supplier has stopped delivering raw materials to the Company since February 2012, which has forced the Company to cease production since it has been unable to find new suppliers of these raw materials. This matter raises substantial doubt about the Company's ability to continue as a going concern, with uncertainty regarding the results of the commercial dispute and outstanding litigation, the ability to find a new source of raw materials and the possibility of relocating the plant to be close to this new source. I expressed an unqualified opinion on the financial statements for the year 2010, drawing attention to the commercial dispute and outstanding litigation with the major raw material supplier. However, in 2011, the uncertainty has increased to the point where it could materially affect the financial statements for the current year.



2. The Company is in the process of reviewing the recoverable amount in order to review impairment and make adjustments to the following accounts in accordance with generally accepted accounting principles.
 - a) Property, plant and equipment as presented in the consolidated statement of financial position as at 31 December 2011, amounted to Baht 1,187 million (Separate financial statements: Baht 602 million). Property, plant and equipment of the Company is in the process of being revalued by an independent professional appraiser, subsidiaries are in the process of reviewing for impairment by determining value in use using a discounted cash flow method.
 - b) Investments in subsidiaries, as presented in the separate statement of financial position as at 31 December 2011, amounted to Baht 432 million. The Company is in the process of reviewing for impairment using a discounted cash flow method.

Because of the uncertainties regarding ability to continue as a going concern discussed in paragraph 1) and the results of the impairment reviews of assets discussed in paragraph 2) could have a material effect on the consolidated financial statements of Rayong Purifier Public Company Limited and its subsidiaries and the separate financial statements of Rayong Purifier Public Company Limited for the year ended 31 December 2011, I do not express an opinion on these financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rayong Purifier Public Company Limited and its subsidiaries and of Rayong Purifier Public Company Limited as at 31 December 2010, and the results of their operations and cash flows for the years then ended, in accordance with generally accepted accounting principles.

I draw attention to Note 3 and Note 5 to the financial statements. During the year 2011, the Company adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in the preparation and presentation of its financial statements. The Company has restated the financial statements as at 31 December 2010 and for the year then ended to reflect the changes in accounting policies resulting from the adoption of these new accounting standards.

Sumalee Reewarabandith
Certified Public Accountant (Thailand) No. 3970
Ernst & Young Office Limited
Bangkok: 17 February 2012



Statements of financial position

Rayong Purifier Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
			(Restated)		(Restated)
Assets					
Current assets					
Cash and cash equivalents	8	523,807,608	203,383,398	420,383,176	64,568,882
Current investments	9	90,408,602	43,999,815	90,408,602	10,999,815
Trade and other receivables	10, 11	620,533,279	640,796,879	668,088,809	755,698,830
Prepaid expenses		21,801,425	21,904,973	10,626,036	10,108,564
Inventories	12	1,064,370,091	1,381,469,327	977,154,389	1,186,720,351
Short-term loans to and interest receivable from unrelated parties	13	3,100,000	1,000,000	3,100,000	1,000,000
Short-term loans to related parties	11	1,577,525	1,498,520	16,577,525	4,498,520
Current portion of long-term loans to unrelated parties	14	886,987	841,962	427,595	408,815
Other current assets	15	135,489,622	153,539,999	83,604,326	91,552,519
Total current assets		2,461,975,139	2,448,434,873	2,270,370,458	2,125,556,296
Non-current assets					
Pledged deposits at banks	16	97,780,291	90,000,000	90,000,000	90,000,000
Long-term loans to unrelated parties	14	3,064,649	3,951,635	931,349	1,358,944
Investments in associates	17	125,649,604	2,569,030	132,355,892	3,174,900
Investments in subsidiaries	18	-	-	431,849,079	520,598,064
Property, plant and equipment	19	1,319,883,158	1,755,664,765	601,974,986	661,429,045
Intangible assets	20	12,840,441	15,984,528	9,040,858	11,523,501
Other non-current assets	21	46,305,330	47,202,976	32,829,818	33,038,560
Total non-current assets		1,605,523,473	1,915,372,934	1,298,981,982	1,321,123,014
Total assets		4,067,498,612	4,363,807,807	3,569,352,440	3,446,679,310

The accompanying notes are an integral part of the financial statements.



Rayong Purifier Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
			(Restated)		(Restated)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	22	275,000,000	475,625,312	-	213,625,312
Trade and other payables	11, 23	1,596,404,294	1,489,605,964	1,575,913,399	1,394,140,896
Short-term loans from unrelated parties	24	12,690,000	2,590,000	1,000,000	1,000,000
Current portion of long-term loans from banks	25	140,000,000	79,055,014	-	-
Current portion of long-term loans from unrelated parties	26	24,000,000	-	24,000,000	-
Current portion of long-term loans from related parties	11	207,000,000	-	207,000,000	-
Current portion of liabilities under finance leases	19, 27	44,704,673	25,581,099	2,085,686	2,118,114
Corporate income tax payable		19,135,055	3,543,839	17,376,549	-
Provision for termination benefits	28	80,855,209	-	63,173,938	-
Other current liabilities	29	46,604,346	133,192,896	17,737,990	106,616,389
Total current liabilities		2,446,393,577	2,209,194,124	1,908,287,562	1,717,500,711
Non-current liabilities					
Long-term loans from banks	25	-	278,578,900	-	-
Long-term loans from unrelated parties	26	-	24,000,000	-	24,000,000
Long-term loans from related parties	11	-	292,000,000	-	292,000,000
Liabilities under finance leases	19, 27	69,903,301	51,348,667	3,629,174	5,714,859
Cash placed against guarantee - related party	11	-	-	-	6,240,000
Provision for long-term employee benefits	28	2,717,299	24,298,500	-	21,594,875
Rental deposits		394,576	37,933,560	-	-
Total non-current liabilities		73,015,176	708,159,627	3,629,174	349,549,734
Total liabilities		2,519,408,753	2,917,353,751	1,911,916,736	2,067,050,445

The accompanying notes are an integral part of the financial statements.



Statements of financial position (continued)

Rayong Purifier Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
			(Restated)		(Restated)
Shareholders' equity					
Share capital	1.1				
Registered					
802,870,229 ordinary shares of Baht 1 each		802,870,229	802,870,229	802,870,229	802,870,229
Issued and paid-up					
529,870,229 ordinary shares of Baht 1 each		529,870,229	529,870,229	529,870,229	529,870,229
Premium on ordinary shares		335,065,699	335,065,699	335,065,699	335,065,699
Retained earnings					
Appropriated					
Statutory reserve - the Company	30	80,304,817	53,004,817	80,304,817	53,004,817
- the subsidiary	30	50,000	50,000	-	-
Unappropriated		400,669,993	218,338,666	516,857,307	245,275,579
Other components of shareholders' equity		195,337,652	217,889,919	195,337,652	216,412,541
Equity attributable to owners of the Company		1,541,298,390	1,354,219,330	1,657,435,704	1,379,628,865
Non-controlling interests of the subsidiaries		6,791,469	92,234,726	-	-
Total shareholders' equity		1,548,089,859	1,446,454,056	1,657,435,704	1,379,628,865
Total liabilities and shareholders' equity		4,067,498,612	4,363,807,807	3,569,352,440	3,446,679,310

The accompanying notes are an integral part of the financial statements.

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Directors

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Income statements

Rayong Purifier Public Company Limited and its subsidiaries

Income statements

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
			(Restated)		(Restated)
Revenues					
Sales		24,211,666,064	19,544,492,930	19,267,878,633	15,787,560,694
Service income		195,779,911	166,551,011	-	-
Other income		44,951,495	32,889,866	96,190,043	116,435,387
Total revenues		24,452,397,470	19,743,933,807	19,364,068,676	15,903,996,081
Expenses					
Cost of sales		23,342,811,240	18,893,634,041	18,472,506,793	15,330,018,289
Cost of services		156,082,819	142,010,435	-	-
Selling expenses		120,611,012	103,103,540	164,173,053	150,545,585
Administrative expenses		472,613,525	348,054,368	289,612,471	187,849,706
Total expenses		24,092,118,596	19,486,802,384	18,926,292,317	15,668,413,580
Profit before share of loss from investments in associates, finance cost and corporate income tax		360,278,874	257,131,423	437,776,359	235,582,501
Share of loss from investments in associates	17	(4,623,038)	(1,396,824)	-	-
Profit before finance cost and corporate income tax		355,655,836	255,734,599	437,776,359	235,582,501
Finance cost		(67,360,773)	(54,127,292)	(30,483,074)	(31,708,869)
Profit before corporate income tax		288,295,063	201,607,307	407,293,285	203,873,632
Corporate income tax		(115,301,443)	(9,188,533)	(108,291,708)	-
Profit for the year		172,993,620	192,418,774	299,001,577	203,873,632
Profit (loss) attributable to:					
Equity holders of the Company		170,732,464	195,998,807	299,001,577	203,873,632
Non-controlling interests of the subsidiaries		2,261,156	(3,580,033)		
		172,993,620	192,418,774		
Basic earnings per share	37				
Profit attributable to equity holders of the Company		0.32	0.40	0.56	0.41
Weighted average number of ordinary shares (shares)		529,870,229	495,191,955	529,870,229	495,191,955

The accompanying notes are an integral part of the financial statements.



Statements of comprehensive income

Rayong Purifier Public Company Limited and its subsidiaries

Statements of comprehensive income

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
Profit for the year	172,993,620	192,418,774	299,001,577	203,873,632
Other comprehensive income:				
Exchange differences on translation of financial statements in foreign currency	(1,477,378)	1,477,378	-	-
Other comprehensive income for the year	(1,477,378)	1,477,378	-	-
Total comprehensive income for the year	171,516,242	193,896,152	299,001,577	203,873,632
Total comprehensive income attributable to:				
Equity holders of the Company	169,255,086	197,476,185	299,001,577	203,873,632
Non-controlling interests of the subsidiaries	2,261,156	(3,580,033)		
	171,516,242	193,896,152		

The accompanying notes are an integral part of the financial statements.

Rayong Purifier Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements												
	Equity attributable to owners of the Company											Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings				Treasury stock	Other components of shareholders' equity			Total equity attributable to shareholders of the Company		
			Appropriated		Unappropriated (deficit)	Other comprehensive income - exchange differences on translation of financial statements in foreign currency		Revaluation surplus on assets	Total other components of shareholders' equity				
			The Company	The subsidiary						Treasury stock reserve			
Balance as at 31 December 2009													
as previously reported	529,870,229	335,065,699	53,004,817	-	220,549,808	(49,565,860)	(220,549,808)	-	237,734,952	237,734,952	1,106,109,837	33,583,394	1,139,693,231
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	-	-	(20,576,789)	-	-	-	-	(20,576,789)	(88,851)	(20,665,640)
Balance as at 31 December 2009 -													
as restated	529,870,229	335,065,699	53,004,817	-	220,549,808	(70,142,649)	(220,549,808)	-	237,734,952	237,734,952	1,085,533,048	33,494,543	1,119,027,591
Total comprehensive income for the year (restated)	-	-	-	-	-	195,998,807	-	1,477,378	-	1,477,378	197,476,185	(3,580,033)	193,896,152
Amortisation of revaluation surplus on assets (Note 31)	-	-	-	-	-	21,322,411	-	-	(21,322,411)	(21,322,411)	-	-	-
Dividend paid (Note 40)	-	-	-	-	-	(42,378,138)	-	-	-	-	(42,378,138)	-	(42,378,138)
Unappropriated retained earnings transferred to statutory reserve (Note 30)	-	-	-	50,000	-	(50,000)	-	-	-	-	-	-	-
Adjustment of treasury stock reserve	-	-	-	-	(220,549,808)	220,549,808	-	-	-	-	-	-	-
Disposals of treasury stock (Note 32)	-	-	-	-	-	(106,961,573)	220,549,808	-	-	-	113,588,235	-	113,588,235
Capital increase of non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	62,832,501	62,832,501
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(512,285)	(512,285)
Balance as at 31 December 2010	529,870,229	335,065,699	53,004,817	50,000	-	218,338,666	-	1,477,378	216,412,541	217,889,919	1,354,219,330	92,234,726	1,446,454,056

The accompanying notes are an integral part of the financial statements.

Rayong Purifier Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements												
	Equity attributable to owners of the Company												
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Treasury stock	Other components of shareholders' equity			Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
			Appropriated		Unappropriated (deficit)		Other comprehensive income - exchange differences on translation of financial statements in foreign currency	Revaluation surplus on assets	Total other components of shareholders' equity				
			The Company	The subsidiary									Treasury stock reserve
Balance as at 31 December 2010 -													
as previously reported	529,870,229	335,065,699	53,004,817	50,000	-	242,459,698	-	1,477,378	216,412,541	217,889,919	1,378,340,362	92,412,194	1,470,752,556
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	-	-	(24,121,032)	-	-	-	-	(24,121,032)	(177,468)	(24,298,500)
Balance as at 31 December 2010 -													
as restated	529,870,229	335,065,699	53,004,817	50,000	-	218,338,666	-	1,477,378	216,412,541	217,889,919	1,354,219,330	92,234,726	1,446,454,056
Cumulative effect of change in accounting policy for investment property (Note 3)	-	-	-	-	-	39,018,712	-	-	-	-	39,018,712	37,488,566	76,507,278
Total comprehensive income for the year	-	-	-	-	-	170,732,464	-	(1,477,378)	-	(1,477,378)	169,255,086	2,261,156	171,516,242
Amortisation of revaluation surplus on assets (Note 31)	-	-	-	-	-	21,074,889	-	-	(21,074,889)	(21,074,889)	-	-	-
Lost control of a subsidiary (Note 18.4)	-	-	-	-	-	-	-	-	-	-	-	(125,192,979)	(125,192,979)
Unappropriated retained earnings transferred to statutory reserve (Note 30)	-	-	27,300,000	-	-	(27,300,000)	-	-	-	-	-	-	-
Dividend paid (Note 40)	-	-	-	-	-	(21,194,738)	-	-	-	-	(21,194,738)	-	(21,194,738)
Balance as at 31 December 2011	529,870,229	335,065,699	80,304,817	50,000	-	400,669,993	-	-	195,337,652	195,337,652	1,541,298,390	6,791,469	1,548,089,859

The accompanying notes are an integral part of the financial statements.

Rayong Purifier Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Separate financial statements								
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Treasury stock	Other components of shareholders' equity		Total shareholders' equity
			Appropriated		Unappropriated (deficit)		Revaluation surplus on assets	Total other components of shareholders' equity	
			Statutory reserve	Treasury stock reserve					
Balance as at 31 December 2009 - as previously reported	529,870,229	335,065,699	53,004,817	220,549,808	(31,578,259)	(220,549,808)	237,734,952	237,734,952	1,124,097,438
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	-	(19,552,302)	-	-	-	(19,552,302)
Balance as at 31 December 2009 as restated	529,870,229	335,065,699	53,004,817	220,549,808	(51,130,561)	(220,549,808)	237,734,952	237,734,952	1,104,545,136
Total comprehensive income for the year (restated)	-	-	-	-	203,873,632	-	-	-	203,873,632
Amortisation of revaluation surplus on assets (Note 31)	-	-	-	-	21,322,411	-	(21,322,411)	(21,322,411)	-
Dividend paid (Note 40)	-	-	-	-	(42,378,138)	-	-	-	(42,378,138)
Adjustment of treasury stock reserve	-	-	-	(220,549,808)	220,549,808	-	-	-	-
Disposals of treasury stock (Note 32)	-	-	-	-	(106,961,573)	220,549,808	-	-	113,588,235
Balance as at 31 December 2010	529,870,229	335,065,699	53,004,817	-	245,275,579	-	216,412,541	216,412,541	1,379,628,865
Balance as at 31 December 2010 - as previously reported	529,870,229	335,065,699	53,004,817	-	266,870,454	-	216,412,541	216,412,541	1,401,223,740
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	-	(21,594,875)	-	-	-	(21,594,875)
Balance as at 31 December 2010 - as restated	529,870,229	335,065,699	53,004,817	-	245,275,579	-	216,412,541	216,412,541	1,379,628,865
Total comprehensive income for the year	-	-	-	-	299,001,577	-	-	-	299,001,577
Amortisation of revaluation surplus on assets (Note 31)	-	-	-	-	21,074,889	-	-	(21,074,889)	-
Unappropriated retained earnings transferred									
to statutory reserve (Note 30)	-	-	27,300,000	-	(27,300,000)	-	-	-	-
Dividend paid (Note 40)	-	-	-	-	(21,194,738)	-	-	-	(21,194,738)
Balance as at 31 December 2011	529,870,229	335,065,699	80,304,817	-	516,857,307	-	216,412,541	195,337,652	1,657,435,704

The accompanying notes are an integral part of the financial statements.



Statements of cash flows

Rayong Purifier Public Company Limited and its subsidiaries

Statements of cash flows

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
Cash flows from operating activities				
Profit before tax	288,295,063	201,607,307	407,293,285	203,873,632
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: Depreciation and amortisation	170,046,179	166,841,080	64,042,621	64,123,382
Allowance for doubtful debts (reversal)	(2,073,059)	91,473	-	206,799
Reduce cost of inventories to net realisable value (reversal)	(250,811)	279,591	-	-
Gains on sales of current investments	(642,471)	(262,445)	(491,376)	(88,238)
Losses (gains) on the change in value of current investments	(108,787)	185	(108,787)	185
Losses (gains) on sales of equipment	(733,322)	(905,977)	806	(852,542)
Provision for termination benefits and provision for long-term employee benefits	59,689,754	3,632,860	41,579,063	2,042,573
Unrealised exchange gain	(154,400)	(1,409,838)	(154,400)	(1,409,838)
Interest income	(5,863,630)	(1,862,541)	(6,743,976)	(3,532,984)
Interest expense	63,407,427	50,717,850	27,226,442	29,009,256
Share of loss from investments in associates	4,623,038	1,396,824	-	-
Loss (gain) on recognising investment retained in the former subsidiary at fair value (Note 18.4)	1,122,896	-	(14,431,392)	-
Dividend income from subsidiary	-	-	-	(46,499,907)
Profit from operating activities before changes in operating assets and liabilities	577,357,877	420,126,369	518,212,286	246,872,318
Operating assets (increase) decrease				
Trade and other receivables	10,675,188	(497,453,812)	89,465,482	(273,114,911)
Prepaid expenses	103,548	(6,943,537)	(517,472)	(1,673,711)
Inventories	317,350,047	(336,126,204)	209,565,962	(295,684,866)
Other current assets	(552,488)	66,886,551	1,126,785	64,186,701
Other non-current assets	(628,106)	(1,940,944)	208,742	(508,564)

The accompanying notes are an integral part of the financial statements.



Rayong Purifier Public Company Limited and its subsidiaries

Statements of cash flows (Continued)

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
		(ปรับปรุงใหม่)		(ปรับปรุงใหม่)
Operating liabilities increase (decrease)				
Trade and other payables	162,491,721	447,473,440	181,772,503	371,169,628
Other current liabilities	(85,099,768)	(4,243,447)	(88,802,030)	(15,744,632)
Other non-current liabilities	(9,227,491)	17,463,666	-	-
Cash from operating activities	972,470,528	105,242,082	911,032,258	95,501,963
Cash paid for interest expense	(46,900,878)	(32,345,950)	(27,302,811)	(31,826,962)
Cash received from corporate income tax refunded	7,677,863	-	5,025,962	-
Cash paid for corporate income tax	(99,820,290)	(10,976,136)	(90,915,159)	(3,150,675)
Net cash from operating activities	833,427,223	61,919,996	797,840,250	60,524,326
Cash flows from investing activities				
Decrease in pledged deposits at banks	(7,780,291)	-	-	-
Interest received	5,488,734	1,977,647	6,369,080	3,648,090
Dividend received from subsidiary	-	-	-	46,499,907
Cash paid for purchases of current investments	(1,936,000,000)	(1,551,100,000)	(1,269,000,000)	(549,000,000)
Proceeds from sales of current investments	1,890,342,471	1,583,362,445	1,190,191,376	538,088,238
Net cash paid for acquisitions of investments in subsidiaries (Note 18.3)	-	-	(26,000,615)	(129,217,500)
Increase in short-term loans to unrelated parties	(2,100,000)	-	(2,100,000)	-
Increase in short-term loans to related parties	-	(1,498,520)	(12,000,000)	(4,498,520)
Cash received from advance to related party	-	30,000,000	-	30,000,000
Decrease (increase) in long-term loans to unrelated parties	841,961	(1,393,597)	408,815	(1,767,759)
Proceeds from sales of equipment	3,888,424	1,590,958	9,510	1,315,040
Acquisitions of investment properties	(33,916,730)	-	-	-
Acquisitions of property, plant and equipment	(52,574,725)	(330,281,866)	(2,092,485)	(8,781,890)
Acquisitions of intangible assets	(204,820)	(1,391,492)	(23,750)	(121,589)
Net cash used in investing activities	(132,014,976)	(268,734,425)	(114,238,069)	(73,835,983)

The accompanying notes are an integral part of the financial statements.



Statements of cash flows (continued)

Rayong Purifier Public Company Limited and its subsidiaries

Statements of cash flows (Continued)

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from banks	(199,954,746)	(436,368,903)	(213,235,036)	(636,478,903)
Increase (decrease) in short-term loans from unrelated parties	10,100,000	(79,925,000)	-	-
Increase (decrease) in short-term loans from related parties	300,000	(31,300,000)	-	-
Cash receipt from long-term loans from banks	30,265,389	128,829,936	-	-
Repayment of long-term loans from banks	(59,164,529)	(54,504,000)	-	-
Increase in long-term loans from unrelated parties	-	24,000,000	-	24,000,000
Increase (decrease) in long-term loans from related parties	(85,000,000)	292,000,000	(85,000,000)	292,000,000
Repayment of liabilities under finance leases	(39,238,247)	(19,240,721)	(2,118,113)	(2,426,528)
Increase (decrease) in cash placed against guarantee related party-	-	-	(6,240,000)	6,240,000
Net cash receipt from disposals of treasury stock	-	113,588,235	-	113,588,235
Receipts from capital increase of non-controlling interests of a subsidiary	-	62,832,501	-	-
Dividend paid to shareholders by the Company	-21,194,738	-42,378,138	(21,194,738)	(42,378,138)
Dividend paid to non-controlling interests of subsidiaries	-	(512,285)	-	-
Cash paid for interest expense	(17,101,166)	(21,397,131)	-	-
Net cash used in financing activities	(380,988,037)	(64,375,506)	(327,787,887)	(245,455,334)
Net increase (decrease) in cash and cash equivalents	320,424,210	(271,189,935)	355,814,294	(258,766,991)
Cash and cash equivalents at beginning of year	203,383,398	474,573,333	64,568,882	323,335,873
Cash and cash equivalents at end of year	523,807,608	203,383,398	420,383,176	64,568,882
Supplemental cash flows information:				
Non-cash transactions				
Decrease in other payables from purchases of plant and equipment	(12,190,753)	(7,794,291)	-	-
Acquisitions of vehicles by finance leases	76,916,455	44,676,437	-	4,222,311
Amortisation of revaluation surplus on assets	21,704,889	21,322,411	21,074,889	21,322,411
Increase in investment properties due to changing in fair value	76,507,278	-	-	-

The accompanying notes are an integral part of the financial statements.

**Rayong Purifier Public Company Limited and its subsidiaries****Notes to consolidated financial statements****For the years ended 31 December 2011 and 2010****1. General information****1.1 Corporate information**

Rayong Purifier Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and trading of fuel oil and petrochemical products. The registered office of the Company, which is the head office, is located at 14th Floor, Shinawatra Tower 3, 1010 Viphavadi Rangsit Road, Khwang Chatuchak, Khet Chatuchak, Bangkok. The Company's branch, which is the plant, is located at 7/3 Pakorn Songkrohrad Road, Map-ta-phut, Muang Rayong, Rayong. In addition, the Company has 4 branches, which are oil depots, in Nakhonsawan, Nakhonratchasima, Chonburi and Rayong province.

The Company's major shareholder is Petro-Instruments Company Limited, a limited company under Thai laws, which as at 31 December 2011 and 2010 held 29.87% of the issued and paid-up capital of the Company.

The Extraordinary General Meeting of the Company's shareholders, held on 5 March 2010, approved a resolution to increase the Company's registered capital to Baht 802.87 million (802.87 million ordinary shares with a par value of Baht 1 each), through the issue of 273 million additional ordinary shares. The offering would be through the issue of Taiwan Depositary Receipts (TDR) in the Republic of China (Taiwan). The Company registered the increase of its capital with the Ministry of Commerce on 19 March 2010.

On 3 June 2011, the Company submitted the TDR offering plan to TWSE and consequently, TWSE notified the Company by letter dated 17 August 2011 that it was returning the TDR offering plan, and requesting that the Company resubmit it once the issue of the major raw material has been clarified.

The Company's Board of Directors meeting, held on 2 September 2011, approved the following resolutions.

- 1) Acknowledge the result of TDR offering plan, whereby TWSE returned the application and announce cessation of processes related to the TDR offering plan.
- 2) Cancel the support in issuing and offering of TDR for the existing 30 million ordinary shares and return the shares to the shareholders.



1.2 Fundamental accounting assumptions

As discussed in Note 41.3 a) to the financial statements, the Company is involved in a significant commercial dispute and outstanding litigation with its major raw material supplier. At present, these are under formal arbitration proceedings and litigation, meaning their outcomes cannot be determined and depend on the future judicial process. As a consequence of the dispute, the major raw material supplier has stopped delivering raw materials to the Company since February 2012, which has forced the Company to cease production since it has been unable to find new suppliers of these raw materials. This matter raises substantial doubt about the Company's ability to continue as a going concern and to realise assets and settle liabilities in the ordinary course of business, with uncertainty regarding the results of the commercial dispute and outstanding litigation, the ability to find a new source of raw materials and the possibility of relocating the plant to be close to this new source. Therefore, the Company's financial statements have been prepared under the going concern basis, without making the adjustments to assets to their net realisable values and adjustments to liabilities to the amounts to be paid that would need to be made in the accounts if the Company were not be able to continue as a going concern.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Rayong Purifier Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries").

Company's name	Nature of business	Place of incorporation	Percentage of shareholding	
			2011	2010
			%	%
Pure Biodiesel Co., Ltd.	Manufacture and distribution of biodiesel (B100) and crude glycerin	Thailand	100	100
Pure Sammakorn Development Co., Ltd.	Real estate rental and service	Thailand	-	51
Pure Thai Energy Co., Ltd.	Trading of fuel oil	Thailand	100	100
SCT Petroleum Co., Ltd. and its subsidiaries	Trading of fuel oil	Thailand	100	100
SCT Sahaphan Co. Ltd	Distribution and maintenance of gas station equipment	Thailand	78	78



- b) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
 - e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, which present investments in subsidiaries and associates presented under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards during the year

During the current year, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:

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 11 (revised 2009)	Construction Contracts
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 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting

**Accounting standards:**

TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property

Financial reporting standards:

TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

Financial Reporting Standard Interpretations:

TFRIC 15	Agreements for the Construction of Real Estate
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Accounting Standard Interpretations:

SIC 31	Revenue-Barter Transactions Involving Advertising Services
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These accounting standards do not have any significant impact on the financial statements, except for the following accounting standards.

TAS 19 Employee Benefits

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

The Company and its subsidiaries have changed this accounting policy in the current year and recognised the liability in the transition period retrospectively as though the Company and its subsidiaries initially recorded these employee benefit expenses. The change has the effect of decreasing the profit of the Company and its subsidiaries for the year 2011 by Baht 60 million, (0.11 Baht per share) (Separate financial statements: decreasing profit by Baht 42 million, or 0.08 Baht per share). The cumulative effect of the changes in the accounting policy has been presented in Note 5 to the financial statements

TAS 40 (revised 2009) Investment Property

This accounting standard requires entities to choose to recognise investment property either under the cost model (with disclosure of fair value in the notes to financial statements) or the fair value model, whereby changes in fair value are to be recognised in profit or loss. Investment property was previously recognised under the caption of Property, Plant and Equipment, which is measured using the cost model.



In adopting the new accounting policy, its subsidiary separately presents investment property and measures it using the fair value model, commencing in the current year. The subsidiary has recognised the effect of the change in accounting policy as an adjustment to the opening balance of retained earnings for the year. The change has the effect of increasing profit of the Company and its subsidiaries for the year 2011 by Baht 10 million (0.019 Baht per share) (Separate financial statements: nil). The cumulative effect of the change in accounting policy has been separately presented in the statement of changes in shareholders' equity.

Movements of the investment properties account during the year 2011 are summarised below.

(Unit: Thousand Baht)	
	Consolidated financial statements
Net book value as at 1 January 2011	-
Transferred from property, plant and equipment account	343,614
Increase due to changing in fair value	76,507
Acquisitions during period - at cost	33,917
Lost control of a subsidiary (Note 18.4)	(454,038)
Net book value as at 31 December 2011	-

4. New accounting standards issued during the years not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Accounting Standard Interpretations:

SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standards.



TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognise deferred tax assets and liabilities under the stipulated guidelines.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

5. Cumulative effect of changes in accounting policies due to the adoption of new accounting standards

During the current year, the Company and its subsidiaries made the changes to their significant accounting policies described in Note 3 to the financial statements, as a result of the adoption of TAS 19 Employee Benefits. The cumulative effect of the change in the accounting policy has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the financial statements as at 31 December 2010 and for the year ended 31 December 2010 are summarised below.

(Unit: Thousand Baht)

	31 December 2010	
	Consolidated financial statements	Separate financial statements
Statements of financial position		
Increase in provision for long-term employee benefits	24,298	21,595
Decrease in non-controlling interests of the subsidiaries	177	-
Decrease in unappropriated retained earnings	24,121	21,595

(Unit: Thousand Baht)

	For the year ended 31 December 2010	
	Consolidated financial statements	Separate financial statements
Income statements		
Increase in employee expenses	3,633	2,043
Increase in loss attributable to non-controlling interests of the subsidiaries	89	-
Decrease in profit attributable to equity holders of the Company	3,544	2,043
Decrease in basic earnings per share (Baht)	0.007	0.004



6. Significant accounting policies

6.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Revenue from transportation service

Revenue from transportation service is recognised on an accrual basis when service has been rendered.

Revenues from construction services

Revenues from construction services are recognised when services have been rendered taking into account the stage of completion. The stage of completion measured by the proportion of actual construction cost incurred up to the end of the year and the total anticipated construction cost to be incurred to completion. Provision for the total anticipated loss on construction projects will be made in the accounts as soon as the possibility of loss is ascertained.

Revenues from rental and service

Revenues from rental and service are recognised on an accrual basis in accordance with the rental period and the rates specified in the contracts.

Management fee income

Management fee income is recognised on an accrual basis in accordance with the terms and conditions specified in the contracts.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

6.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

6.3 Trade receivables

Trade receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.



6.4 Inventories

Inventories are valued at the lower of average cost and net realisable value. Cost of finished goods produced includes raw materials, direct labour and production overheads.

6.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

6.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

6.7 Property, plant and equipment and depreciation

Land is stated at revalued amount. Plant and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under the heading of "Revaluation surplus on assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.



- When an asset's carrying amount is decreased as a result of a revaluation of the Company's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus on assets" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives:

Building improvements	- 5 - 30 years
Buildings	- 20 - 40 years
Machinery and equipment	- 5 - 20 years
Office furniture, fixture and equipment	- 3 - 5 years
Motor vehicles	- 5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

6.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

6.9 Intangible assets and amortisation

Intangible assets acquired are recognised at cost on the date of acquisition. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The useful lives of software are 5 and 10 years.

No amortisation is provided on software under installation.



6.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

6.11 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership to the lessee are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

6.12 Treasury stock

Treasury stock is stated at cost and presented as a deduction from shareholders' equity. Gains on disposal of treasury stock are determined by reference to the carrying amount and are presented as premium on treasury stock. Losses on disposal of treasury stock are determined by reference to the carrying amount and are presented as a deduction from premium on treasury stock, with any remaining amount charged to retained earnings.

6.13 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

6.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However in cases where property, plant and equipment were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.



6.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company's and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Termination benefits

The Company and its subsidiaries have obligations in respect of the termination of employment of employees before the normal retirement date.

Termination benefits are immediately recognised as an expense.

For the first-time adoption of TAS 19 Employee Benefits, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, retrospectively as though the Company and its subsidiaries initially recorded these employee benefit expenses.

6.16 Provisions

Provisions are recognised when the Company and subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6.17 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.



6.18 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

7. Significant accounting judgments and estimates

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

Leases

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

Allowance for doubtful debts

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

Investment property

The subsidiary presents investment property at the fair value estimated by an independent appraiser, and recognises changes in the fair value in profit or loss. The independent appraiser valued the investment property using the income approach, because there is no market price that could be used to apply a comparative approach.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Company measures land, factory buildings, machinery and factory equipment at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the depreciated replacement cost approach for factory buildings, machinery and factory equipment. The valuation involves certain assumptions and estimates.



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

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash	14,107	22,760	271	314
Bank deposits	103,701	160,622	14,112	44,253
Bills of exchange	406,000	20,001	406,000	20,002
Total	523,808	203,383	420,383	64,569

As at 31 December 2011, bank deposits in savings accounts and bills of exchange carried interests between 0.13% and 3.25% per annum (2010: between 0.10% and 1.90% per annum).

9. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	2011		2010	
	Cost	Fair value	Cost	Fair value
Investment units in mutual funds	90,300	90,409	44,000	44,000
Add: Unrealised gain	109	-	-	-
Current investments - net	90,409	90,409	44,000	44,000



(Unit: Thousand Baht)

	Separate financial statements			
	2011		2010	
	Cost	Fair value	Cost	Fair value
Investment units in mutual funds	90,300	90,409	11,000	11,000
Add: Unrealised gain	109	-	-	-
Current investments - net	90,409	90,409	11,000	11,000

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due				
Not over 3 months	77	1,015	270,422	329,703
3 - 6 months	470	-	-	-
Total trade receivables - related parties	547	1,015	270,422	329,703
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due				
Not over 3 months	589,452	609,997	383,864	415,370
3 - 6 months	573	434	-	-
6 - 12 months	329	616	-	-
Over 12 months	9,629	13,811	617	617
Total	599,983	624,858	384,481	415,987
Less: Allowance for doubtful debts	(9,145)	(11,217)	(617)	(617)
Total trade receivables - unrelated parties, net	590,838	613,641	383,864	415,370
Other receivables				
Advances - related parties	2,287	2,679	11,407	8,335
Accrued income	20,855	17,049	1,899	1,980
Others	10,066	10,473	3,910	3,724
Total	33,208	30,201	17,216	14,039
Less: Allowance for doubtful debts	(4,060)	(4,060)	(3,413)	(3,413)
Total other receivables - net	29,148	26,141	13,803	10,626
Total trade and other receivables, net	620,533	640,797	668,089	755,699



The balances of trade receivables of the Company as at 31 December 2010 included factoring accounts receivable at a commercial bank of Baht 63 million (2011: nil). The bank had a right of recourse to the Company.

11. Related party transactions

The relationship between the Company and related parties are summarised below.

Name	Relationship
Pure Thai Energy Co., Ltd.	Subsidiary
SCT Sahaphan Co., Ltd.	Subsidiary
Pure Biodiesel Co., Ltd.	Subsidiary
SCT Petroleum Co., Ltd. (SCT)	Subsidiary
Pure Intertrade Co., Ltd.	Subsidiary of SCT
Mitsumphan Petroleum Co., Ltd.	Subsidiary of SCT
Metro Petroleum Co., Ltd.	Subsidiary of SCT
Jatuchak Oil Co., Ltd.	Subsidiary of SCT
Benja Petroleum Co., Ltd.	Subsidiary of SCT
Burapha Rungroch Petroleum Co., Ltd.	Subsidiary of SCT
Jaturatis Transport Co., Ltd.	Subsidiary of SCT
Pure Sammakorn Development Co., Ltd. (PSDC)	Associate
Thai Good Petroleum Co., Ltd.	Associate
Petro-Instruments Co., Ltd.	29.87% of shares held in the Company
Sammakorn Plc.	55.87% (2010: 49%) of shares held in PSDC and common directors
Jazzy Creation Co., Ltd.	Common directors
Blue Planet Travel Co., Ltd.	Common directors
Globalization Economic and Promotion Network Co., Ltd.	Common directors
Alt Energy Co., Ltd.	Common directors
Humankind Co., Ltd.	Common directors
Mongkholchai Pattana Co., Ltd.	Common directors
World Entertainment Television Co., Ltd.	Common directors
Honest and Efficient Co., Ltd.	Common directors



During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Transactions with subsidiaries				
Eliminated from the consolidated financial statements)				
Sales	-	-	8,807	8,699
Management fee income	-	-	11	14
Dividend income	-	-	-	47
Interest income	-	-	2	2
Other income - other services	-	-	39	31
Purchases of goods	-	-	595	646
Service fee expense	-	-	8	14
Transportation expense	-	-	134	125
Other expenses	-	-	-	2
Transactions with associates				
Other expenses	1	-	-	-
Transactions with related parties				
Sales	1	-	-	-
Service income	1	17	-	-
Other expenses	2	1	1	1
Land rental expense	2	2	-	-
Interest expense	15	9	15	8

Transfer pricing policy for significant business transactions with related parties are summarised below.



Transactions	Transfer pricing policy
Sales	<p>The selling price is set out based on the market price with discount for oil wholesale business, provided according to the volumes of order.</p> <p>The selling price is set out based on the market price with the fixed rate marketing margin discount for oil retail business.</p> <p>The selling price is set out based on the market price for oil transportation business.</p> <p>The selling price is set out based on the market price with discount for manufacture and distribution of biodiesel business, provided according to the contract.</p>
Management fee income	<p>Calculation based on quantities of products sold for oil wholesale business.</p> <p>Contract price and at actual costs for oil retail business, oil transportation business, manufacture and distribution of biodiesel business, property rental and service business and distribution and maintenance of gas station equipment business.</p>
Dividend income	As declared
Interest income	4.18% - 5.77% per annum and the prime rate plus 3% per annum (2010: 3.25% - 6.25% per annum).
Other income	<p>Contract price</p> <p>Guarantee fee at a rate of 1% per annum</p>
Purchases of goods	<p>The purchase price is set out based on the market price with discount for oil wholesale business, providing according to the volumes of order.</p> <p>The purchase price is set out based on the market price for manufacture and distribution of biodiesel business and maintenance of gas station equipment business.</p>
Service fee expense	Contract price
Transportation expense	Contract price
Other expenses	Contract price
Interest expense	4.95% - 5.75% per annum (2010: 4.50% - 5.75% per annum)



Significant agreements with related parties

Purchases and sales of petroleum products agreements

In April 2010, the Company entered into purchases and sales of petroleum products agreements with two subsidiaries for trading of oil products. The selling price is set based on the market price with a discount applied in accordance with the agreements. The agreements will continue in force until either party terminates them with written notice of the intention to terminate provided to the other party not less than 1 month in advance.

Management and administration agreements

In January 2011, the Company entered into management and administration agreements with various subsidiaries to provide consultation relating to human resources, administration, information technology, law and coordination with the government. The service fees are stipulated in the agreements, which are for a period of 1 year, ended in December 2011.

Guarantee agreements

- a) The Company entered into the agreements with various subsidiaries to guarantee bank credit facilities of subsidiaries amounting to Baht 70 million. The guarantees are effective for as long as the underlying obligations have not been discharged by the subsidiaries. The Company charges a guarantee fee at a rate of 1% per annum.
- b) In 2010, the Company entered into an agreement with a subsidiary to secure payments due to a creditor amounting to Baht 30 million. The Company deducted amounts from payments that the subsidiary was entitled to receive from the Company for sales of its products and services, as collateral for the guarantee, and as at 31 December 2010, total deductions amounted to Baht 6 million (2011: nil).

Rental of oil depots agreement

In August 2009, the Company entered into an agreement with a subsidiary to provide oil depot rental services. Monthly service fees are stipulated in the agreement, which is for a period of 3 years (from 20 August 2009 to 19 August 2012). The agreement will continue in force for period of 3 months each time until terminated by either party gives with written notice of intention to terminate of not less than 1 month.

Purchases and sales of biodiesel agreement

In January 2011, the Company entered into a purchases and sales of biodiesel agreement with a subsidiary for trading of biodiesel. The purchase price was set out based on the market price with a discount in accordance with the agreement, which was for a period of 1 year, ended in December 2011.



Transportation service agreement

In June 2011, the Company entered into an agreement with a subsidiary whereby the subsidiary is to provide oil transportation services. Oil transportation service fees are charged in accordance with the rate stipulated in the agreement, which is effective from 1 June 2011 to 31 January 2012, and will continue in force until terminated by either party with written notice of its intention to terminate of not less than 60 days.

Sales management agreement

In January 2011, the Company entered into a sales management agreement with a subsidiary whereby the subsidiary is to provide sales management services and source customers. A service fee is charged in accordance with the rate stipulated in the agreement, which will continue in force until terminated by either party with written notice of its intention to terminate of not less than 1 month.

As at 31 December 2011 and 2010, the balances of the accounts between the Company and those related companies are as follows:

		(Unit: Thousand Baht)	
		Consolidated financial statements	Separate financial statements
		2011	2010
Trade and other receivables - related parties (Note 10)			
Trade receivables - related parties			
Subsidiaries	-	-	270,422
Associates	18	-	-
Related companies (common directors)	60	1,015	-
Related person (The Company's director)	469	-	-
Total trade receivables - related parties	547	1,015	270,422
Other receivables - related parties			
Subsidiaries	-	-	11,077
Associates	494	2	287
Related companies (common directors)	1,793	1,677	43
Related person (The Company's director)	-	1,000	-
Total other receivables - related parties	2,287	2,679	11,407



(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Short-term loans to related parties				
Subsidiaries	-	-	15,000	3,000
Associate	1,578	1,499	1,578	1,499
Total short-term loans to related parties	1,578	1,499	16,578	4,499
Trade and other payables - related parties (Note 23)				
Trade payables - related parties				
Subsidiaries	-	-	24,306	46,476
Related companies (common directors)	-	544	-	-
Total trade payables - related parties	-	544	24,306	46,476
Other payables - related parties				
Subsidiaries	-	-	16,698	9,479
Associates	21	-	-	-
Related companies (common directors)	348	315	308	272
Related person (The Company's director)	292	517	282	505
Total other payables - related parties	661	832	17,288	10,256
Current portion of long-term loans from related parties				
Related companies (common directors)	101,500	-	101,500	-
Related persons (Related with the Company's directors)	105,500	-	105,500	-
Total current portion of long-term loans from related parties	207,000	-	207,000	-



(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Long-term loans from related parties				
Related companies (common directors)	-	101,500	-	101,500
Related persons (Related with the Company's directors)	-	190,500	-	190,500
Total long-term loans from related parties	-	292,000	-	292,000
Cash placed against guarantee - related party				
Subsidiary	-	-	-	6,240
Total cash placed against guarantee - related party	-	-	-	6,240

Loans to related parties and loans from related parties

As at 31 December 2011 and 2010, the balance of loans between the Company and those related companies and the movement are as follows:

(Unit: Thousand Baht)

Consolidated financial statements					
Short-term loans to related parties	Related by	Balance as at 31 Dec 2010	Increase during the year	Decrease during the year	Balance as at 31 Dec 2011
Thai Good Petroleum Co., Ltd.	Associate	1,499	79	-	1,578
Total		1,499	79	-	1,578

(Unit: Thousand Baht)

Separate financial statements					
Short-term loans to related parties	Related by	Balance as at 31 Dec 2010	Increase during the year	Decrease during the year	Balance as at 31 Dec 2011
Pure Biodiesel Co., Ltd.	Subsidiary	-	108,000	(98,000)	10,000
Pure Thai Energy Co., Ltd.	Subsidiary	-	1,455,000	(1,455,000)	-
SCT Sahaphan Co., Ltd.	Subsidiary	3,000	86,000	(84,000)	5,000
Thai Good Petroleum Co., Ltd.	Associate	1,499	79	-	1,578
Total		4,499	1,649,079	(1,637,000)	16,578



(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term loans to related parties	Related by	Balance as at 31 Dec 2010	Increase during the year	Decrease during the year	Balance as at 31 Dec 2011
Mongkhonchai Pattana Co., Ltd.	Related company	-	7,000	(7,000)	-
Related persons	Related with the Company's directors	-	30,000	(30,000)	-
Total		-	37,000	(37,000)	-

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans to related parties	Related by	Balance as at 31 Dec 2010	Increase during the year	Decrease during the year	Balance as at 31 Dec 2011
Pure Biodiesel Co., Ltd.	Subsidiary	-	34,000	(34,000)	-
Total		-	34,000	(34,000)	-

(Unit: Thousand Baht)

		Consolidated financial statements/Separate financial statements			
Short-term loans to related parties	Related by	Balance as at 31 Dec 2010	Increase during the year	Decrease during the year	Balance as at 31 Dec 2011
Petro-Instruments Co., Ltd.	Related company	72,500	-	-	72,500
Mongkhonchai Pattana Co., Ltd.	Related company	23,000	-	-	23,000
World Entertainment Television Co., Ltd.	Related company	6,000	-	-	6,000
Related persons	Related with the Company's directors	190,500	-	(85,000)	105,500
Total		292,000	-	(85,000)	207,000



As at 31 December 2011, short-term loans to subsidiaries totaling Baht 15 million (2010: Baht 3 million) are in the form of unsecured promissory notes with maturities of 7 days to 6 months, carrying interest at a rate of 5.05% per annum (2010: 4.43% per annum).

As at 31 December 2011, short-term loan to an associate amounting to Baht 1.58 million, or USD 0.05 million (2010: 1.50 million, or USD 0.05 million) is in the form of an unsecured loan with a maturity of 1 year and carries interest at the prime rate plus 3% per annum. The principal and its interest are to be repaid in full within November 2011. Consequently, in January 2012, the Company received a letter requesting an extension of the loan term to December 2012.

As at 31 December 2011, long-term loans from related parties totaling Baht 207 million (2010: 292 million) were in the form of unsecured loans with maturities of 2 years, carrying interest at rate of 5.75% per annum and payable quarterly. The principal was to be repaid in full within September 2012. In February 2012, the Company repaid the whole balance of long-term loans.

Management benefit expenses

During the years ended 31 December 2011 and 2010, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Short-term employee benefits	100,677	56,974	78,484	40,214
Post-employment benefits	(10,507)	1,259	(10,507)	1,259
Termination benefits	34,011	-	28,027	-
Total	124,181	58,233	96,004	41,473

12. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2011	2010	2011	2010	2011	2010
Finished goods	840,346	932,237	(537)	(788)	839,809	931,449
Raw materials	221,090	445,858	-	-	221,090	445,858
Supplies	3,471	4,162	-	-	3,471	4,162
Total	1,064,907	1,382,257	(537)	(788)	1,064,370	1,381,469



(Unit: Thousand Baht)

	Separate financial statements	
	2011	2010
Finished goods	756,053	770,642
Raw materials	217,630	411,916
Supplies	3,471	4,162
Total	977,154	1,186,720

Inventories as at 31 December 2011 included oil of Baht 707 million reserved in accordance with the Ministry of Commerce regulations (2010: Baht 726 million and Baht 118 million of this amount represented inventories covered by agreements for the sale and purchase of oil to maintain stipulated legal reserves, which the Company is committed to sell back to the sellers upon the expiry of the agreements).

13. Short-term loans to and interest receivable from unrelated parties

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
T.C.S. Oil Co., Ltd.	21,317	21,317	21,317	21,317
Others	3,100	1,000	3,100	1,000
Total	24,417	22,317	24,417	22,317
Less: Allowance for doubtful debts	(21,317)	(21,317)	(21,317)	(21,317)
Short-term loans to and interest receivable from unrelated parties - net	3,100	1,000	3,100	3,100

On 14 January 2006, the Company entered into a Petroleum Product Business Joint Venture Agreement with T.C.S. Oil Co., Ltd. (TCS) for the purpose of the joint oil business in Cambodia. The agreement is effective for a period of 15 years, expiring in 2020. The Company is obliged to provide fuel and a Baht 35 million loan to TCS. The loan is subject to fixed interest rate at 5% per annum and payable on a monthly basis. The repayment of loan principal is stipulated in the agreement. The Company will receive share of profit from the operating results of TCS, as specified in the agreement, upon receipt of full loan repayment.

As at 31 December 2011 and 2010, loan to TCS were long-outstanding more than one year, and the Company therefore ceased accrual of interest income and set aside allowance for doubtful accounts for the full amount of the short-term loans and interest receivable.



14. Long-term loans to unrelated parties

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Credit line of Baht 3.50 million	2,593	3,026	-	-
Credit line of Baht 1.90 million	1,359	1,768	1,359	1,768
Total	3,952	4,794	1,359	1,768
Less: Current portion	(887)	(842)	(428)	(409)
Non-current portion	3,065	3,952	931	1,359

The long-term loan facility of Baht 3.50 million represents a loan to an unrelated party to repay debt on behalf of a client, who has transferred a title deed of land to the subsidiary as collateral. The subsidiary has entered into a contract to sell the land back to the client when the client has repaid all debt. The loan and its interest are scheduled to be repaid in 86 monthly installments of Baht 50,000 each, ending in December 2016.

The long-term loan facility of Baht 1.90 million is an unsecured loan that carries interest at a rate of 4.50% per annum. The principal and its interest are scheduled to be repaid in 52 monthly installments of Baht 40,000 each, ending in December 2014.

15. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Refund receivable from the Oil Stabilization Fund	46,391	14,074	42,302	14,074
Prepaid excise tax	2,886	50,859	2,886	50,859
Value added tax refundable	34,575	20,816	33,578	16,745
Prepaid corporate income tax	4,759	12,991	3,151	8,177
Advances for purchases of inventories	41,997	49,197	-	-
Others	4,882	5,603	1,687	1,698
Total other current assets	135,490	153,540	83,604	91,553



16. Pledged deposits at banks

These represented fixed deposits pledged with the banks to secure credit facilities and as bonds in lawsuits with the court.

17. Investments in associates

17.1 Details of associates:

(Unit: Thousand Baht)

							(Unit: Thousand Baht)			
							Consolidated financial statements	Separate financial statements		
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		Carrying amounts based on cost method	
			2011	2010	2011	2010	2011	2010	2011	2010
			(%)	(%)						
Thai Good Petroleum Co., Ltd.	Distribution of lubricant oil	Hong Kong	31.67	31.67	3,175	3,175	-	2,569	3,175	3,175
Pure Sammakorn Development Co., Ltd. (Note 18.4)	Real estate rental and service	Thailand	44.13	-	129,181	-	125,650	-	129,181	-
Total investments in associates							125,650	2,569	132,356	3,175

17.2 Share of loss and dividend received

During the years, the Company has recognised its share of loss from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of loss from investments in associates during the year		Dividend received during the year	
	2011	2010	2011	2010
Thai Good Petroleum Co., Ltd.	(1,092)	(1,397)	-	-
Pure Sammakorn Development Co., Ltd.	(3,531)	-	-	-
Total	(4,623)	(1,397)	-	-



17.3 Summarised financial information of associates

The financial information of the associates is summarised below.

(Unit: Thousand Baht)

Company's name	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the years ended 31 December		Loss for the years ended 31 December	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Thai Good Petroleum Co., Ltd.	10,026	10,026	7,210	8,609	11,742	544	6,060	2,818	(7,353)	(4,411)
Pure Sammakorn Development Co., Ltd.	260,000	-	504,296	-	307,772	-	26,563	-	(8,002)	-

Investment in Thai Good Petroleum Co., Ltd. was determined on the basis of financial information provided by this company's management, that was unaudited by its external auditor. However, the value of the investment is immaterial.

17.4 Investment in an associate with capital deficit

The Company recognised share of loss from investment in an associate until the value of the investment approached zero. Subsequent loss incurred by this associate has not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this associate. The amount of such unrecognised share of loss is set out below.

(Unit: Thousand Baht)

Company's name	Unrecognised share of loss	
	Share of loss for the year ended 31 December 2011	Cumulative share of loss up to 31 December 2011
Thai Good Petroleum Co., Ltd.	1,237	1,237

18. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2011	2010	2011	2010	2011	2010	2011	2010
Pure Biodiesel Co., Ltd.	Baht 280 million	Baht 280 million	100	100	279,999	279,999	-	-
Pure Thai Energy Co., Ltd.	Baht 100 million	Baht 100 million	100	100	99,994	99,994	-	-



(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2011	2010	2011	2010	2011	2010	2011	2010
SCT Petroleum Co., Ltd. and its subsidiaries	Baht 36 million	Baht 10 million	100	100	36,000	10,000	-	46,500
SCT Sahaphan Co., Ltd.	Baht 20 million	Baht 20 million	78	78	15,856	15,855	-	-
Pure Sammakorn Development Co., Ltd.	-	Baht 225 million	-	51	-	114,750	-	-
Total investments in subsidiaries					431,849	520,598	-	46,500

18.1 Pure Biodiesel Co., Ltd.

In early 2012, Pure Biodiesel Co., Ltd. ("PBC") shut down its plant since it had no orders from its customers and lacked liquidity to operate its business.

PBC has received promotional privileges from the Board of Investment for the manufacture of bio-diesel, pursuant to the promotion certificate No. 1840(9)/2550 issued on 30 August 2007. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax on net income from the promoted operations for a period of eight years from the date the promoted activity commenced generating revenues (from 12 January 2009 to 11 January 2017).

The PBC's operating revenues for the years 2011 and 2010 are below shown divided according to promoted and non-promoted operations.

(Unit: Thousand Baht)

	Promoted operations		Non-promoted operations		Total	
	2011	2010	2011	2010	2011	2010
Sales and services						
Domestic sales and services	1,627,353	962,320	886,200	49,339	2,513,553	1,011,659
Export sales	31,109	19,598	-	1,372	31,109	20,970
Total	1,658,462	981,918	886,200	50,711	2,544,662	1,032,629

18.2 Pure Thai Energy Co., Ltd.

As at 31 December 2011 and 2010, the Company has commitments of Baht 40 million in respect of the uncalled portion of the investment.



18.3 SCT Petroleum Co., Ltd.

The Company's Board of Directors meeting, held on 9 August 2011, approved an increase in the Company's investment in SCT Petroleum Co., Ltd. ("SCT"), whereby that company's registered capital will increase from Baht 10 million to Baht 36 million through the issue of 260,000 additional ordinary shares (par value of Baht 100 each) for offer in the same proportion to existing shareholders, a total of Baht 26 million. The purpose of the increase in share capital is to invest in Jaturatis Transport Co., Ltd. (a subsidiary in which SCT has an equity interest of 100%). SCT registered the increase of its capital with the Ministry of Commerce on 8 September 2011.

18.4 Pure Sammakorn Development Co., Ltd.

During the year 2011, Pure Sammakorn Development Co., Ltd. ("PSDC") increased its registered capital from Baht 225 million to Baht 260 million. The Company's Board of Directors meeting held on 9 August 2011 passed a resolution not to invest in the additional shares and as a result the Company has lost control of this subsidiary. The shareholding in PSDC decreased from 51.00% to 44.13%, and PSDC therefore became an associate. The purpose of the increase in share capital was to provide funds for investment in new projects. PSDC registered the increase of its capital with the Ministry of Commerce on 23 August 2011.

During the year 2011, the Company recorded loss on recognising investment retained in PSDC at fair value at the date when control was lost amounting to Baht 1 million in administrative expenses in the consolidated income statement (Separate financial statements: Recorded gain amounting to Baht 14 million in other income account).

19. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements									
Revaluation basis			Cost basis						Total
Land	Factory buildings and factory building improvements	Machinery and factory equipment	Office buildings and office building improvements	Buildings for rent and improvements	Gas station equipment	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	
173,457	176,185	1,933,830	156,201	79,958	58,757	83,677	197,848	66,779	
-	-	292	-	12	4,830	3,551	7,720	350,759	
-	-	(74)	(27)	-	(67)	(3,884)	(1,760)	-	
-	462	66,271	6,166	275,763	7,740	12,840	37,123	(406,365)	
173,457	176,647	2,000,319	162,340	355,733	71,260	96,184	240,931	11,173	
-	-	1,003	-	-	551	1,102	132	114,512	
-	-	(169)	(2,762)	-	(22,035)	(2,001)	(2,972)	-	
-	62	9,019	3,953	-	5,738	20,441	83,096	(122,309)	
-	-	-	-	(355,733)	-	-	-	(2,385)	
-	-	(28,666)	-	-	-	(22,249)	-	-	
173,457	176,709	1,981,506	163,531	-	55,514	93,477	321,187	991	
-	70,343	1,029,709	70,542	8,549	37,315	56,073	100,883	-	
-	7,117	82,682	16,628	5,955	10,685	12,857	28,168	-	
-	-	(74)	-	-	(64)	(3,590)	(1,399)	-	

(Unit: Thousand Baht)

	Consolidated financial statements									
	Revaluation basis			Cost basis					Total	
	Land	Factory buildings and factory building improvements	Machinery and factory equipment	Office buildings and office building improvements	Buildings for rent and improvements	Gas station equipment	Office furniture, fixture and equipment	Motor vehicles		Construction in progress
31 December 2010	-	77,460	1,112,317	87,170	14,504	47,936	65,340	127,652	-	1,532,379
Depreciation for the year	-	7,084	85,901	12,264	-	9,075	12,482	40,154	-	166,960
Depreciation on disposals	-	-	(158)	(2,132)	-	(19,756)	(1,764)	(2,973)	-	(26,783)
Transferred to investment properties account	-	-	-	-	(14,504)	-	-	-	-	(14,504)
Lost control of a subsidiary (Note 18.4)	-	-	(4,086)	-	-	-	(7,477)	-	-	(11,563)
31 December 2011	-	84,544	1,193,974	97,302	-	37,255	68,581	164,833	-	1,646,489
Net book value										
31 December 2010	173,457	99,187	888,002	75,170	341,229	23,324	30,844	113,279	11,173	1,755,665
31 December 2011	173,457	92,165	787,532	66,229	-	18,259	24,896	156,354	991	1,319,883
Depreciation for the years										
2010 (Baht 123 million included in manufacturing cost and cost of services, and the balance in administrative expenses)										164,092
2011 (Baht 135 million included in manufacturing cost and cost of services, and the balance in administrative expenses)										166,960



(Unit: Thousand Baht)

Cost/revalued amount

1 January 2010

Additions

Disposals

Transfers

31 December 2010

Additions

Disposals

Transfers

31 December 2011

Accumulated depreciation

1 January 2010

Depreciation for the year

Depreciation on disposals

31 December 2010

Depreciation for the year

Depreciation on disposals

31 December 2011

Net book value

31 December 2010

31 December 2011

Depreciation for the years

2010 (Baht 52 million included in manufacturing cost, and the balance in administrative expenses)

2011 (Baht 53 million included in manufacturing cost, and the balance in administrative expenses)

Separate financial statements							
Revaluation basis			Cost basis				Total
Land	Factory buildings and factory building improvements	Machinery and factory equipment	Office buildings and office building improvements	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	
138,660	108,594	1,473,975	57,458	39,191	11,072	13,779	1,842,729
-	-	14	-	122	4,371	8,497	13,004
-	-	(74)	-	(3,566)	(421)	-	(4,061)
-	-	14,527	230	1,348	-	(16,105)	-
138,660	108,594	1,488,442	57,688	37,095	15,022	6,171	1,851,672
-	-	169	-	86	132	1,705	2,092
-	-	(168)	-	(1,013)	(22)	-	(1,203)
-	-	6,872	135	369	-	(7,376)	-
138,660	108,594	1,495,315	57,823	36,537	15,132	500	1,852,561
-	66,651	999,962	30,969	31,873	2,518	-	1,131,973
-	2,967	48,409	5,005	2,945	2,542	-	61,868
-	-	(74)	-	(3,393)	(131)	-	(3,598)
-	69,618	1,048,297	35,974	31,425	4,929	-	1,190,243
-	2,912	49,485	3,888	2,188	3,063	-	61,536
-	-	(158)	-	(1,013)	(22)	-	(1,193)
-	72,530	1,097,624	39,862	32,600	7,970	-	1,250,586
138,660	38,976	440,145	21,714	5,670	10,093	6,171	661,429
138,660	36,064	397,691	17,961	3,937	7,162	500	601,975
2010 (Baht 52 million included in manufacturing cost, and the balance in administrative expenses)							61,868
2011 (Baht 53 million included in manufacturing cost, and the balance in administrative expenses)							61,536



During 2008, the Company and its subsidiaries arranged for an independent professional valuer to appraise the value of certain assets on an asset-by-asset basis. The revaluation was concluded on 4 December 2008 and the basis of the revaluation was as follows:

- a) Land and factory buildings were revalued using the market approach and the depreciated replacement cost approach, respectively.
- b) Machinery and factory equipment were revalued using the depreciated replacement cost approach.

The reappraised value of the land, factory buildings, machinery and factory equipment is Baht 261 million more than their carrying amount. The Company and its subsidiaries recognised the increase of asset value in shareholders' equity under the heading of "Revaluation surplus on assets".

Had the land, factory buildings, machinery and factory equipment been carried in the financial statements based on historical cost, their net book values as of 31 December 2011 and 2010 would have been as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Land	137,706	137,706	102,909	102,909
Factory buildings and improvements	88,159	94,556	32,058	34,345
Machinery and factory equipment	631,951	711,972	242,110	264,114

As at 31 December 2011, the Company and its subsidiaries had vehicles under finance lease agreements with net book values amounting to Baht 136 million (2010: Baht 81 million), and in the separate financial statements of Baht 6 million (2010: Baht 8 million).

As at 31 December 2011, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to Baht 153 million (2010: Baht 196 million) in the consolidated financial statements and Baht 96 million (2010: Baht 91 million) in the separate financial statements.

Pure Biodiesel Co., Ltd. has mortgaged its land with structures thereon and pledged machinery, with a total net book value as at 31 December 2011 of Baht 391 million (2010: Baht 420 million), as collateral to secure a bank credit facility.

Pure Sammakorn Development Co., Ltd. has mortgaged its land lease rights and construction with a net book value as at 31 December 2010 of Baht 341 million (2011: Nil due to loss of control of a subsidiary), as collateral to secure a bank credit facility. Under the rental agreement, the subsidiary is committed to transfer the construction to the lessor upon the expiration of the agreement.



20. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		
	Software	Software under installation	Total
Cost			
1 January 2010	23,954	1,747	25,701
Additions	1,271	121	1,392
Transfers	1,868	(1,868)	-
31 December 2010	27,093	-	27,093
Additions	205	-	205
Lost control of a subsidiary (Note 18.4)	(341)	-	(341)
31 December 2011	26,957	-	26,957
Amortisation			
1 January 2010	8,359	-	8,359
Amortisation	2,749	-	2,749
31 December 2010	11,108	-	11,108
Amortisation	3,085	-	3,085
Lost control of a subsidiary (Note 18.4)	(76)	-	(76)
31 December 2011	14,117	-	14,117
Net book value			
31 December 2010	15,985	-	15,985
31 December 2011	12,840	-	12,840



(Unit: Thousand Baht)

	Separate financial statements		
	Software	Software under installation	Total
Cost			
1 January 2010	19,899	1,747	21,646
Additions	-	121	121
Disposals	1,868	(1,868)	-
31 December 2010	21,767	-	21,767
Additions	24	-	24
31 December 2011	21,791	-	21,791
Amortisation			
1 January 2010	7,989	-	7,989
Amortisation	2,254	-	2,254
31 December 2010	10,243	-	10,243
Amortisation	2,507	-	2,507
31 December 2011	12,750	-	12,750
Net book value			
31 December 2010	11,524	-	11,524
31 December 2011	9,041	-	9,041

21. Other non-current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
The compensation for loss	26,711	26,711	26,711	26,711
Land and gas station leasehold rights	5,904	7,378	1,468	1,109
Prepaid expenses	4,917	5,563	-	-
Deposits	5,440	4,437	2,035	2,156
Long-term loan and interest receivable	1,353	1,353	1,353	1,353
Others	3,333	3,114	2,616	3,062
Total other non-current assets	47,658	48,556	34,183	34,391
Less: Allowance for doubtful debts	(1,353)	(1,353)	(1,353)	(1,353)
Other non-current assets - net	46,305	47,203	32,830	33,038



The compensation for loss is the compensation receivable because, in the third quarter of 2006, a raw material supplier delivered raw materials of a quality different to that specified in the relevant purchase agreement, with characteristics that differed from those of deliveries made to the Company under the agreement in the past. Therefore, the Company had additional cost for product improvement and compensation amounting to Baht 136 million. Based on the negotiation with the supplier, the Company will receive compensation of Baht 53 million. The difference represents inventory loss as a result of continuous and substantial falls in the prices of inventories and raw materials (inventory loss). Since this loss was a result of global market conditions with neither the Company nor the supplier could avoid, the supplier requested that each part bear responsibility for its own share of the inventory loss. The Company therefore recorded the compensation for loss in full as a deduction against cost of sales in 2006. The partial balance of Baht 26 million was paid by a credit note in November 2006 and the supplier will inform the Company of the method in payment for the remaining Baht 27 million later.

22. Short-term loans from banks

These represent notes which a subsidiary issued to the banks. The loans carry interest at the rate of 6.25% per annum (2010: 1.75% - 5.12% per annum) and are repayable within one year.

The Company and its subsidiaries have overdraft and short-term loan facilities from various banks. Details of the facilities are as follows.

		(Unit: Million Baht)	
	Secured by	Credit facilities which are not drawn down	
		2011	2010
The Company	Pledge of fixed deposits and factoring trade receivables of the Company	1,183	2,130
Pure Biodiesel Co. Ltd. ("PBC")	Mortgage of PBC's land with existing and future structures thereon, pledge of the PBC's machinery	74	147
Pure Sammakorn Development Co., Ltd. ("PSDC")	Pledge of PSDC's land leasehold rights and the mortgage of the structures under PSDC's projects	-	31
SCT Petroleum Co., Ltd.	Guaranteed by the Company	35	10
SCT Sahaphan Co., Ltd. (SAP)	Pledge of SAP's fixed deposits and guaranteed by the Company	12	-
Pure Thai Energy Co., Ltd. (PTEC)	Pledge of PTEC's fixed deposits and guaranteed by the Company	30	-



23. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade payables - related parties	-	544	24,306	46,476
Trade payables - unrelated parties	1,512,931	1,407,202	1,476,296	1,320,798
Other payables - related parties	661	832	17,288	10,256
Other payables - unrelated parties	40,355	48,960	26,882	13,895
Accrued expenses	39,708	13,871	31,141	2,716
Retention payables	2,749	18,197	-	-
Total	1,596,404	1,489,606	1,575,913	1,394,141

24. Short-term loans from unrelated parties

These represented promissory notes which the Company and subsidiaries issued to another individual. The loans carried interest at the rates of 3.00% - 5.75% per annum (2010: 2.75% - 3.00% per annum) and were repayable within one year. In February 2012, the Company and subsidiaries repaid the short-term loans amounting to Baht 11 million (Separate financial statements: Baht 1 million).

25. Long-term loans from banks

(Unit: Thousand Baht)

	Consolidated financial statements	
	2011	2010
Long-term loans from banks	140,000	357,634
Less: Current portion	(140,000)	(79,055)
Non-current portion	-	278,579

Movements in the long-term loans account during the year ended 31 December 2011 are summarised below.



(Unit: Thousand Baht)

	Consolidated financial statements
Balance as at 1 January 2011	357,634
Add: Received	30,265
Less: Repayment	(59,164)
Lost control of a subsidiary (Note 18.4)	(188,735)
Balance as at 31 December 2011	140,000

Pure Biodiesel Co., Ltd.

On 22 August 2007, Pure Biodiesel Co., Ltd. ("PBC") entered into a loan agreement with a local commercial bank granting a loan amounting to Baht 200 million for use in construction and the import of machinery for manufacturing of the bio-diesel project, on which interest is charged at a rate no higher than the Minimum Loan Rate and repayable monthly. The principal is repayable in quarterly installments of Baht 8 million from December 2008 until December 2013 and Baht 16 million from March 2014 onwards, and is to be repaid in full within June 2014.

On 30 September 2009, PBC entered into an additional loan agreement with the bank granting a loan amounting to Baht 80 million for use in improving the plant for its bio-diesel project and investment in machinery. Interest is charged on the loan at a rate no higher than the Minimum Loan Rate and repayable monthly, while principal is repayable in quarterly installments of Baht 4 million from December 2009 until September 2014.

The above loan agreements stipulate certain conditions as specified in agreements, such as that the Company's equity interest in the subsidiary must be not less than 51%, restrictions on the payment of dividends, creating lien over assets and covenants to maintain certain financial ratios according to the agreements.

In 2011, PBC was unable to maintain financial ratios covenanted under the loan agreement (this was not related to principal and interest payment), but in January 2012, received a waiver of the breach of covenant from the bank, covering the 2011 operating results. For financial reporting purposes, the Company has presented the balance of loan obtained from the bank as at 31 December 2011 amounted to Baht 140 million (2010: Baht 188 million) as a current liability in the consolidated statements of financial position.

The credit facilities are secured by the mortgage of the subsidiary's land with existing and future structures thereon and the pledge of the subsidiary's machinery.

As at 31 December 2011 and 2010, PBC has no long-term credit facilities that it has yet to draw down.



Pure Sammakorn Development Co., Ltd.

As at 31 December 2010, the long term loans of Pure Sammakorn Development Co., Ltd. ("PSDC") amounted to Baht 170 million were secured by the pledge of the PSDC's land lease right and the mortgage of the structures under the PSDC's projects. This long-term loan carried interest at a rate no higher than Minimum Loan Rate (MLR) (2011: Nil due to loss of control of a subsidiary).

26. Long-term loans from unrelated parties

This represented promissory notes which the Company issued to unrelated parties. The loans carried interest at a rate of 5.75% per annum and payable quarterly. The principals were to be repaid in full within September 2012. In February 2012, the Company repaid the whole balance of long-term loans.

27. Liabilities under finance leases

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Liabilities under finance leases	120,848	81,670	6,254	8,816
Less: Deferred interest expense	(6,240)	(4,740)	(539)	(983)
Total	114,608	76,930	5,715	7,833
Less: Portion due within one year	(44,705)	(25,581)	(2,086)	(2,118)
Non-current portion	69,903	51,349	3,629	5,715

The Company and its subsidiaries entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in their operations, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 4 and 5 years.

As at 31 December 2011, future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	48,146	72,702	120,848
Deferred interest expense	(3,441)	(2,799)	(6,240)
Present value of future minimum lease payments	44,705	69,903	114,608



(Unit: Thousand Baht)

	Separate financial statements		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	2,393	3,861	6,254
Deferred interest expense	(307)	(232)	(539)
Present value of future minimum lease payments	2,086	3,629	5,715

28. Provision for termination benefits and provision for long-term employee benefits

Provision for termination benefits and provision for long-term employee benefits as at 31 December 2011 and 2010, which is compensations on employees' retirement, were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	Termination benefits	Long-term employee benefits
As at 1 January 2010	-	20,666
Current service cost	-	2,651
Interest cost	-	981
As at 31 December 2010	-	24,298
Current service cost	-	2,721
Interest cost	-	1,142
Termination benefits	80,855	(25,028)
Lost control of a subsidiary (Note 18.4)	-	(416)
As at 31 December 2011	80,855	2,717



(Unit: Thousand Baht)

	Separate financial statements	
	Termination benefits	Long-term employee benefits
As at 1 January 2010	-	19,552
Current service cost	-	1,395
Interest cost	-	648
As at 31 December 2010	-	21,595
Current service cost	-	1,460
Interest cost	-	746
Termination benefits	63,174	(23,801)
As at 31 December 2011	63,174	-

During the year 2011, the Company and two subsidiaries made plans to terminate the employment of their employees before the normal retirement date. The Company and the subsidiaries reversed the related provision for long-term employee benefits and immediately recognised provision for the termination benefits as an expense.

Termination benefit and long-term employee benefit expenses included in the profit or loss for the years ended 31 December 2011 and 2010 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Termination benefits	80,855	-	63,174	-
Long-term employee benefits	(21,165)	3,632	(21,595)	2,043
Total	59,690	3,632	41,579	2,043

Principal actuarial assumptions at the valuation date were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.75	4.75	4.75	4.75
Future salary increase rate	5.00	5.00	5.00	5.00
Staff turnover rate	0.00-22.92	0.00-22.92	0.00-22.92	0.00-22.92



29. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Accrued excise tax	5,275	79,317	5,275	79,317
Value added tax payable	11,133	9,700	-	-
Advance received from customers	20,750	19,412	5,746	4,605
Guarantee on goods purchases	-	16,866	-	16,866
Others	9,446	7,898	6,717	5,828
Total	46,604	133,193	17,738	106,616

30. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

Under Section 1202 of the Thai Civil and Commercial Code, the subsidiaries are required to set aside a statutory reserve equal to at least 5% of its net profit each time the subsidiaries pay out a dividend, until such reserve reaches 10% of their registered share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment.

31. Revaluation surplus

This represents surplus arising from revaluation of land, factory buildings, machinery and factory equipment. The surplus is amortised to retained earnings on a straight-line basis over the remaining useful life of the related assets.

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements	
	2011	2010
Balance - beginning of year	216,413	237,735
Less: Amortised during the year	(21,075)	(21,322)
Balance - end of year	195,338	216,413

The revaluation surplus can neither be offset against deficit nor used for dividend payment.



32. Treasury stock

The Company's Board of Directors meeting, held on 10 August 2010, approved a resolution to resell 46,706,900 treasury shares through a public offering at a resale price of Baht 2.55 per share. The price was in accordance with the basis to be used to determine the resale price approved by the Extraordinary General Meeting of the Company's shareholders No. 1/2010, held on 5 March 2010.

In September 2010, the Company disposed all of 46.71 million treasury shares, with a cost of Baht 220.55 million, at a resale price of Baht 2.55 per share, or a total price of Baht 119.10 million. The Company realised a Baht 101.45 million loss on the sale of the shares and related selling expenses of Baht 5.51 million as a deduction against unappropriated retained earnings, and reversed treasury stock reserve to unappropriated retained earnings. The resale of the treasury shares was made through the Stock Exchange of Thailand.

33. Sales

Sales for the years ended 31 December 2011 and 2010 are as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Sales	24,329,516	20,043,072	19,385,729	16,286,140
Less: Oil sales back transactions	(117,850)	(498,579)	(117,850)	(498,579)
Sales - net	24,211,666	19,544,493	19,267,879	15,787,561

The Company entered into agreements to purchase oil from a number of other oil companies, in order to maintain stipulated legal reserves, with conditions that the Company must sell the oil back to those companies upon the expiry of the agreements and that the Company will be responsible for related expenses, such as insurance premium and oil storage tank rental fees. The Company recorded the oil sales back transactions as deductions from sales revenues in the income statement.



34. Other income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Management fee income	-	-	11,464	14,340
Dividend income	-	-	-	46,500
Gain on exchange rate	18,696	11,861	18,549	11,514
Gain on recognising investment retained in the former subsidiary at fair value (Note 18.4)	-	-	14,431	-
Interest income	5,864	1,863	6,744	3,533
Other income	20,391	19,166	45,002	40,548
Total	44,951	32,890	96,190	116,435

35. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Salary, wages and other employee benefits	312,543	275,200	130,633	110,047
Termination benefits and long-term employee benefits	59,690	3,632	41,579	2,043
Depreciation and amortisation	170,046	166,841	64,043	64,123
Raw materials and consumables used	17,065,575	11,827,941	15,498,032	10,903,888
Changes in finished goods	91,891	(248,067)	14,589	(233,956)
Cost of merchandise inventories	5,032,104	7,011,169	2,818,706	4,528,450

36. Corporate income tax

No corporate income tax was payable for the year 2010 since the Company had tax loss brought forward from previous years over its profit for the year.



37. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

38. Segment information

The Company and its subsidiaries' business operations involve three principal segments: (1) manufacturing and trading of fuel oil and petrochemical products, (2) manufacturing and trading of biodiesel products and (3) real estate rental and service. These operations are mainly carried on in Thailand. Below is the consolidated financial information of the Company and its subsidiaries for the years ended 31 December 2011 and 2010 by segment.

(Unit: Million Baht)

	Manufacture and trading of fuel oil and petrochemical products		Manufacture and trading of biodiesel products		Real estate rental and service		Other segments		Elimination of inter-segment transactions		Consolidation	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)
Sales and services from external customers												
Domestic	17,253	15,805	2,029	635	55	43	126	107	-	-	19,463	16,590
Overseas	4,913	3,100	31	21	-	-	-	-	-	-	4,944	3,121
Total sales and services from external customers	22,166	18,905	2,060	656	55	43	126	107	-	-	24,407	19,711
Inter-segment sales and services	9,161	9,019	485	377	2	3	245	220	(9,893)	(9,619)	-	-
Total sales and services	31,327	27,924	2,545	1,033	57	46	371	327	(9,893)	(9,619)	24,407	19,711
Segment profit (loss)	297	118	(55)	39	(3)	-	16	14	64	55	319	226
Unallocated income and expenses:												
Interest income											6	2
Other income											35	28
Share of loss from investments in associates											(5)	(1)
Finance cost											(67)	(54)
Corporate income tax											(115)	(9)
Non-controlling interests of the subsidiaries											(2)	4
Profit attributable to equity holders of the Company											171	196

(Unit: Million Baht)

	Manufacture and trading of fuel oil and petrochemical products		Manufacture and trading of biodiesel products		Real estate rental and service		Other segments		Elimination of inter-segment transactions		Consolidation	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Inventories	1,035	1,258	26	128	-	-	4	1	(1)	(6)	1,064	1,381
Property, plant and equipment	695	766	475	513	-	381	154	113	(4)	(17)	1,320	1,756
Other assets											1,683	1,227
Total assets											4,067	4,364



Transfer prices between business segments are as set out in Note 11 to the financial statements.

39. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company or its subsidiaries and employees contributed to the fund monthly at the rates of 5% - 10% of basic salary. The fund, which is managed by BBL Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2011, the Company and its subsidiaries contributed Baht 11 million (2010: Baht 11 million) to the fund.

40. Dividends

Dividends declared by the Company during the years 2011 and 2010 consist of the followings.

Dividend	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Interim dividend in respect of the income for the period as from 1 January 2010 to 30 September 2010	Board of Directors' meeting on 11 November 2010	42,378	0.08
Total dividend for 2010		42,378	0.08
Final dividend on 2010 operating results	Annual General Meeting of the shareholders on 7 April 2011	21,195	0.04
Total dividend for 2011		21,195	0.04

41. Commitments and contingent liabilities

41.1 Capital commitments

As at 31 December 2011, capital commitments of the Company and its subsidiaries totaling Baht 2 million (2010: Baht 6 million) were in respect of the purchases of machinery and equipment.

41.2 Operating lease and service agreement commitments

The Company and its subsidiaries entered into several operating lease and service agreements in respect of the leases of land, building, oil depots, gas stations, vehicles and equipment. The terms of the agreements are generally between 1 and 30 years.



As at 31 December 2011, future minimum payments required under these agreements were as follows.

(Unit: Million Baht)

Payable within	Consolidated financial statements	Separate financial statements
Less than 1 year	43	20
1 to 5 years	72	5
More than 5 years	140	9

41.3 Long-term purchase and sale commitments / Commercial dispute

- a) On 8 August 1995, the Company entered into a purchase agreement with PTT Public Company Limited ("PTT") to purchase condensate residue raw materials that are produced by PTT Aromatics and Refining Public Company Limited in a quantity and at a price stipulated in the agreement. The agreement has a primary period of 15 years ending 2012 and may be extended. The agreement stipulated that the Company had to provide a bank guarantee of a certain amount as security against payment for goods purchased. The security will be returned to the Company upon expiry of the agreement.

On 30 September 2009, PTT sent a letter informing the Company of the cancellation of the condensate residue raw materials purchase agreement, and requesting termination of the agreement upon completion of the 15-year term (Primary period) in 2012. The Company has held discussions with PTT in order to seek a resolution that would be fair to both parties, but no resolution could be found because the parties interpret the agreement differently. The Company and the Company's legal advisor are of the opinion that the agreement cannot be terminated since it is a long-term reciprocal agreement, and it stipulates the requirement that the Company to construct a plant to refine condensate residue of a specification that would be sourced only from PTT, and not to resell the raw materials in the same condition they are received from PTT. The agreement therefore includes a stipulation that the agreement is made on an evergreen basis, meaning that there is no specified termination date and the agreement will renew automatically at the completion of the first 15-year term (Primary period). In addition, the agreement can only be terminated with the consent of both counterparties or in the event that either party breaches the agreement. The Company has not breached any condition of the agreement. On this basis, the Company is confident that the agreement cannot be terminated, while PTT has a different opinion. Consequently, to maintain the rights of the shareholders guaranteed and protected by law, the Company used the judicial process to make a final determination on the matter, and submitted a petition to the Arbitration Office on 3 December 2009. On 27 August 2010, the Company lodged a lawsuit against PTT with the Civil Court, demanding PTT comply with the agreement with no specified termination date. At present, the commercial dispute and outstanding litigation are under formal arbitration proceedings and litigation. Their outcomes cannot be determined and depend on the future judicial process.



On 30 November 2011, the Company received a raw material delivery plan from PTT, which is part of the normal business cooperation process between the Company and PTT, and found that such plan specified that raw materials would only be delivered until January 2012. PTT has stopped delivering raw materials to the Company since February 2012 and this has forced the Company to cease production since it has been unable to find a new source to supply these raw materials.

- b) In November 2007, a subsidiary entered into an agreement with PTT Utility Co., Ltd. ("PTTUT") to purchase steam in a quantity and at a price stipulated in the agreement, which is for a period of 15 years commencing from the facility commercial operation date or 1 October 2008. The agreement can be extended for another 5 years.

On 26 December 2011, the subsidiary entered into a memorandum with PTTUT, whereby PTTUT will construct a pipe rack and bridge to install a steam pipeline, with a construction price of Baht 58 million, and will compensate the subsidiary an amount of Baht 23 million, for the impact of its inability to supply steam as agreed. This is treated as part of the delay penalty and deducted from construction cost. The construction cost and all interest are to be paid to PTTUT on a monthly basis, beginning on the first of the 37th month and to be completed within 72 months after the date PTTUT commences supplying steam. The construction cost carries interest at a rate equal to MLR of a bank.

41.4 Guarantees

- a) As at 31 December 2011, there were outstanding bank guarantees of Baht 49 million (2010: Baht 261 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of their business. These included letters of guarantee amounting to Baht 40 million to guarantee payments due to a creditor and Baht 9 million to guarantee electricity use, among others.
- b) The Company has guaranteed bank credit facilities of subsidiaries amounting to Baht 70 million (2010: Baht 82 million).

41.5 Litigation

A subsidiary was defendant in a Baht 300,000 civil lawsuit involving breach of an oil purchase and sale contract. On 25 May 2011, the subsidiary entered into a compromise agreement and paid compensation of Baht 200,000, which was recorded in the financial statements.

42. Financial instruments

42.1 Financial risk management

The Company's and subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, accounts receivable and payable, loans receivable and payable and investments. The financial risks associated with these financial instruments and how they are managed is described below.



Credit risk

The Company and subsidiaries are exposed to credit risk primarily with respect to trade receivables, loans receivable, other receivables and notes receivable. The Company and subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade receivables, loans receivable, other receivables and notes receivable as stated in the statement of financial position.

Interest rate risk

The Company's and subsidiaries' exposures to interest rate risk relate primarily to their deposits at banks, loans receivable, bank overdrafts, and loans payable with interest. However, since most of the Company and subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2011 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1-5 years	Over 5 years				
							(% p.a.)
Financial assets							
Cash and cash equivalents	406	-	-	104	14	524	0.13 - 3.25
Current investments	-	-	-	-	90	90	-
Trade and other receivables	-	-	-	-	621	621	-
Short-term loans to and interest receivable from unrelated parties	3	-	-	-	-	3	5.00
Short-term loans to related parties	-	-	-	2	-	2	Prime rate plus 3.00
Pledged deposits at banks	98	-	-	-	-	98	1.87 - 2.50
Long-term loans to unrelated parties	1	3	-	-	-	4	4.50 - 5.89
	508	3	-	106	725	1,342	



(Unit: Million Baht)

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1-5 years	Over 5 years				
							(% p.a.)
Financial liabilities							
Short-term loans from banks	275	-	-	-	-	275	6.25
Trade and other payables	-	-	-	-	1,596	1,596	-
Long-term loans from banks	-	-	-	140	-	140	Not over MLR
Short-term loans from unrelated parties	13	-	-	-	-	13	3.00 - 5.75
Long-term loans from unrelated parties	24	-	-	-	-	24	5.75
Long-term loans from related parties	207	-	-	-	-	207	5.75
Liabilities under finance leases	45	70	-	-	-	115	2.88 - 7.60
	564	70	-	140	1,596	2,370	

Foreign currency risk

The Company's and subsidiaries' exposures to foreign currency risk arise mainly from trading transactions that are denominated in foreign currencies. The Company and subsidiaries reduce this risk by entering into forward exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets denominated in foreign currencies as at 31 December 2011 are summarised below.

Foreign currency	Financial assets	Average exchange rate as at 31 December 2011
	(Thousand)	(Baht per 1 foreign currency unit)
US dollar	10,447	31.55

Foreign exchange contracts outstanding at 31 December 2011 are summarised below.

Foreign currency	Sold amount	Contractual exchange rate - Sold	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	7,153	31.05 - 31.72	January - March 2012



Market risk

The Company and its subsidiaries have risk exposure with respect to the market price of oil, which tends to fluctuate significantly. The Company manages the risk by controlling the production period in order to minimise the period between receiving raw materials and selling finished goods. In order to hedge the risk, the Company may enter into forward contracts to purchase and sell crude oil and oil products.

As at 31 December 2011, the Company does not have outstanding forward contracts to purchase and sell crude oil and oil products.

42.2 Fair values of financial instruments

Since the majority of the Company and subsidiaries' financial instruments are short-term in nature, loans receivable and payable bear interest rates which are close to the market rate, their fair values are not expected to be materially different from the amounts presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

43. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2011, the Group's debt-to-equity ratio was 1.61:1 (2010: 2.02:1) and the Company's was 1.15:1 (2010: 1.50:1).

44. Events after the reporting period

- a) Since February 2012, the Company's major raw material supplier has stopped delivering the raw materials to the Company and this has caused the Company to shut down its plant since 7 February 2012.
- b) On 17 February 2012, a meeting of the Company's Board of Directors passed a resolution to propose the payment of dividends from the 2011 operating results for approval by the 2012 Annual General Meeting of the shareholders. The proposed dividend was Baht 0.05 per share, or a total of Baht 26 million.



45. Reclassification

To comply with the Notification of the Department of Business Development relating to the financial statement presentation as described in Note 2 to the financial statements and as the result of the adoption of revised and new accounting standards as described in Note 3 and Note 5 to the financial statements, certain amounts in the financial statements for the year ended 31 December 2010 have been reclassified to conform to the current year's classification.

46. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2012.



Management and Connected Person Description

As of JANUARY 1st , 2012

Name-Surname	Mr.Satja Janetumnugul		
Position ⁽¹⁾	Chairman of the Board of Directors, Director/ Executive Director		
Age (Year)	57 years		
Education	B.Engineering, King Mongkut's University of Technology Thonburi		
	<ul style="list-style-type: none"> DAP : Directors Accreditation Program: Thai Institute of Directors Association 		
Shareholding Portion ^{(2) & (3)} As of January 1st , 2012 (Share/%)	9,312,375 Shares / 1.76%		
Work experience for the past 5 years	2003-Present	Director	Benja Petroleum Co., Ltd.
	2006-Present	Director	Pure Sammakorn DevelopmentCo.,Ltd.
	2003-Present	Director	Jatuchak Oil Co., Ltd.
	2003-Present	Director	Burapha Rungroch Petroleum Co., Ltd.
	2002-Present	Director	I-sanrungruang Petroleum Co., Ltd.
	2002-Present	Director	Metro Petroleum Co., Ltd.
	2001-Present	Director	Pure Thai Energy Co., Ltd.
	2001-Present	Director	Mitsamphan Petroleum Co., Ltd.
	1998-Present	Chairman of the Executive Board	Petro-Instruments Corp. Ltd.
	1995-Present	Director	SCT Petroleum Co., Ltd.
	1995-Present	Executive Director	Rayong Purifier PLC.
	2000-2003	Managing Director	Rayong Purifier PLC.
	2002-2008	Director	VTN-P Petrochemical Joint Venture Co., Ltd.
	2000-2004	Director	Siam Gulf Petrochemical Co., Ltd.



Name-Surname	Mr.Viravat Cholvanich
Position ⁽¹⁾	Independence Director
Age (Year)	67 years
Education	<ul style="list-style-type: none"> • Senior Executive Program Massachusetts Institute of Technology (MIT) • MBA, Oregon State University, USA • Associate Diplomas, Industrial Management, Goteborg University, Sweden • B.A. (Business Administration), Chulalongkorn University • DAP : Directors Accreditation Program : Thai Institute of Directors Association
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	6,125 Shares / 0.0012%
Work experience for the past 5 years	<p>2009 – Present Board Chairman Biomass Power Co., Ltd.</p> <p>2010 – Present Director Pure Sammakorn Development Co., Ltd.</p> <p>2000 – Present Board Chairman Wang Nam Khew Winery Co., Ltd.</p> <p>1998 – Present Board Chairman Rayong Purifier PLC.</p> <p>1997 – Present Board Chairman S T F E Co., Ltd.</p> <p>1996 – Present Director Siam Steel Tower Co., Ltd.</p> <p>1994 – Present Board Chairman Sri U-Thong Co., Ltd.</p> <p>1992 – Present Board Chairman Zigma Concrete and Construction Co., Ltd.</p>

Name-Surname	Mr.Suwinai Suwanhirunkul
Position ⁽¹⁾	Director/ Executive Board/ Managing Director
Age (Year)	56 years
Education	<ul style="list-style-type: none"> • MBA, Burapha University • B.Sc. (Chemical Engineering), Chulalongkorn University • DPC : Directors Certification Program: Thai Institute of Directors Association • Finance for Non-Finance Directors



Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	- Shares / - %
Work experience for the past 5 years	<div>2003-Present Managing Director Rayong Purifier PLC.</div> <div>2006-Present Director Pure Sammakorn DevelopmentCo.,Ltd.</div> <div>2004-Present Director Pure Bio-Diesel Co.,Ltd.</div> <div>2003-Present Director Pure Thai Energy Co., Ltd.</div> <div>2002-2008 Director VTN-P Petrochemical Joint Venture Co.,Ltd.</div>

Name-Surname	Mr.Sumit Chanmatee		
Position ⁽¹⁾	Director/ Executive Board		
Age (Year)	56 years		
Education	B.Sc. (Chemical Engineering), Chulalongkorn University • DAP : Directors Accreditation Program: Thai Institute of Directors Association		
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	- 0.000 Shares / 0.000%		
Work experience for the past 5 years	<div>1995-Present Executive Board Rayong Purifier PLC.</div> <div>2007-Present Director Pure Bio-Diesel Co.,Ltd.</div> <div>2006-Present Director Pure Sammakorn Development Co.,Ltd.</div> <div>2004-Present Director RPC Asia Co.,Ltd.</div> <div>2003-Present Director Jatuchak Oil Co., Ltd.</div> <div>2003-Present Director Burapha Rungroch Petroleum Co., Ltd.</div> <div>2003-Present Director Benja Petroleum Co., Ltd.</div> <div>2002-Present Director I-sanrungruang Petroleum Co., Ltd.</div> <div>2002-Present Director Metro Petroleum Co., Ltd.</div> <div>2001-Present Director Pure Thai Energy Co., Ltd.</div>		



Work experience for the past 5 years (Cont.)	2001-Present	Director	Mitsamphan Petroleum Co., Ltd.
	1999-Present	Director	SCT Petroleum Co., Ltd.
	1997-Present	Director	Logic Consultant Co., Ltd.
	2001- Present	Director	Jaturatis Transport Co., Ltd.
	2002-2008	Director	VTN-P Petrochemical Joint Venture Co., Ltd.
	2000-2004	Director	Siam Gulf Petrochemical Co., Ltd.
	1998-1999	Director & General Manager	Bangkok Can Manufacturing Co., Ltd.
	1997-1998	Management Advisor	The Siam Paraffine Co., Ltd.
	1995-1997	Managing Director	The Petro Chain (Thailand) Co., Ltd.
	1994-1995	Managing Director	General Environmental Conservation Co., Ltd.(GENCO)
	1993-1999	General Director	The Bangkok Industrial Gas Co., Ltd.
	1991-1993	Senior Executive Vice President	The Bangchak Petroleum PLC.

Name-Surname	Mr.Supapong Krishnakan
Position ⁽¹⁾	Director/ Chairman of the Executive Board
Age (Year)	55 years
Education	<ul style="list-style-type: none"> • M.S. in Chemical Engineering & Process Control Computer, University of California, Davis, California, USA • M.S.c. Economics / Advance Engineering & Economics, California State Polytechnic University, Pomona, California, USA • B.S. in Chemical Engineering, Chulalongkorn University, Bangkok, Thailand • DAP : Directors Accreditation Program: Thai Institute of Directors Association
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	8,309,075 Shares / 1.57%



Work experience for the past 5 years	2000-Present	Director/ Chairman of the Executive Board	Rayong Purifier PLC.
	2007-2010	Director	Pure Bio-Diesel Co.,Ltd.
	2006-Present	Director	Pure Sammakorn Development Co.,Ltd.
	1998-Present	Director	Honest and Efficient Co., Ltd.
	2000-2004	Managing Director	Siam Gulf Petrochemical Co., Ltd.
	2004-2007	Director	RPC Asia Co.,Ltd.
	2002- 2005	Director	Pure Thai Energy Co., Ltd.
	1996-2000	Managing Director	Rayong Purifier Co., Ltd.
	1994-1995	Chairman	Honest and Efficient Co., Ltd.
	1992-1993	Project Manager	Si Chang Siam Solvent Co., Ltd. And Si Chang Thong Terminal Co., Ltd.
	1987-1991	Project Engineer	Bangchak Petroleum Co., Ltd.
	1981-1986	Process and Control Engineer	Esso (Thailand) Co., Ltd.
	1979-1980	Engineer	Industrial Enterprises Co., Ltd.

Name-Surname	Mr.Suthud Khancharoensuk
Position ⁽¹⁾	Director
Age (Year)	54 years
Education	<ul style="list-style-type: none"> MBA, Thammasat University B.Sc., Chulalongkorn University DAP : Directors Accreditation Program: Thai Institute of Directors Association Board Performance Evaluation: Thai Institute of Directors Association
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	425 Shares / 0.00008%



Work experience for the past 5 years	1996-Present	Director	Rayong Purifier PLC.
	2007 - Present	Director	Pure Thai Energy Co., Ltd.
	2001-2004	President	Petro-Instruments Corp. Ltd.
	1991-Present	Director	Petro-Instruments Corp. Ltd.

Name-Surname	Mr.Tawat Ungsuprasert		
Position ⁽¹⁾	Director		
Age (Year)	65 years		
Education	<ul style="list-style-type: none"> B.Sc. (Chemistry), Chulalongkorn University DAP : Directors Accreditation Program: Thai Institute of Directors Association 		
Shareholding Portion ^{(2) & (3)} As January 1st, 2012 (Share/%)	34,035,250 Shares / 6.423%		
Work experience for the past 5 years	2005-Present	Director	Jaturatis Transport Co., Ltd.
	1999-Present	Director	Rayong Purifier PLC.
	2003-2004	Chairman / Director	SCT Petroleum Co., Ltd.
	1999-Present	Director	Sherwood Chemical PLC.
	1993-1998	Industrial Market Manager	The Shell Company in Thailand Limited

Name-Surname	Dr.Vichit Yamboonruang		
Position ⁽¹⁾	Independence Director/ Chairman of The Audit Committee		
Age (Year)	70 years		
Education	<ul style="list-style-type: none"> Ph.D.School of Public and International Affairs, University of Pittsburgh, USA MA. (Economics), Columbia University, USA BA. (Economics), Chulalongkorn University DAP : Directors Accreditation Program : Thai Institute of Directors Association DCP : Directors Certification Program : Thai Institute of Directors Association Audit Committee Program : Thai Institute of Directors Association The Role of Chairman : Thai Institute of Directors Association 		



Shareholding Portion (2) & (3) As of January 1st, 2012 (Share/%)	0.000 Shares / 0.000%
Work experience for the past 5 years	<p>2003-Present Chairman of The Rayong Purifier PLC. Audit Committee</p> <p>2010-Present Director Pure Sammakorn Development Co.,Ltd.</p> <p>2000-Present Chairman of The Jasmin International PLC. Audit Committee</p> <p>1999-Present President Global Bond Industrial Co., Ltd.</p> <p>1979-2000 Senior Petroleum Authority of Thailand Vice-President Refining Sector & Acting Senior Vice-President Natural Gas Sector</p>

Name-Surname	Mr.Arnooparp Charmikorn
Position ⁽¹⁾	Independence Director/ Audit Committee
Age (Year)	56 years
Education	<ul style="list-style-type: none"> M.S. (Chemical Engineering) University of Tennessee (Knoxville), USA B.Sc. (Chemical Engineering), Chulalongkorn University DAP : Directors Accreditation Program : Thai Institute of Directors Association Audit Committee Program : Thai Institute of Directors Association
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	0.000 Shares / 0.000%
Work experience for the past 5 years	<p>2003-Present Audit Committee Rayong Purifier PLC.</p> <p>1992-2001 Executive Kuwate Petroleum (Thailand) Co., Director Ltd.</p> <p>1979-1992 Department Esso Standard Thailand PLC. Manager</p>



Name-Surname	Mr.Bibit Bijaisoradat																											
Position ⁽¹⁾	Independence Director/ Audit Committee																											
Age (Year)	50 years																											
Education	<ul style="list-style-type: none">• MBA National Institute of Development Administration• BA International Relations, Chulalongkorn University• DCP : Directors Certification Program : Thai Institute of Directors Association• Audit Committee Program : Thai Institute of Directors Association• CEO Succession & Effective Leadership Development : Thai Institute of Directors Association																											
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	106,125 Shares / 0.020%																											
Work experience for the past 5 years	<table><tr><td>2003-Present</td><td>Audit Committee</td><td>Rayong Purifier PLC.</td></tr><tr><td>2002-Present</td><td>Director</td><td>Sammakorn PLC.</td></tr><tr><td>2006-Present</td><td>Director</td><td>Pure Sammakorn Development Co.,Ltd.</td></tr><tr><td>2010-Present</td><td>Director</td><td>Pure Thai Energy Co., Ltd.</td></tr><tr><td>2002-Present</td><td>Director</td><td>Thai Insurance PLC.</td></tr><tr><td>2001-Present</td><td>Director</td><td>Suvanachad Co., Ltd. Under His Majesty The King's Royal Patronage</td></tr><tr><td>2000-Present</td><td>Managing Director</td><td>Mongkolchaipattana Co., Ltd.</td></tr><tr><td>2000-Present</td><td>Assistant Manager</td><td>H.M. Private Property Office</td></tr><tr><td>2000-Present</td><td>Deputy Director</td><td>H.M. Private Development Projects</td></tr></table>	2003-Present	Audit Committee	Rayong Purifier PLC.	2002-Present	Director	Sammakorn PLC.	2006-Present	Director	Pure Sammakorn Development Co.,Ltd.	2010-Present	Director	Pure Thai Energy Co., Ltd.	2002-Present	Director	Thai Insurance PLC.	2001-Present	Director	Suvanachad Co., Ltd. Under His Majesty The King's Royal Patronage	2000-Present	Managing Director	Mongkolchaipattana Co., Ltd.	2000-Present	Assistant Manager	H.M. Private Property Office	2000-Present	Deputy Director	H.M. Private Development Projects
2003-Present	Audit Committee	Rayong Purifier PLC.																										
2002-Present	Director	Sammakorn PLC.																										
2006-Present	Director	Pure Sammakorn Development Co.,Ltd.																										
2010-Present	Director	Pure Thai Energy Co., Ltd.																										
2002-Present	Director	Thai Insurance PLC.																										
2001-Present	Director	Suvanachad Co., Ltd. Under His Majesty The King's Royal Patronage																										
2000-Present	Managing Director	Mongkolchaipattana Co., Ltd.																										
2000-Present	Assistant Manager	H.M. Private Property Office																										
2000-Present	Deputy Director	H.M. Private Development Projects																										



Name-Surname	Ms. Siraporn Krishnakan		
Position ⁽¹⁾	Assistant to Managing Director		
Age (Year)	56 years		
Education	<ul style="list-style-type: none">MBA, California State Polytechnic University, Pomona, USAB. of Accountancy, Chulalongkorn University		
Shareholding Portion ⁽²⁾ & ⁽³⁾ As of January 1st, 2012 (Share/%)	517,900 Shares / 0.097%		
Work experience for the past 5 years	2004-Present	Assistant Managing Director	Rayong Purifier PLC.
	2003-2003	GM–Management & Financial Function	Rayong Purifier PLC.
	2003-2008	Internal Audit Office Manager (Action)	Rayong Purifier PLC.
	2006-Present	Director	Pure Sammakorn Development Co.,Ltd.
	2004-Present	Director	Pure Thai Energy Co., Ltd.
	2004-2007	Director	RPC Asia Co.,Ltd.
	2002-2008	Director	VTN-P Petrochemical Joint Venture Co., Ltd.
	2003-Present	Director	Jatuchak Oil Co., Ltd.
	2003-Present	Director	Burapha Rungroch Petroleum Co., Ltd.
	2003-Present	Director	Benja Petroleum Co., Ltd.
	2002-Present	Director	I-sanrungruang Petroleum Co., Ltd.
	2002-Present	Director	Metro Petroleum Co., Ltd.
	2001-Present	Director	Mitsamphan Petroleum Co., Ltd.



Work experience for the past 5 years (Cont.)	2001-2007	Director	Jaturatis Transport Co.,Ltd.
	1999-Present	Director	SCT Petroleum Co.,Ltd.
	1998-2003	Director	Yothin Petroleum Co., Ltd.
	1988-Present	Director	Honest and Efficient Co., Ltd.
	1996-1998	Senior Vice President Budgeting / Accounting / Finance Department	Bangkok Terminal Co., Ltd.

Name-Surname	Mr.Somboon Sirichainarumitr		
Position ⁽¹⁾	General Manager-Finance & Administration Function		
Age (Year)	47 years		
Education	<ul style="list-style-type: none"> Master Degree in Economics, NIDA B.B.A (Accounting), Thammasat University 		
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	50,085 Shares / 0.095%		
Work experience for the past 5 years	2007-Present	GM-Finance & Administration Function	Rayong Purifier PLC.
	2005-2006	GM-Finance & Accounting Function	Rayong Purifier PLC.
	2003-2004	Finance & Administration Director	Asian Marine Services PLC.
	1997-2002	Accounting Department Manager	Asian Marine Services PLC.



Name-Surname	Mr.Wasun Sutrong
Position ⁽¹⁾	General Manager-Manufacturing Function
Age (Year)	42 years
Education	<ul style="list-style-type: none"> Bachelor's of Industrial of Technology in Material Handling Technology, King Mongkut's Industrial of Technology, North Bangkok.
Shareholding Portion ^{(2) & (3)} As of January 1st, 2012 (Share/%)	170,718 Shares / 0.032%
Work experience for the past 5 years	<p>2007-Present GM- Manufacturing Rayong Purifier PLC. Function</p> <p>2004 – 2006 Project Director VTN-P Petrochemical Joint VTN-P Venture Co.,Ltd.</p> <p>2003 – 2004 Special Project VTN-P Petrochemical Joint Director Venture Co.,Ltd.</p> <p>2003 – 2003 General Manager Rayong Purifier PLC. (Acting)</p> <p>1996 – 2003 Operation Rayong Purifier PLC. Department Manager</p>

Remark

- (1) The authorized signatory comprises 1.) Mr. Supapong Krishnakan, Mr. Satja Janetumnugul, Mr. Sumit Chanmatee, Mr. Suwinai Suwanhirunkul, two out of these four directors jointly sign with the Company's seal or 2.) Mr. Supapong Krishnakan or Mr. Satja Janetumnugul or Mr. Sumit Chanmatee or Mr. Suwinai Suwanhirunkul, one of these four directors jointly sign with Mr. Suthud Khancharoensuk or Mr. Tawat Ungsuprasert and stamped with the Company's seal.
- (2) Including share portion of spouse and children who are under 20 years old.
- (3) Share portion as January 1st, 2012 with Par Value 1.00 Baht per Share. The registered and paid up is 529,870,229 Baht as of January 1st, 2012



บริษัท ระยองเพียวริฟายเออร์ จำกัด (มหาชน)
RAYONG PURIFIER PUBLIC COMPANY LIMITED

Rayong Purifier | Pure Thai Energy | Pure Biodiesel | Pure Sammakorn Development
SCT Petroleum | Jaturatis Transport | Mitsumphan Petroleum | Metro Petroleum | Jatuchak Oil
Buraparungrot Petroleum | I-Sanrungruang Petroleum | SCT Sahaphan

RAYONG PURIFIER PUBLIC COMPANY LIMITED

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