



Star Petroleum Refining Public Company Limited

Annual Report 2015

ONE FAMILY...

FUELING THE FUTURE OF THAILAND



OUR CORE VALUES

We put our heads and our hearts into everything we do.

We aspire to be the guiding 'Star' of the Asian energy sector: a pacesetter and a beacon of best practice.

We reach for the 'Star' through our core values of Caring, Reliable and Professional.

Star

Leader / Outstanding / Role model

We aim to 'be the best' with outstanding performance and best practice in all areas: a role model for the Asian energy sector. We are never satisfied, and always strive to improve.

Professional

Integrity / Professionalism / Performance driven

We have a philosophy of integrity, continuous improvement and professionalism. Our approach is to maximize value from available resources.

Reliable

Accountable / Ready / Trustworthy

We take an uncompromising approach to safety and operational excellence and strive to be incident and injury free. We place importance on the reliability of our people which leads to the reliability of our processes and equipment, ensuring that our stakeholders can rely on us each and every time.

Caring

Responsible citizen / Compassion / Sincere

All our stakeholders are part of our extended 'family'. We care genuinely about all stakeholders and the environment.





Star Petroleum Refining Public Company Limited

Annual Report 2015



A WELCOME MESSAGE FROM BILL



I and the rest of the SPRC Family would like to welcome all of our new shareholders to the SPRC Family.

In December 2015 we completed our Initial Public Offering (IPO) and had our first day of trading of SPRC shares on the Stock Exchange of Thailand. This is our first Annual Report to be shared with our public investors, and I would like to introduce SPRC.

SPRC is a different kind of refining company. We have a strong **“ONE FAMILY”** Culture that underlies everything we do. Our Family includes all of our stakeholders, including our staff, contractors, customers, vendors, community, government, shareholders, and of course our new investors as a result of the IPO. We care for the safety, well-being, and success of our entire Family, just as we care for our own children, spouses, and parents at home.

A handwritten signature in blue ink, appearing to read 'W. Stone'.

Mr. William Lewis Stone

Director and Chief Executive Officer

Our success is dependent on, and a result of, the relationships our One Family develops, working together to achieve performance excellence.

Our strategy is to...

"Set the Standard" in everything we do.

We expect to...

Set the Standard as Employer of Choice in Thailand,

Set the Standard Globally for Operation Excellence, and

Set the Standard for Shareholder Return in Thailand.

The foundation to Setting the Standard is our passionate commitment to personal safety. Our commitment is to ensure that everyone in our "One Family" goes home safely each day, and stays safe at home as well. Since 2005 we have built a culture that expects to achieve injury and incident free operation. I am proud to say that our SPRC Family has had no recordable injuries since early 2014, achieving over 5 million man-hours without anyone getting hurt. We have similar success in process safety.

Building off of our success, approach and attitudes to personal and process safety, we have also achieved impressive performance in other areas of Operational Excellence including reliability, utilization and environmental protection.

Over the last few years, we ranked near the top of the best performers in the Asia-Pacific region in reliability and utilization.

In order to Set the Standard as Employer of Choice, SPRC is developing world-class leaders and providing training and development opportunities for our staff, creating a highly-engaged, high performance Family. We Set the Standard for Shareholder return through our Bottom Line Improvement Program which focusses on capturing increased margin and drives superior financial results. Our commitment to our customers is evident through our "Crude to Customer" initiative that ensures that the quality of our product deliveries meets or exceeds our customer expectations.

Our 2015 performance in numerous safety, operational and financial measures was our best ever and among the best in the Asia Pacific region.

SPRC has been producing transportation fuels and other petroleum products for the Thai domestic market for 20 years. Our primary products are gasoline, jet fuel, and diesel. With a capacity of 165,000 barrels/day, we provide about 13% of the refining capacity in Thailand and we supply about one third of the domestic gasoline demand.

SPRC plans to continue to provide the fuels that power the financial growth engine of Thailand for many years to come. We recognize that to do this, we must have a good balance between financial performance, stewardship of the environment, and social development. With our commitment to a long-term balance of these objectives, we have incorporated Sustainable Development concepts into all of our work practices, procedures and decision making.

At SPRC, corporate governance is deeply embedded in our One Family culture and our approach to engaging with all of our stakeholders. Indeed, a large part of our success as an organization is dependent on our reputation for transparency, honesty and fair dealing and is firmly rooted in the integrity of our management and staff.

I am confident that the power of our highly engaged Family will continue to drive SPRC's success and allow us to "Set the Standard" for the refining business, and achieve our vision:

"One Family...

Fueling the Future of Thailand"

"Welcome to the SPRC family"



Star Petroleum Refining Public Company Limited

Our Vision :

“One Family...
Fueling the Future of Thailand”

Our Mission :

“We are a highly engaged Family, dedicated to providing sustained superior returns to our shareholders through safe and reliable operations, producing quality products that exceed customer expectations, in harmony with our communities and the environment”



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MESSAGE FROM THE CHAIRMAN



“SPRC’s strategy is to *Set the Standard*”

The Board of Directors would like to welcome all of SPRC’s new shareholders to the SPRC family. SPRC had an exceptional year in 2015 with outstanding performance in safety, reliability, utilization, margin improvement, and overall margin realization - all while also completing the Initial Public Offering and public trading of SPRC’s shares on the Stock Exchange of Thailand in December. The Board of Directors believes that this exceptional performance is an indicator of the strong company culture, business fundamentals, and leadership that will continue to drive SPRC’s performance in the future.

SPRC’s strategy is to “Set the Standard” in all aspects of the business. SPRC’s three key strategic intents are to “Set the Standard as Employer of Choice”, “Set the Standard in Operational Excellence”, and “Set the Standard in Shareholder Return”. In addition, the Board of Directors, SPRC management and the SPRC Family is committed to the highest standards of business conduct and ethics, transparency, and corporate governance.

2015 was a good year for refining sector in general. Although crude prices continued to drop from a high of US\$66/bbl to US\$32/bbl, refining margins remained very strong. In 2015, SPRC captured a Market Gross Refining Margin of US\$10.41/bbl, driven by high

Andrew Benjamin Walz

Chairman of the Board

refining margins overall, high gasoline crack spreads with high gasoline yields, low crude premiums, excellent reliability and utilization, and a high percentage of domestic product placement. This resulted in net earnings of US\$245 million (Baht 8,227 million) for the year and earnings per share of US\$0.06 (Baht 1.99), despite the stock loss incurred as a result of falling crude prices.

In 2015, the Board of Directors was very proud with the efforts of all of the SPRC Family to continue to build on SPRC's outstanding performance in Operational Excellence resulting in "Best Ever" performance in all Key Performance Areas.

SPRC's operations were Injury Free in 2015 - every employee and contractor returned home safely, every day. The Injury Free operation tracks back over 21 months and 5.25 million man-hours. Reliability as measured by Operational Availability (outside of turnarounds) was 99.8%. This exceptional reliability allowed SPRC to achieve 99.7% crude unit utilization and 97.8% utilization of all refinery processing facilities. Complementing the high reliability, there were no Environmental Incidents and essentially no Costs of Incidents. SPRC's refinery energy efficiency improved by over 3% on the previous year.

The Board believes that this "Best Ever" performance places SPRC in the very top tier of Asia Pacific refineries. Consistent with SPRC's strategy to "Set The Standard", management, staff and contractors continue to drive work process improvements and initiatives to further improve performance in Operational Excellence.

With the high reliability and utilization, SPRC successfully continued to drive margin enhancement through the Bottom Line Improvement Program (BLIP), finding numerous initiatives to increase margin recovery by \$0.66/bbl over 2014 performance. Several studies were initiated to identify and start to develop projects for completion during the planned 2019 turnaround to enhance high value product yields and potentially increase capacity.

SPRC recognizes that in order to achieve long term success, a careful balance must be managed between environmental stewardship, social responsibility and economic returns. SPRC's Sustainability Plan reflects critical focus areas and initiatives to ensure this important balance. The 2015 Sustainability Report captures work process improvements, initiatives and activities in all 9 focus areas.

A focus for SPRC's Board of Directors and management during 2015 was the successful completion of the Initial Public Offering. This involved working with SPRC's shareholders, the Ministry of Energy, the Security Exchange Commission, the Security Exchange of Thailand, as well as numerous financial and legal advisors to ensure successful completion of capital restructuring, development and presentation of company information to potential investors, and to ensure that good value is provided to new investors. At the same time, an Employee Stock Ownership Program (ESOP) was executed which will further motivate the engaged workforce as shareholders in SPRC.

On behalf of the SPRC Board of Directors, executives and employees, I would like to welcome SPRC's new investors. I would also like to thank all of SPRC's shareholders, business partners and other stakeholders for helping to achieve a truly exceptional year in terms of accomplishments and performance. I believe this past year's performance is a strong indicator of SPRC's ability to continue to "Set the Standard" in the refining industry and to achieve the Vision of "One Family - Fueling the Future of Thailand" for many years to come.



PERFORMANCE REVIEW

SPRC's "BEST EVER" Performance

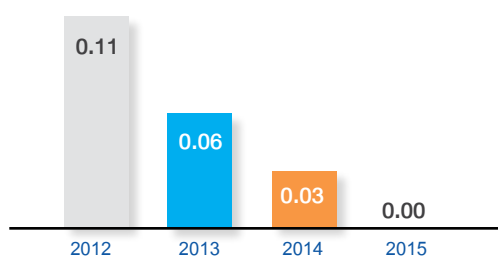
We continue to focus on operational excellence in an incident and injury free environment, pursuing environmental leadership, and growing shareholder value.

Our 2015 performance was exceptional, with "BEST EVER" performance in many operational and financial measures.

BEST EVER – Zero Injuries

Total Recordable Injury Rate per 200,000 man-hour

Industry average 0.21–0.37



In 2015, we continued our pursuit and commitment to safety and incident and injury free operations. We implemented several programs, such as process safety management assessment, improved verification and validation process of safe work practices, and extending our safety culture through the SPRC academy to external parties. SPRC uses a set of best practices revolving around the principles of reliability and safety and helped us to achieve our best ever safety record. As of December 31, 2015, we recorded 10.45 million man-hours since our last "days away from work" case and 5.25 million man-hours since our last recordable injury.

We had a "BEST EVER" safety performance, with every one of our staff and contractors going home safely every day, and a zero Total Recordable Injury Rate per 200,000 man-hours.

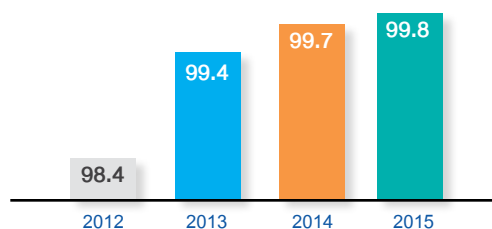
BEST EVER – Reliability

Utilizing the same commitment and approach for reliability as we do with safety, we also drive for incident free operations.

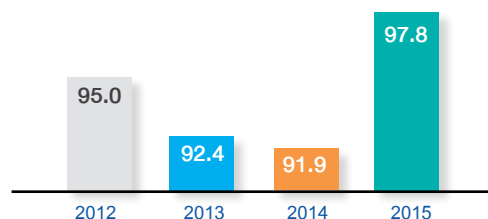
This resulted in our "BEST EVER" operational availability outside turnaround at a near perfect 99.8%, and with our lowest ever cost of incidents.

This exceptional reliability allowed us to also maximize refinery utilization of all our major process units at a "BEST EVER" of 97.8%, which is one of the top performances among over 90 refineries in the Asia Pacific and Indian Ocean region.

Operational Availability outside turnaround (%)



Process Units Utilization (%)



BEST EVER – GRM

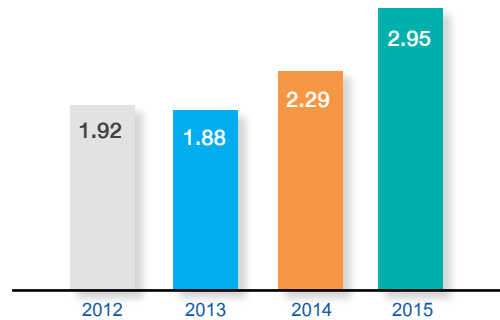
SPRC has the flexibility to run a wide range of crudes, and we constantly review and manage our crude selection to find the optimum crude to produce high value products and maximize our margin. In 2015, we processed more new crudes than we had ever done before. Of the “BEST EVER” ten new crudes we processed, two of them were new-to-the-world crudes, from new oil fields. In 2015, we produced 68.4 million barrels of petroleum products.

We processed a “BEST EVER” 164,500 barrels per day of crude oil, or 99.7% of our crude capacity.

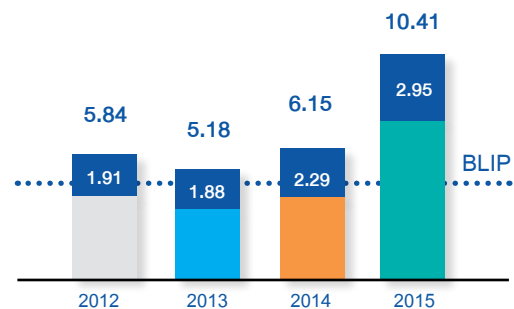
With our excellent safety and reliability performance and high refinery utilization, we were able to focus on increasing our margin by using our Bottom Line Improvement Program (BLIP) to improve our margin by a “BEST EVER” US\$2.95/bbl – more than US\$0.66/bbl more than the previous year. BLIP looks at crude optimization, product optimization and process optimization, energy efficiency and loss reduction.

Including BLIP, our “BEST EVER” marketing gross refining margin was US\$10.41/bbl, a significant improvement over US\$6.15/bbl in 2014.

Bottom Line Improvement Program (US\$/bbl)

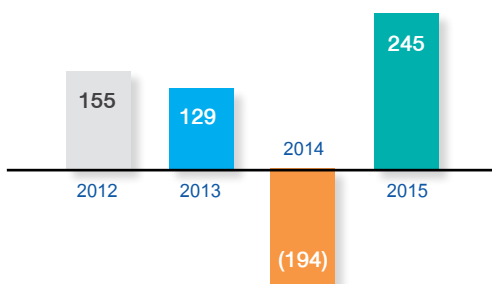


Market Gross Refining Margin (US\$/bbl)



BEST EVER – Net Income After Tax

NIAT (US\$ MM)



After taking into account stock loss, our accounting gross refining margin was US\$8.10/bbl, resulting in our “BEST EVER” net income after tax of US\$245 million (Baht 8,227 million).

ACHIEVEMENTS AND AWARDS



Environment and Safety



Chevron's Joint Venture Refining "Zero is Attainable" Awards for personal safety for 9 consecutive years (2007-2015)



EIA Monitoring Awards for Refinery Project (Excellent Class), from Ministry of Natural Resources and Environment in 2008



Green Industry Level 3: Green System Awards from 2012 – 2015 granted by Ministry of Industry for systematic environmental management including follow-up, assessment and revision aimed to continuous development



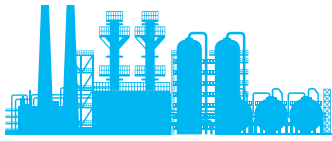
Prime Minister's Industry Award: Safety Management from the Prime Minister of Thailand in 2009



"Green Star – White Flag" Awards for the Environment and Safety Good Governance by IEAT for sustained excellent environmental, safety management systems and compliance as well as active corporate social responsibility programs since 2008 – 2015



"Gold Star – White Flag" Awards for 2 consecutive years, in the recognition of having received the Green Star – White Flag for 6 consecutive years, since 2008 – 2013 and 2009 – 2014



Operational Excellence



Chevron's Joint Venture Refining "Zero is Attainable" Award for process safety in 2012 - 2015



"Zero Unplanned Shutdown" Awards, presented by the PTT Operational Excellence committee, awarded to

- our Crude Distillation Unit from 2012 - 2015 (four consecutive years)
- our Continuous Catalytic Regeneration Reformer in 2012, 2014, 2015
- our Diesel Hydrotreater Unit in 2015



Best Practice Sharing Awards, presented by the PTT Operational Excellence committee in 2012 - 2013



Good Governance



Taxpayer Recognition Award, presented by the Revenue Department in 2012, in recognition as a high quality tax payer organization who does good for the country and should be promoted as an example to other organizations



Global Standards



ISO 9001:2015
(Quality Management)

OHSAS 18001:2007
(Occupational Health and Safety)

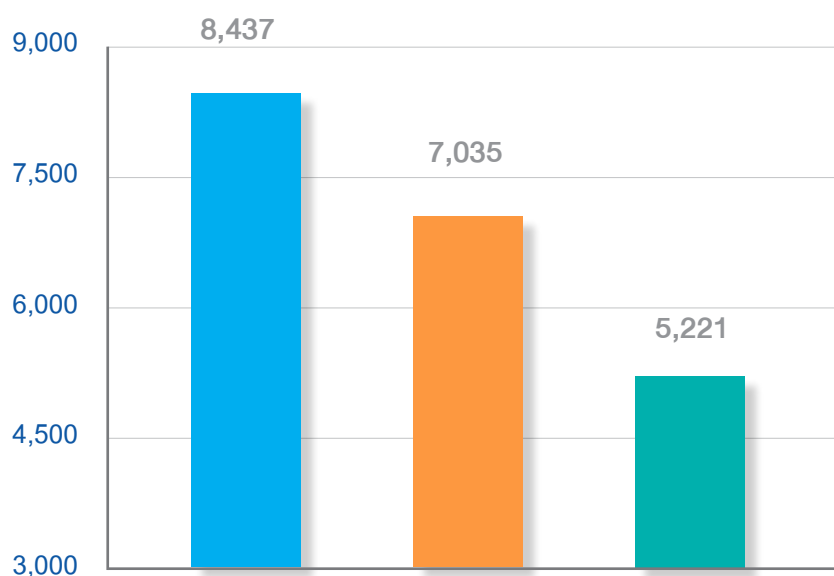
ISO 14001:2015
(Environmental Management)

ISO/IEC 17025:2005
(Competence of Testing and Calibration Laboratory)

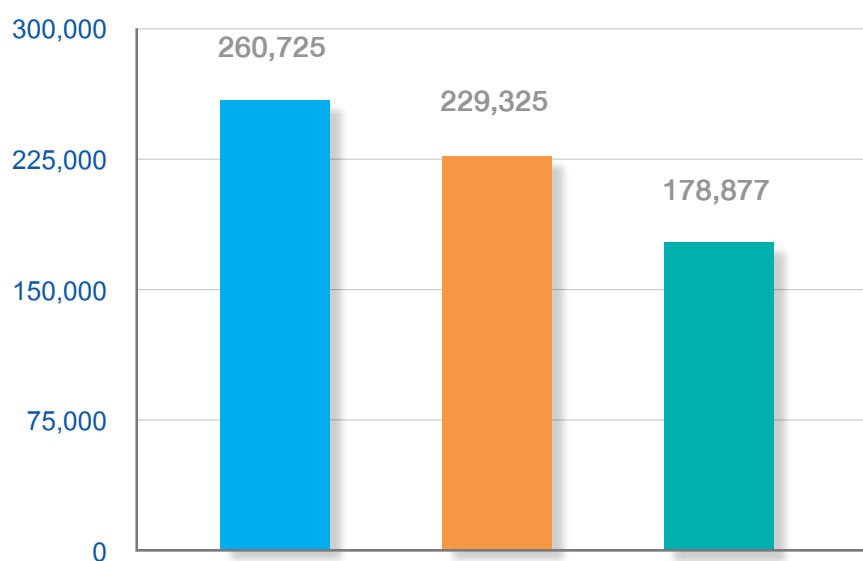
FINANCIAL HIGHLIGHTS

Total Revenue

(US\$ Million)



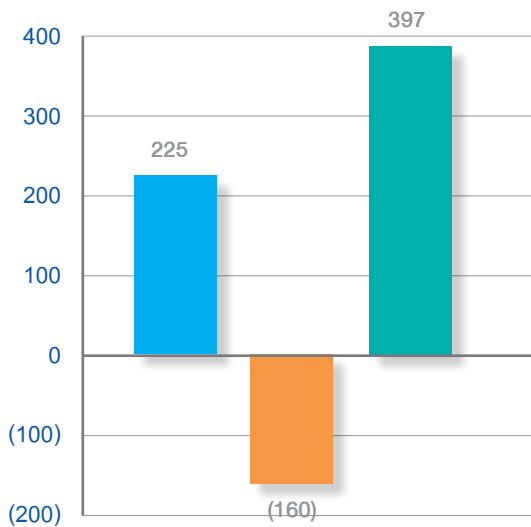
(Baht Million)



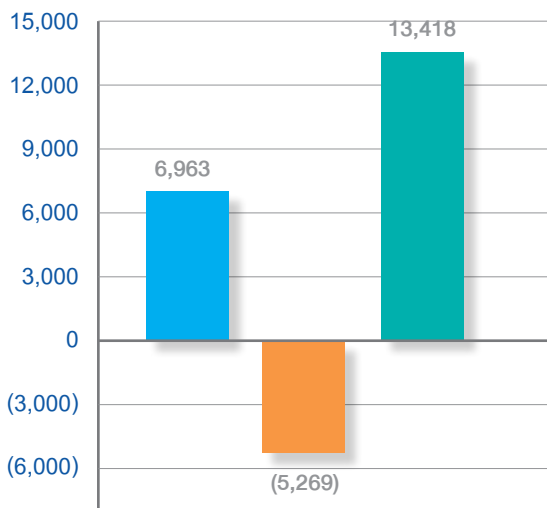
2013 2014 2015

EBITDA⁽¹⁾

(US\$ Million)



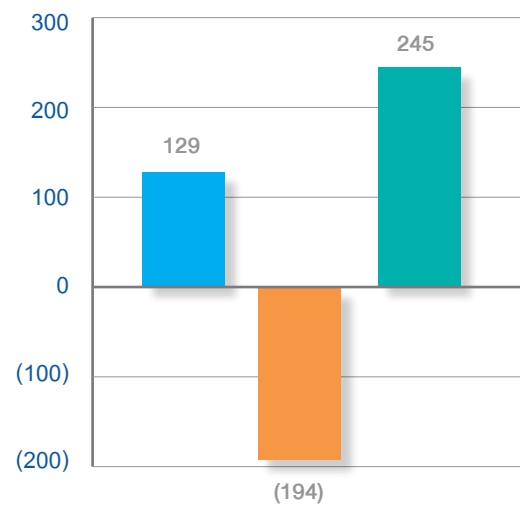
(Baht Million)



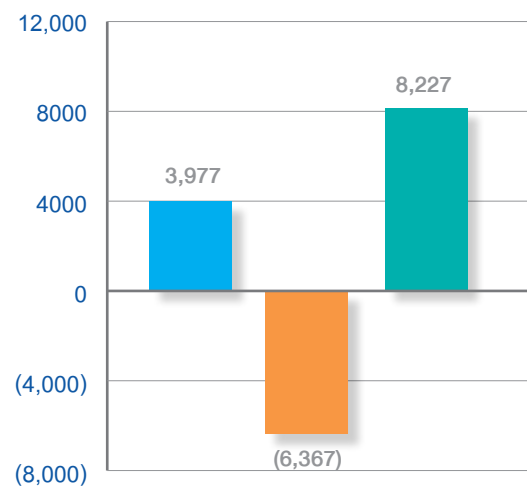
■ 2013 ■ 2014 ■ 2015

NET PROFIT/(LOSS)

(US\$ Million)



(Baht Million)



■ 2013 ■ 2014 ■ 2015

⁽¹⁾EBITDA is Earnings before Interest, Taxes, Depreciation and Amortization.

Statement Of Financial Position (US\$ Million)	2013	2014	2015
Total Assets	2,754	2,069	1,686
Cash and cash equivalents	103	69	109
Current assets	1,480	831	495
Property, plant and equipment, net	1,158	1,144	1,076
Non-current assets	13	25	6
Total Liabilities	1,145	714	673
Current liabilities	1,108	708	552
Non-current liabilities	37	6	121
Total Shareholders' Equity	1,609	1,355	1,013

Statement Of Financial Position (Baht Million)	2013	2014	2015
Total Assets	90,693	68,477	61,122
Cash and cash equivalents	3,380	2,286	3,949
Current assets	48,742	27,471	17,933
Property, plant and equipment, net	38,140	37,886	39,005
Non-current assets	431	834	235
Total Liabilities	37,723	23,634	24,397
Current liabilities	36,516	23,438	20,021
Non-current liabilities	1,207	196	4,376
Total Shareholders' Equity	52,970	44,843	36,725

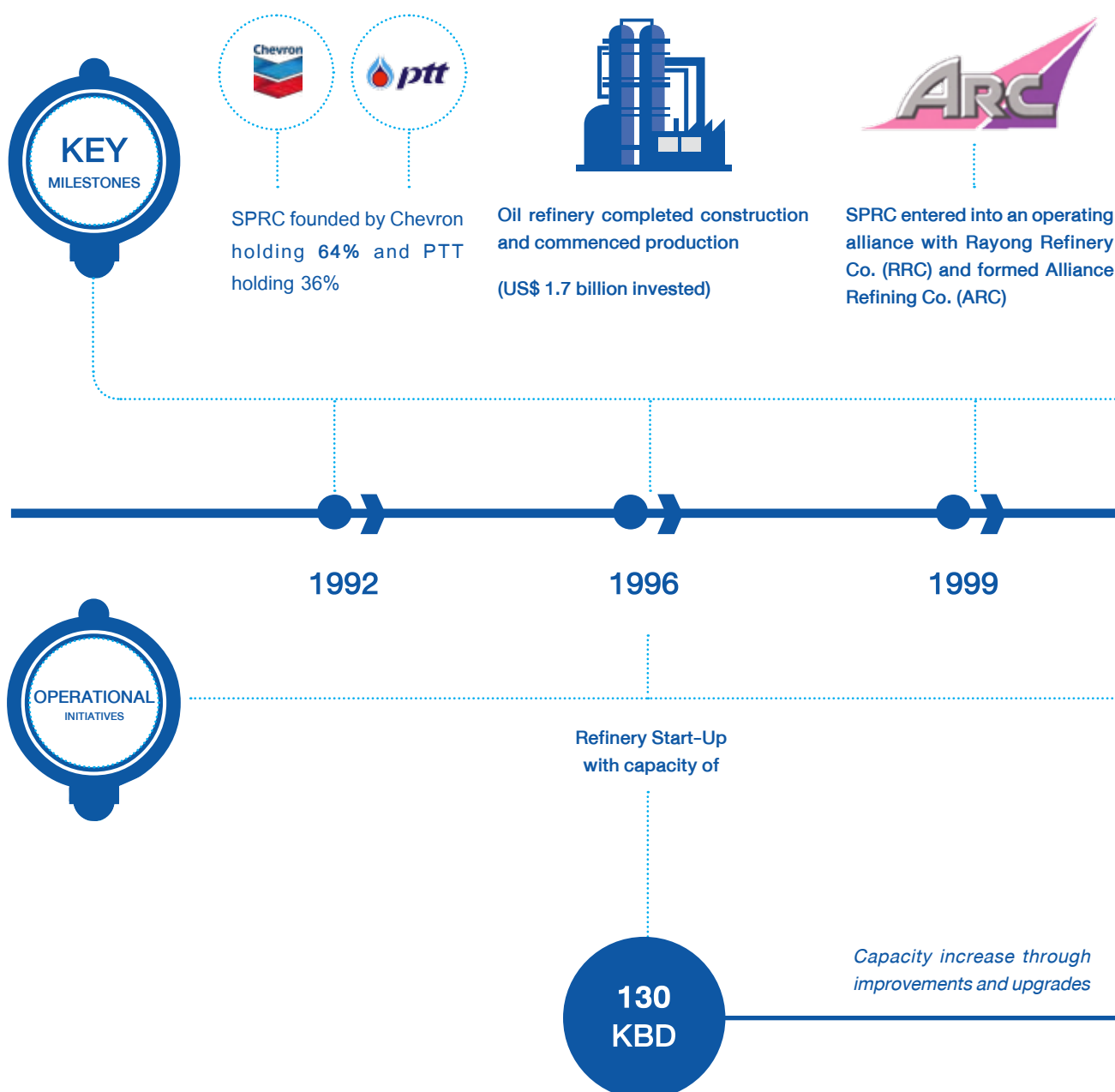
Key Financial Ratio	2013	2014	2015
Current ratio (time)	1.4	1.3	1.1
Net profit margin (%)	1.5	(2.8)	4.7
Return on assets (%)	4.7	(8.0)	13.0
Return on equity (%)	8.0	(13.1)	20.7
Net debt to equity (time)	0.7	0.5	0.7
Interest coverage (time)	648.2	154.3	4,165.5
Dividend payout (%)	113.0	(30.9)	183.1

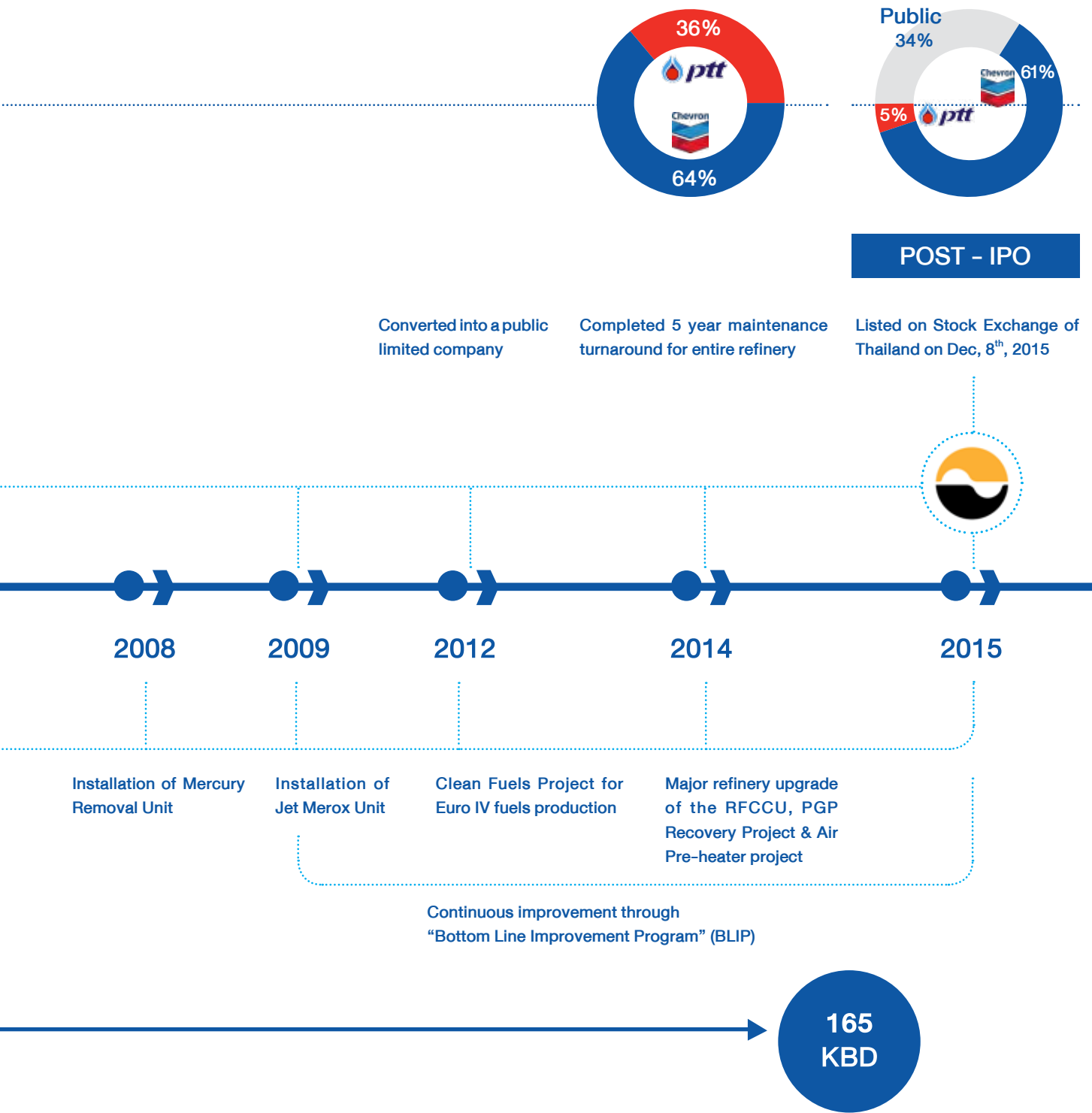


OVERVIEW OF BUSINESS AND STRATEGY

Company History and Key Milestones Over the Years

PRE-IPO





Overview of Business, Vision, Mission, and Strategy

SPRC owns and operates a complex refinery with a capacity of 165,000 barrels per day of crude oil in Map Ta Phut, Rayong. Our refinery produces petroleum products, primarily for the Thai domestic market, including liquefied petroleum gas ("LPG"), premium and regular grades of gasoline, jet fuel, diesel, fuel oil, and asphalt, as well as petrochemical feedstocks used in the petrochemical industry, which include polymer grade propylene ("PGP"), LPG, and chemical grade naphtha. We sell most of our petroleum products to Chevron and PTT.

With our focus on the high value domestic Thai market, SPRC's Vision is:

"One Family...

Fueling the Future of Thailand"

SPRC's Mission Statement is set to allow us to achieve our Vision:

"We are a highly engaged Family, dedicated to providing sustained superior returns to our shareholders through safe and reliable operations, producing quality products that exceed customer expectations, in harmony with our communities and the environment"

Strategy

Our "One Family" culture provides the basis for everything we do, with an overall goal to "Set the Standard", with a focus in the 3 key strategic intents outlined below.

People: Set the Standard in Thailand as the Employer of Choice

We focus on creating a unified "One Family" culture, a highly engaged family, a strong sense of institutional belonging, an energetic team spirit, and a dedicated and competent workforce, with an emphasis on operational excellence, technical expertise and creating an incident and injury free workplace.

Operational Excellence: Set the Global Standard for Operational Excellence

We seek to be incident and injury free in all of our refinery's operations. We are committed to safety and have implemented an incident and injury free program since 2005, which outlines a set of best practices revolving around the

principles of reliability and safety. Our strong incident and injury free family culture has helped us to achieve an excellent safety record and an excellent reliability record. We strive to continuously improve our performances using the guidance from a refining business benchmarking service. Sustainable Development programs are also integrated to meet our environmental expectations as well as social development and financial performance expectations.

Stakeholders: Set the Standard in Thailand for Shareholder Return

We continuously drive for improved financial performance through our Bottom Line Improvement Program (BLIP) with focus on crude optimization, product slate optimization, process optimization, improved refinery reliability, cracker feed synergy, energy efficiency, oil loss reduction, people efficiency and waste elimination. We integrate our Sustainable Development program in an effort to meet our shareholder and communities expectation.

Key Accomplishments in 2015

- Everyone in our Family went home safely every day, and we achieved best ever safety performance with 5.25 million man-hours without a Recordable Injury and achieved 10.45 million man-hours without Days Away From Work Case and no recordable injuries
- Sustained high plant reliability, with operational availability outside of turnarounds of 99.8%, the first quartile performance as compared to peers in the Asia Pacific region
- Sustained high process utilization at 97.8% which is the top of the first quartile as compared to peers in the Asia Pacific region
- Achieved best ever performance with Zero Environmental Incidents
- Achieved best ever energy efficiency
- Processed 10 new crudes during the year, the highest number ever
- Further improved Bottom Line Improvement Program (BLIP) performance and achieved best ever performance of \$2.95/bbl

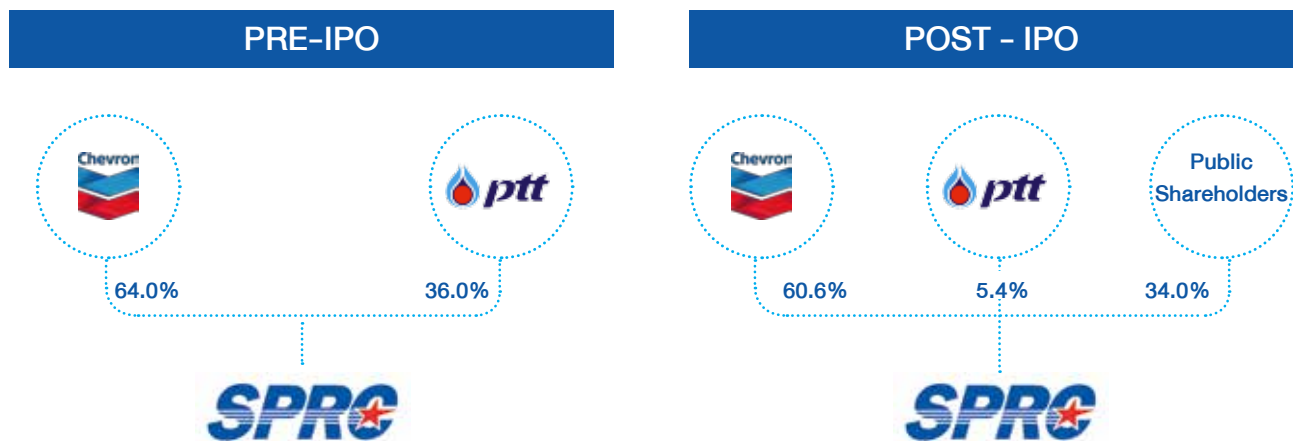
- Achieved best ever Products Quality Giveaway performance
- Achieved highest GRM and domestic sale among Thai refineries
- Integrated Sustainable Development into SPRC strategy and work processes and published our first ever Sustainability Report

Shareholding Structure

We are governed by our Articles of Association and the provisions of the PLCA. We were registered as a limited company in November 1992 and converted to and registered as a public limited company in June 2012. In 2015, following completion of our IPO, the shareholding structure changed as shown below.

Chevron as our Major Shareholder

Chevron is one of the largest energy companies in the world. We benefit from being an affiliate of Chevron through access to Chevron's global procurement services for crude oil and other feedstocks, a global refined petroleum products sales network, advanced technological, operational, engineering and other technical support services, as well as access to Chevron's master supply agreements for materials and services. We also benefit from the availability of Chevron and its affiliated management and technical personnel, including senior personnel such as our current chief executive officer and chief financial officer. Chevron intends to remain a significant shareholder in SPRC following our listing, and its continued objective for SPRC is that SPRC remains a top performer in terms of safety and reliability in the Thai refining community, driven by a dedicated and competent workforce.



NATURE OF BUSINESS

SPRC is one of the leading petroleum product producers in Thailand and among the most efficient refineries in the Asia Pacific region. We own and operate a complex refinery with a capacity of 165,000 barrels per day of crude oil, which represents 13.2% of the refining capacity in Thailand. We are a pure play refinery, purchasing crude and other feedstocks primarily through Chevron and PTT, and we sell about 80% of our products through our Product Offtake Agreement to Chevron and PTT, with the remaining 20% to mostly petrochemical companies. In order to maximize value for SPRC and its shareholders, we also emphasize placement of products in the higher value domestic market, achieving 87% placement in 2015, higher than the industry average.

Crude and Product

Our refinery is capable of processing a wide range of crude oil, which we typically source from the Middle East and the Far East. Our choice of feedstocks and product slate at any time depends on relative prices and yields. We decide on our product slate with input from our offtakers, based on our assessment of demand and projected prices for the various products that we can produce, typically around three months in advance of expected orders.

Our primary petroleum products from the distillation and conversion of crude oil are hydrocarbon fuels, which include LPG, premium and regular grades of gasoline, jet fuel, diesel, fuel oil and asphalt, as well as petrochemical feedstocks used in the petrochemical industry, which include PGP, LPG, chemical grade naphtha, mix C4, reformate and sulfur.

	Sales Revenue by Product					
	Year Ended December 31,					
	2013		2014		2015	
	Sales Revenue	% of Total Revenue	Sales Revenue	% of Total Revenue	Sales Revenue	% of Total Revenue
(in millions of US\$)						
Polymer Grade Propylene	176.1	2.1	135.2	1.9	131.4	2.5
Liquefied Petroleum Gas ⁽¹⁾	242.5	2.9	205.9	2.9	146.4	2.8
Light Naphtha	246.0	2.9	232.4	3.3	147.7	2.8
Gasoline	2,431.1	28.8	2,158.5	30.7	1,586.4	30.4
Jet Fuel	684.0	8.1	417.1	5.9	306.4	5.9
Diesel	3,073.0	36.4	2,506.4	35.6	2,073.8	39.7
Fuel Oil	679.5	8.1	504.9	7.2	273.2	5.2
Asphalt	87.8	1.0	83.7	1.2	85.5	1.6
Mix C4	224.5	2.7	162.9	2.3	131.5	2.5
Crude	85.0	1.0	86.1	1.2	4.0	0.1
Others ⁽²⁾	507.0	6.0	541.5	7.7	334.5	6.4
Total Revenue	8,436.5	100.0	7,034.6	100.0	5,220.8	100.0

⁽¹⁾ Includes Government fuel subsidies

⁽²⁾ Includes sulfur, reformate and products sold pursuant to our cracker feed exchange with PTT Global Chemical



Sales Volume	Sales Volume by Product					
	Year Ended December 31, 2013		Year Ended December 31, 2014		Year Ended December 31, 2015	
	Volume (thousand barrels)	\$/bbl ⁽²⁾	Volume (thousand barrels)	\$/bbl ⁽²⁾	Volume (thousand barrels)	\$/bbl ⁽²⁾
PGP	1,643	107.18	1,368	98.85	1,834	71.64
LPG	3,383	71.68	3,082	66.81	3,223	45.42
Light Naphtha	2,522	97.55	2,582	90.00	2,867	51.53
Gasoline	15,684	155.01	14,888	144.98	15,797	100.42
Jet Fuel	5,598	122.18	3,814	109.36	4,752	64.48
Diesel	23,299	131.89	20,701	121.08	23,663	87.64
Fuel Oil	7,199	94.38	6,037	83.63	6,404	42.66
Asphalt	906	96.99	934	89.56	1,455	58.73
Mix C4	2,372	94.64	1,900	85.76	2,607	50.44
Crude	763	111.39	1,094	78.71	65	61.13
Other ⁽¹⁾	5,210	97.32	6,050	89.51	5,671	59.00
Total Production/Average Sales Price	68,579	123.02	62,450	112.64	68,338	76.40

⁽¹⁾ Includes sulfur, reformat and products sold pursuant to our cracker feed exchange with PTT Global Chemical

⁽²⁾ Includes excise tax, energy conservation promotion fund, oil fuel fund and local tax.

We sell a significant portion of our petroleum products through the Offtake Agreement that we have entered into with Chevron and PTT and we sell our products both domestically and for export. From time to time, we also enter into a variety of short-term product sales agreements on a spot or term basis for the remaining petroleum products that are produced in our refinery.

Our top two customers are Chevron and PTT. The following table sets forth the percentage of total revenue accounted for by Chevron and PTT, respectively, for the periods indicated.

	Sales Revenue by Customer		
	Year Ended December 31,		
	2013	2014	2015
	% of Total Revenue		
Chevron	34.3	33.8	50.5
PTT	49.6	48.7	34.8
Others	16.1	17.5	14.7
Total	100.0	100.0	100.0

Product Pricing

Most of the products sold through the Offtake Agreement are benchmarked off the Mean of Platts Singapore, or MOPS. Thai domestic prices are adjusted from MOPS pricing with certain transportation, production, product quality, and market adjustments as appropriate.

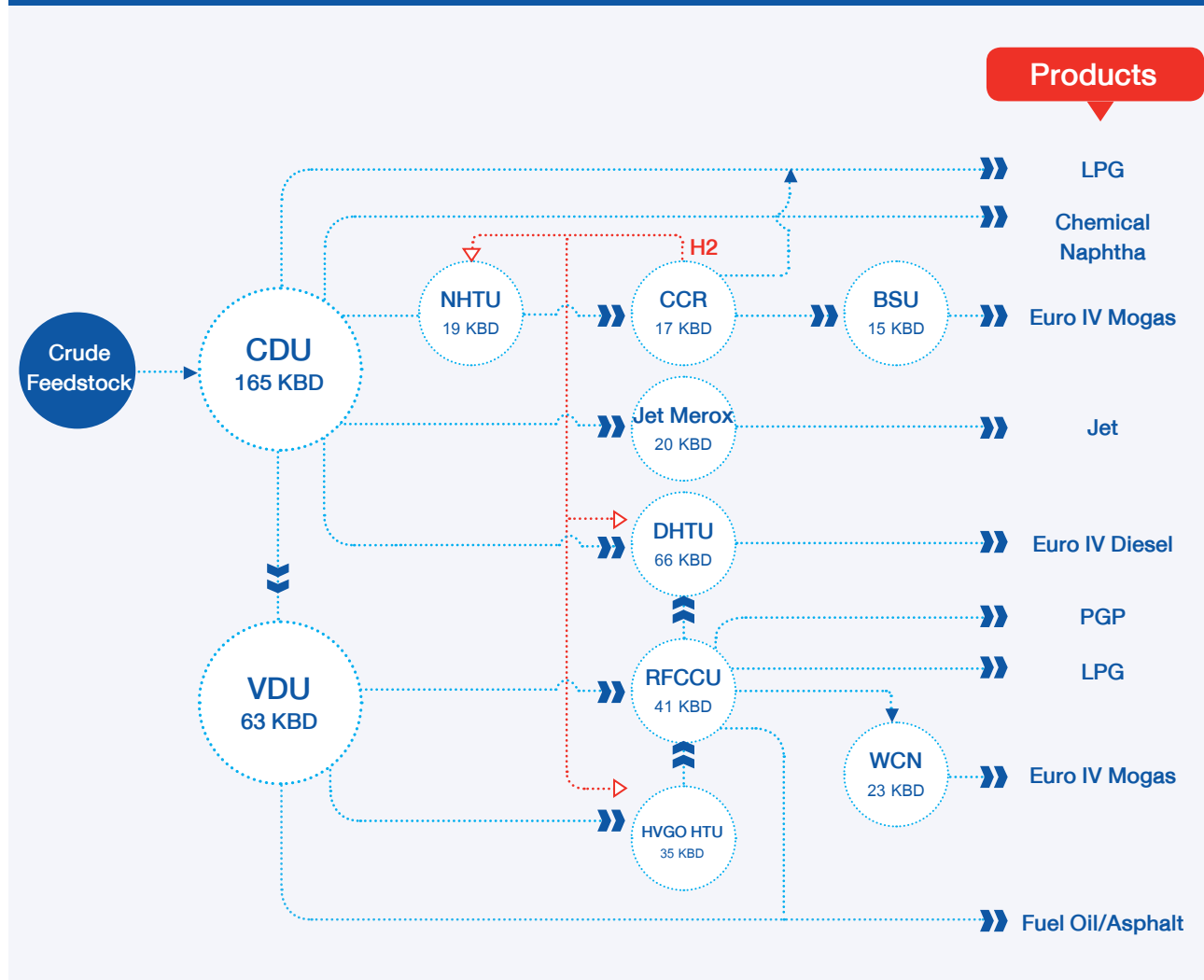
Domestic sale prices of petroleum products sold outside of the Offtake Agreement are also market driven and are generally based on the monthly average of regional benchmark prices with certain adjustment. Our exports for petroleum products are also generally based on benchmark pricing, plus or minus a premium or discount based on market conditions and negotiations with potential purchasers as well as differences in product quality and location.

Production Facilities and Processes

Our production facilities are located in Rayong province, approximately 200 kilometers to the southeast of Bangkok. Our refinery is a complex cracking refinery that is able to upgrade a significant portion of fuel oil into higher value transportation fuels, providing high yields of gasoline, jet and diesel, providing a much higher margin than a hydroskimming refinery.

The following diagram illustrates our refinery's configuration:

SPRC Refinery Configuration

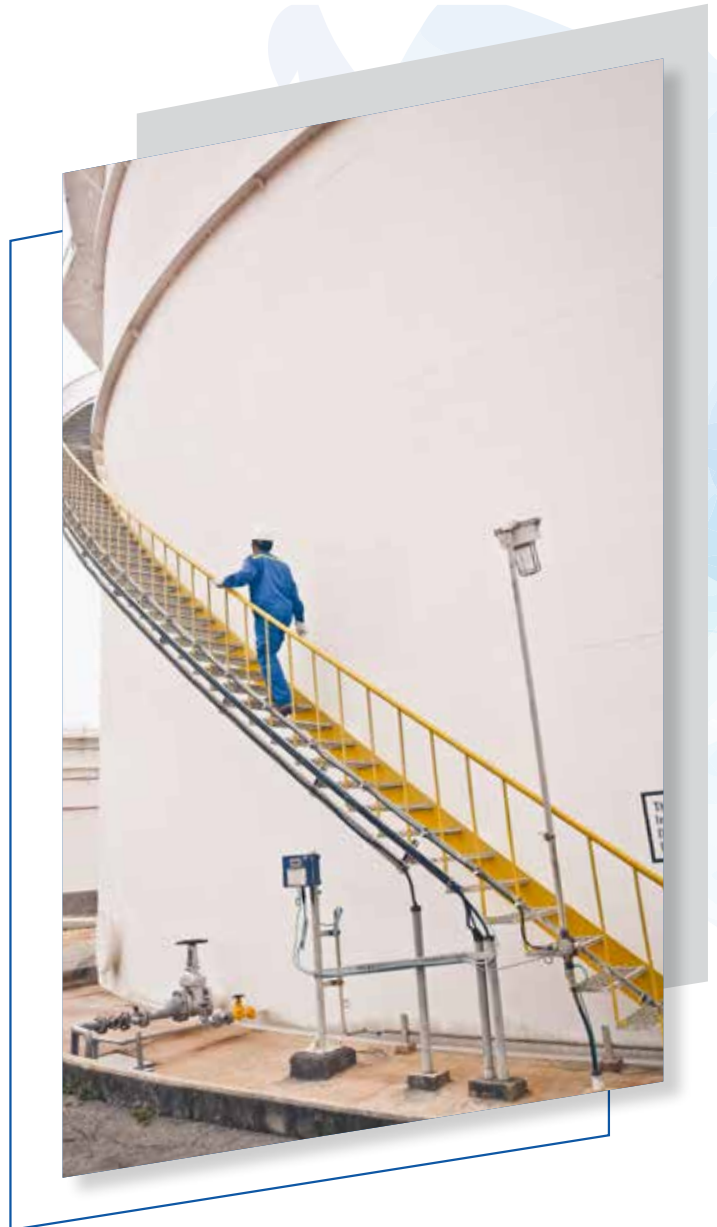


Feedstocks

We are capable of processing a wide range of crude oil, including crude oil from the Middle East, Far East and other regions. We use Chevron's global crude and feedstock procurement network, crude characterizations and proprietary linear program to optimize the quantity and type of crude oil and other feedstocks, to enhance our gross refining margins while meeting customer demand. We source and purchase crude oil primarily through Chevron and PTT and their affiliates on credit terms that are in line with market practice. We also purchase long residues and other feedstocks for processing in our refinery, primarily from Chevron under feedstock supply agreements.

We have a cracker feed exchange with PTTGC where we supply heavy vacuum gas oil as supplemental feed to PTTGC's hydrocracker, and PTTGC supplies us with hydrocracker bottoms as a supplemental feed to the RFCCU, to increase yields of higher value products at both our RFCCU and PTTGC's hydrocracker.

We primarily receive crude oil shipments through a single point mooring system and are also able to receive crude oil in smaller shipments through a pier in our marine terminal. This crude is delivered to storage tanks at the refinery through pipelines that connect directly to our refinery.



Strategic Location

The strategic location of our refinery provides proximity to key transportation options including a multi-product pipeline, trucks, coastal vessels, and a single point mooring; and major demand centers, which lowers transportation costs and provides several supply and distribution advantages. Many of our petrochemical feedstock customers are also located in the Map Ta Phut Industrial Estate, providing us with effective methods for managing costs associated with delivery of products to these customers.

We have a marine terminal with two piers to distribute products throughout Thailand and export markets. We also operate a truck loading terminal for our offtakers to facilitate the distribution of our petroleum products to the southeast and northeast of Thailand, within Rayong province and to the Indo-China export market, including Laos, Cambodia and Myanmar. Our refinery has a total of 71 storage tanks and facilities to enable us to store feedstocks after delivery and before processing, products before delivery, and certain intermediate processing streams. We have nominal crude oil storage capacity of approximately 4.9 million barrels, representing up to 29 days' supply of crude oil.





Competition

The refining industry in Thailand is highly competitive. As of December, 31 2015, there were eight refineries in Thailand, with a combined refining capacity of 1,251.5 kbpd. We principally compete with five other domestic petroleum refineries in Thailand with a combined capacity of 1,067 kbpd, which are Thai Oil, Esso, Bangchak Petroleum, PTTGC, and IRPC. PTT, which is Thailand's largest oil and gas company, holds significant interests in three of our principal competitors: Thai Oil, PTTGC and IRPC.

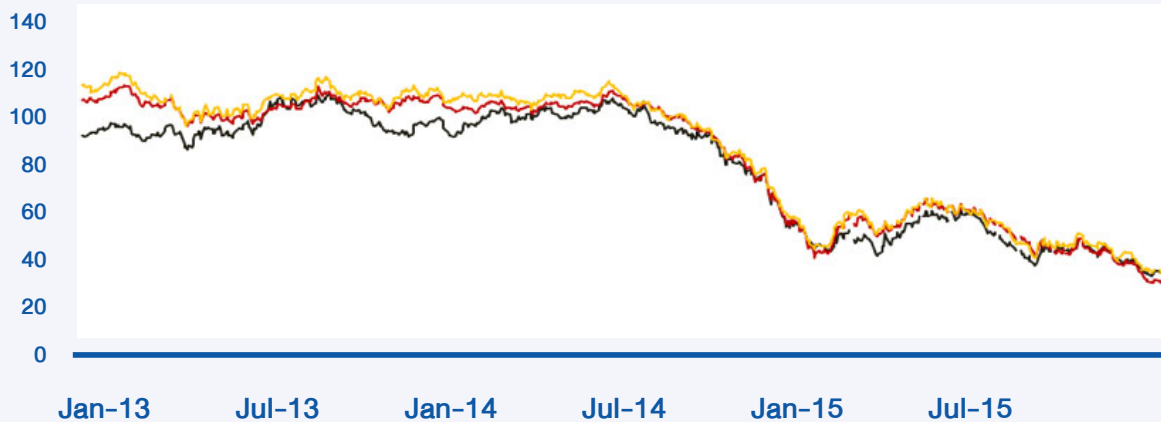
The Oil Refining Industry

Current Oil Price Environment

In 2015, crude prices were volatile with Dubai prices moving between US\$32 and US\$66/bbl, and an average of US\$51/bbl which was lower than the average of US\$97/bbl in 2014. The Dubai crude prices dropped from US\$74/bbl in the fourth quarter 2014 to US\$52/bbl in the first quarter 2015, because of a supply glut in crude oil driven by US production gains and OPEC maintaining its crude oil output. The International Monetary Fund (IMF) also cut forecast global economic growth by 0.3% for year 2015 and 2016 reflecting slowing growth of the global economy. Lower economic growth lowered oil demand growth. Dubai crude price rebounded in the second quarter

of 2015 to US\$61/bbl following disruption to Middle East supply due to unrest in Yemen and the expected start in decline of US crude production with a reported decline in the number of US drilling rigs operating. High refinery margins also supported crude oil demand. In the third quarter of the year, Dubai crude prices dropped to US\$50/bbl due to continued high production rates by OPEC. Additionally, the slowdown in China's economic growth led to reduced crude imports. In the last quarter of 2015, average Dubai crude prices further declined to US\$41/bbl, reflecting increased OPEC production and continued oversupply in the crude oil market.

US\$/Bbl



— WTI — Dubai — Brent

Oil Industry Outlook

The International Monetary Fund (IMF) has projected world economic growth to expand by 3.4% in 2016. Advanced economies are projected to grow by 2.1% in 2016, which is higher than the 1.9% in 2015. Developing countries' economic growth forecast is 4.3% in 2016, higher than 4% in 2015. The Bank of Thailand projects Thai economic growth of 2.5% in 2015 and 3.5% in 2016.

The IEA expects continued weak demand growth in 2016 of 1.2 MBPD up to 95.7 MBPD, due to economic slowdowns in Europe, Japan, China and the United States. US oil demand in 2016 is dependent on economic growth and oil price level. Oil prices are expected to stay low, supporting increased demand for transportation fuels, especially gasoline. Most analysts estimate gasoline demand growth will remain relatively strong. Jet, Diesel and Fuel Oil demand growth are expected to remain relatively flat due to slow economic growth.

Excess crude supply is expected to continue in the near term due to increasing Iranian crude shipments of up to 500 kbd by mid-2016 after nuclear sanctions have been lifted. OPEC and non-OPEC countries are maintaining their production levels. However, low oil prices should put pressure on US production.



Environmental Matters

Our operations are subject to various environmental laws and regulations. We have implemented various pollution control and other environmental impact mitigation measures. We conduct regular reviews aimed at achieving compliance with our environmental policies. We believe we are in compliance in all material respects with environmental laws and regulations applicable to us.

SPRC believes in maintaining a good balance between environmental stewardship, financial performance, and social development. We have incorporated this fundamental Sustainable Development belief into the way we do business. Several key Focus Areas for us to continuously improve our performance include Green House Gas Emissions, Air Emissions, Oil Spill Prevention and Response, Water Management and Waste Management.

RISK FACTORS



It is the policy of SPRC to conduct its business in a manner to ensure that risks of SPRC are identified, analyzed, and managed so that they are mitigated to an acceptable level. SPRC has developed and implemented a Risk Management Policy which applies to all aspects of the business and operations of SPRC and is designed to manage, including but not limited to, operational risk, financial risk, trading risk, reputation risk and strategic risk.

The Risk Management Committee includes the Chief Executive Officer, the Deputy Chief Executive Officer - Operations, the Supply and Planning Manager, and the Chief Financial Officer.

SPRC utilizes a risk based approach to internal control and decision making, designed to provide reasonable assurance of achieving our business objectives with fit for purpose risk mitigation measures. SPRC conducts risk assessments annually to identify potential risks to our operations and identify effective ways of responding to and mitigating those risks. Risk response is routinely monitored to ensure plans are progressed on a timely basis and make adjustments as necessary if conditions change. SPRC reviews its Risk Matrix, mitigation plans, and progress on those plans on a regular basis, with reports to the Audit Committee every quarter.

SPRC has developed business processes to provide practical tools for day-to-day risk based decision-making that weighs threats against costs and other business impacts, as well as procedures that set out the nature, role, responsibility and authority of risk assessment processes within SPRC to ensure that risk assessment is conducted in an effective and timely manner.

Strategic Risk

1. Market Risk

The refining business can be a volatile and cyclical business with crude oil and product prices fluctuating significantly. Crude and product prices are set by global economic forces and are not in our control. During 2015, Dubai crude oil prices dropped from US\$54/bbl at the start of the year to US\$32/bbl at the end of the year. Product prices tend to follow crude prices as they increase and decrease, which impacts our revenue. However, our profitability is driven by gross hydrocarbon margin – which is the average price of our products less the average price of our crude feed. This margin tends to be less volatile than crude prices. SPRC works diligently in those areas within our control to drive our profitability. These start with focusing on refinery personal and process safety, reliability, and high utilization, all of which ensure that we are continuously capturing the maximum margin available. Due to our excellent safety, reliability and utilization performance, we are also able to use our Bottom Line Improvement Program (BLIP) to drive for increased margins. BLIP focuses on Crude Optimization, Product Slate Optimization, Process Optimization, Energy Efficiency, Oil Loss Reduction, and People Efficiency and Waste Elimination.

To minimize inventory exposure, we ensure good planning when sourcing the feedstock, processing, and sales planning in such a way that we have a good control of the inventory levels. We maintain inventory levels to meet the minimum legal reserve requirement and to provide optimum operating levels to ensure excellent business performance. Good controls on planning and stock management keep the risk of crude oil price exposure to a minimum.

2. Laws and regulations relating to the environment or product specification requirements

Due to the nature of our business, we are subject to extensive and increasingly stringent environmental laws, regulations and standards relating to air emissions such as particulates, sulfur dioxides, nitrogen oxides, carbon monoxide and others, as well as tightening product specification requirements. SPRC's policy and practice is to meet or exceed all environmental regulations and product specifications. Through our Sustainable Development Focus Areas, we also develop roadmaps and implement actions to improve the environment. As a result of our incident and injury free culture setting the tone for operational excellence, we had no environmental incidents in 2015.

We make capital expenditures to meet and exceed requirements of environmental laws and regulations. In 2012 we completed our Clean Fuels Project to produce Euro IV gasoline and diesel. In 2014 we finished the Air Preheater Project which reduced refinery greenhouse gas emissions by 2% and reduced NOx emissions; and our FCC Reliability Improvement Project which reduced particulate emissions from the FCC by 63%. We have a Legal Compliance Process to ensure we understand any change in laws and regulations, and develop implementation plans to ensure compliance. SPRC also has an active advocacy program to work with industry, NGO's and the government as new laws and regulations are developed.



3. Refinery Competitive Position

We operate in highly competitive markets with respect to the sale of petroleum products in the Thai domestic market and in the export market. To ensure that we remain competitive, we continually review our competitive position to ensure we can compete well in our business. We believe the key to our success is to focus on Operational Excellence and margin improvement through BLIP.

We utilize our "One Family" culture as a strong foundation to deliver great performance on safety, reliability and utilization. Our efforts and programs in 2015 allowed us to have our best ever performance in these 3 areas. We also achieved our best ever margin uplift through our BLIP program. Our senior management is held accountable by the Board of Directors to meet an extensive list of key performance indicators in Operational Excellence, Shareholder and People key result areas. Responsibilities for various activities are cascaded throughout the organization and are tied to employees' reward and recognition schemes.

We had a planned refinery shutdown in Q1 2014 to do routine maintenance and inspections, and complete a variety of projects to improve performance. We have targeted to run the refinery for 5 years without a shutdown of any of the major process units. This 5 year duration between shutdowns is longer than many of our peers, and allows us to capture the maximum margin and profit and improves our competitiveness.

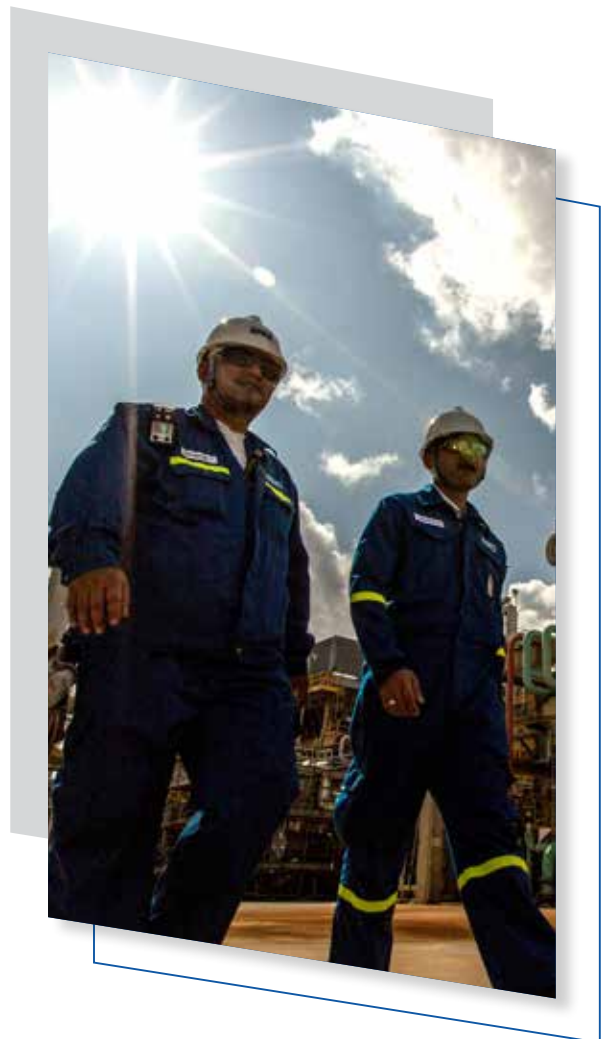
SPRC also believes that a key to our long term competitiveness and success is to maintain our commitment to sustainably manage our business with a good balance between financial performance, stewardship of the environment, and social development. SPRC uses Sustainable Development as a guiding principle with 9 focus areas, which are built into our ongoing action plans for the company.

One of the key areas we focus on to ensure our competitiveness is to place as much of our product into the higher value domestic market place. Through one of our Sustainable Development Focus Areas, “Being the Supplier of Choice” and our “Crude to Customer” work process, we engage with our primary customers, PTT and Chevron, to place products through various channels in Thailand. We have the highest gasoline production yield among our domestic peers, providing 26% of the domestic market, which is a net importer of gasoline. In 2015, SPRC only exported 13% of its total production, the lowest amount among our domestic peers.

Financial Risk

We use the U.S. dollar as our functional currency. This reduces our exposure to foreign exchange rate fluctuations because a substantial portion of our revenues, costs and expenses are directly linked to, or denominated in U.S. dollars. We have a relatively small exposure to the relative value of the Baht on account of employee-related and some other expenses, as well as timing of payments.

We have also negotiated for U.S. dollar denominated loans to minimize our foreign exchange exposure and we have received very low, fixed interest rates.





Operational Risk

1. A significant interruption in the operations

All of our production facilities are located in the Map Ta Phut Industrial Estate in Rayong, Thailand. Refining, transporting and storing crude oil and other feedstocks and petroleum products involve many significant hazards that could result in fires, explosions, spills and other unexpected or dangerous conditions or accidents.

To mitigate and control these risks, our goal is to “Set the Standard” globally in Operational Excellence. We use our strong “one family culture” to support and build incident and injury free operations which delivers exceptional safety, reliability, utilization and environmental performance. Our Board of Directors and top executives provide a strong top-down commitment to our safety, reliability and Operational Excellence, communicating it throughout the workforce. SPRC has a robust Refinery Management System, including an Asset Management System, Environmental, Health and Safety Management System and Hydrocarbon Management System, which provide a structured set of policies, procedures and work instruction to ensure that operational risks are identified, addressed and mitigated in a systematic way. These management systems include a robust risk based inspection program and an incident investigation system to help drive our superior safety and reliability performance.

2. Shortage of Water

Water is critical to our ability to operate our refinery and power plant. We source water from the public utility that services the Map Ta Phut Industrial Estate. In recognition of the dependence of communities surrounding us on that same water, and that there have been shortages of water in the past, SPRC has included Water Management as one of our Sustainable Development Focus Areas. We have set up a road map to reduce our water usage, with an ultimate goal of being a “Net Zero Water User”. During 2014 and 2015, we progressed several projects to reduce refinery water usage.

INFORMATION ON SECURITIES AND SHAREHOLDERS

Our registered capital and paid-up capital

As of 31 December 2015, our registered capital totaled Baht 33,038,453,580.76, of which Baht 30,004,442,705.00 was paid-up capital. Paid-up capital consists of 4,335,902,125 ordinary shares with a par value of Baht 6.92 each.

Shareholders

List of the top 10 major shareholders as of 8 January 2016

No.	List of the top 10 major shareholders	Number of shares	Shareholding percentage
1	CHEVRON SOUTH ASIA HOLDINGS PTE. LIMITED ⁽¹⁾	2,625,888,652	60.56%
2	PTT PUBLIC COMPANY LIMITED	234,562,369	5.41%
3	CHASE NOMINEES LIMITED	98,244,550	2.27%
4	NORTRUST NOMINEES LIMITED-NT0 SEC LENDING THAILAND CL AC	81,551,900	1.88%
5	MORGAN STANLEY & CO. INTERNATIONAL PLC	78,245,625	1.80%
6	BUALUANG LONG-TERM EQUITY FUND	36,412,900	0.84%
7	CREDIT SUISSE SECURITIES (EUROPE) LIMITED	36,041,000	0.83%
8	JPMORGAN THAILAND FUND	30,336,100	0.70%
9	KRUNGSRI DIVIDEND STOCK LTF	29,199,100	0.67%
10	THAI NVDR CO., LTD.	25,882,100	0.60%

⁽¹⁾Chevron South Asia Holdings Pte. Limited operates its business by holding shares in other petroleum refinery companies, i.e. investing in its subsidiaries and associated companies. As of the effective date hereof, Chevron Corporation, through its subsidiaries, holds 100 percent of shares in Chevron South Asia Holdings Pte. Limited

Shareholders agreement

Chevron and PTT entered into a Letter of Understanding dated 5 June 2012 (the "LoU"), as our shareholders at the time, which prescribed certain rights of the shareholders. The LoU was terminated as of 03 December 2015, the IPO closing date, when PTT's shareholding reduced to less than 10 percent, as prescribed in the LoU. There are no other shareholder agreements.

Share transfer restrictions

Our shares can be transferred without any restriction.

Employee Stock Ownership Plan (ESOP)

A total of 35,728,800 newly issued ordinary shares were purchased by members of management (but excluding certain management secondees) and employees under the Employee Stock Ownership Plan (ESOP), at the same price as the offering price of the Offer Shares on 23 – 25 November 2015. The offering of all shares under ESOP took place once, concurrently with the combined offering. No directors were allotted any shares in this offering or under ESOP. The shares sold to our management and employees are subject to a lock-up period for up to three years from 8 December 2015, the date on which our shares commenced trading on the SET. Members of management and employees may sell up to one-fourth of such shares after each of the 12th month and 24th month from the commencement date of trading, and the remainder of such shares after the 36th month from the commencement date of trading.

Dividend policy

The Board of Directors meeting No. 4/2015, held on November 4, 2015, resolved that the dividend payment policy of SPRC is to pay an annual dividend of at least 50 percent of net profits after tax, and after meeting legal reserve requirements. The payment is subject to actual and future cash flows, market conditions, capital requirements and other considerations as our board of directors may deem relevant.

Our board of directors may recommend an annual dividend payment, subject to the approval of our shareholders at the shareholders' meeting. Our board of directors may also, by its resolution, decide to pay an interim dividend to our shareholders if the directors determine that it is justified by our profits. It is the policy of our board of directors to consider an interim dividend payment to shareholders every year.

Historical dividend payment information

Year	2012	2013	2014	First six months of 2015
Net earnings per share (US\$)	0.04	0.03	(0.05)	0.05
Dividend per share (US\$)	0.04	0.03	-	0.05
Dividend payout ratio same period (%)	95.00	95.00	-	95.00

Year	2012	2013	2014	First six months of 2015
Net earnings per share (Baht)	1.14	0.97	(1.55)	1.70
Dividend per share (Baht)	1.09	0.92	-	1.71
Dividend payout ratio same period (%)	95.00	95.00	-	100.57

Remarks:

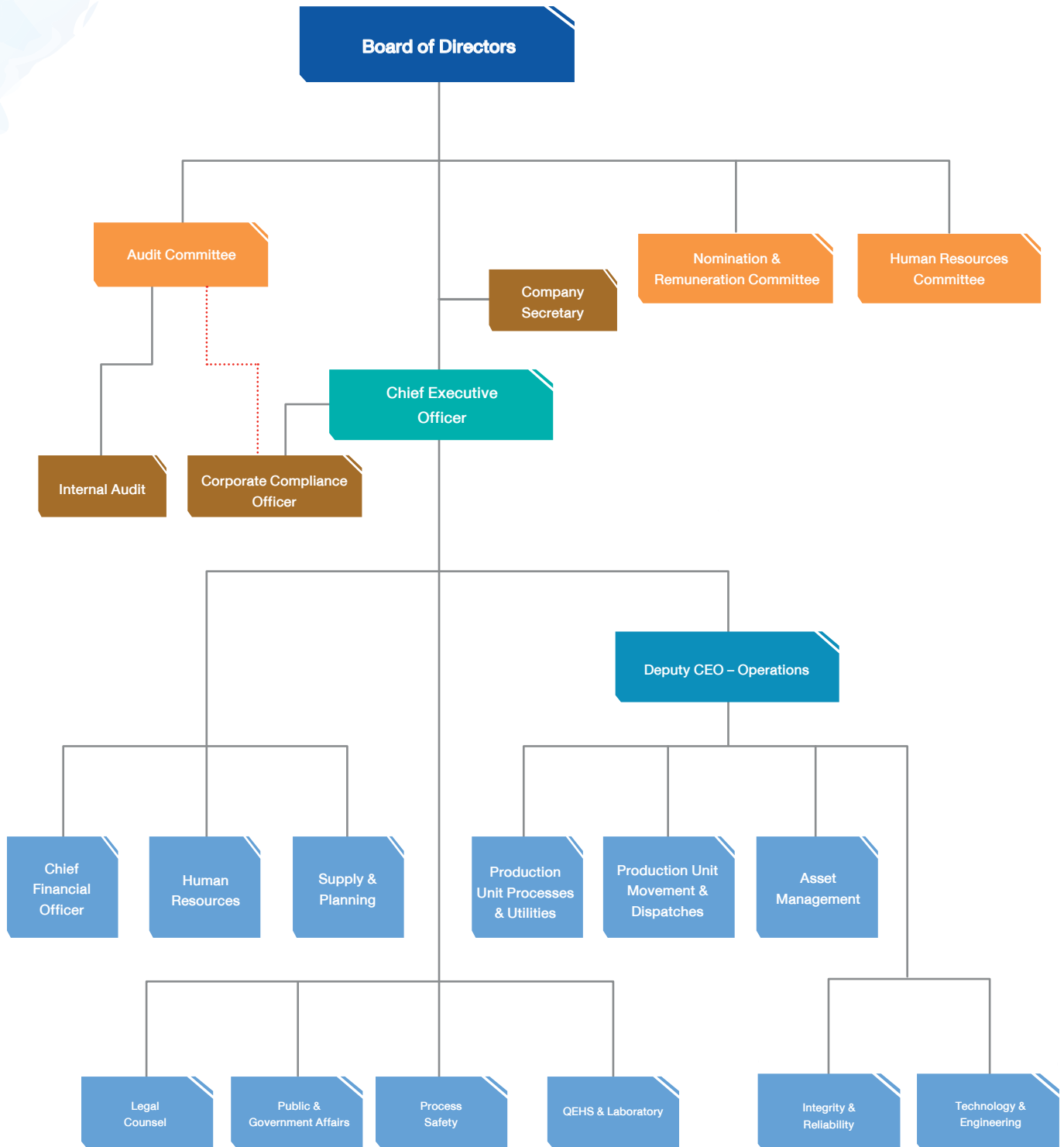
- Approval of dividends paid out of the 2012 profits was based on the 2012 net earnings per share before the change of functional currency, i.e. Baht 1.14.
- Dividend payout ratio in Thai Baht currency of first six months year 2015 was higher than 95% due to period of exchange rate use for convert net profit and dividend from US Dollar currency to Thai Baht currency are different.

FIRST TRADING DAY

8 DECEMBER 2015



MANAGEMENT STRUCTURE



Board of Directors

(as of 31 December 2015)



1. Mr. Amit Rajindrasingh Ghai

Director /Nomination and Remuneration Committee

2. Mr. Andrew Benjamin Walz

Chairman of the Board of Directors

3. Mr. Manoon Siriwan

Independent Director /Audit Committee /
Nomination and Remuneration Committee

4. Mr. Pliu Mangkornkanok

Independent Director /
Vice-Chairman of the Board of Directors /
Chairman of Audit Committee /
Human Resources Committee



5. Mr. Ranga Rama Kumar Sreeramagiri

Director /Human Resources Committee

6. Mr. Robert Stair Guthrie

Independent Director /Audit Committee /

Chairman of Nomination and Remuneration Committee

7. Mr. William Lewis Stone

Director /Chairman of Human Resources Committee /

Nomination and Remuneration Committee /

Chief Executive Officer



SPRC's organizational structure is composed of:

- The Board of Directors
- Board Committees: Audit Committee, Nomination and Remuneration Committee, and Human Resources Committee. These three committees were established and delegated by the Board of Directors for considering on specific matters.
- Management: There are a total of 14 executives in the SPRC Leadership Team. The Chief Executive Officer (CEO) is the highest executive.

The Charter of the Board of Directors provides that the Board shall have at least 7 and up to 9 directors, at least 3 of whom shall possess the qualifications of an independent director.

As of 31 December 2015, the Board of Directors comprises of 7 directors;

- 6 Non-executive directors and 3 out of 6 are independent directors
- 1 Executive director, who is the CEO



Mr. Andrew Benjamin Walz

Age 48 years

Current Position : Chairman of the Board of Directors

First Appointment date

13 August 2015 (Appointed during the year to replace Mr. Ryan Curtis Krogmeier who resigned effective on 14 August 2015)

Education

Bachelor Degree Civil Engineering
Colorado State University, USA

Working experience in past 5 years

- 2015 - Present Chairman of the Board of Directors
Star Petroleum Refining Public Company Limited
- 2015 - Present Vice Chairman of the Board of Directors
Singapore Refining Company Pte. Ltd.
- 2015 - Present Director
Chevron Trading Pte. Ltd.
- 2015 - Present Director
GS Caltex Corporation
- 2015 - Present Vice President – Joint Ventures & Affiliates,
International Products Chevron International Pte. Ltd.
- 2013 - 2015 Vice President, Product Supply & Trading
Chevron USA, Inc.
- 2008 - 2013 Marketing General Manager
Caltex Australia Limited

Training records with IOD : none

Current director position in other Thai listed company(s) : none

Other current positions

- Vice Chairman of the Board of Directors Singapore Refining Company Pte. Ltd., Singapore
- Director Chevron Trading Pte. Ltd., Singapore
- Director GS Caltex Corporation, South Korea
- Vice President - Joint Ventures & Affiliates, International Products Chevron International Pte. Ltd., Singapore

Number of Shares held in the Company : 0% (3 shares)

Interest in Company : none

Relationship to other Directors or executives in the Company : none



Mr. Pliu Mangkornkanok

Age 67 years

Current Position : Independent Director / Vice-Chairman of the Board of Directors / Chairman of the Audit Committee / Member of the Human Resources Committee

First Appointment date

28 May 2012, Latest appointment on 25 April 2013 (re-elected)

Education

Master Degree	Industrial Engineering Stanford University, USA
Master Degree	M.B.A. (Finance) University of California at Los Angeles, USA
Bachelor Degree	Industrial Engineering Chulalongkorn University

Working experience in past 5 years

2012 - Present	Independent Director Star Petroleum Refining Public Company Limited
2011 - Present	Director Chuchawal Royal Haskoning Company Limited
2010 - Present	Chairman of the Board of Directors TISCO Financial Group Public Company Limited
2010 - Present	Chairman of the Board of Directors TISCO Bank Public Company Limited
2010 - Present	Director Design 103 International Company Limited

Training records with IOD :

- Director Certification Program (DCP 11/2001)
- The Role of Chairman 2000 Program (RCP 3/2001)
- Audit Committee Program (ACP 43/2012)
- Capital Market Academy (Batch 10)
- Anti-Corruption for Executive Program (ACEP 2/2012)

Current director position in other Thai listed company(s) :

Chairman of Board of Directors
TISCO Financial Group Public Company Limited

Other current positions

- Chairman of Board of Directors
TISCO Bank Public Company Limited
- Director Chuchawal Royal Haskoning Company Limited
- Director Design 103 International Company Limited

Number of Shares held in the Company : none

Interest in Company : none

Relationship to other Directors or executives in the Company : none



Mr. Manoon Siriwan

Age 69 years

Current Position : Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee

First Appointment date

28 May 2012, Latest appointment on 28 April 2014 (re-elected)

Education

Master Degree	Political Science Chulalongkorn University
Bachelor Degree	Political Science Chulalongkorn University

Working experience in past 5 years

2007 - 2015	President Business Management Company Limited
2014 - 2015	Deputy Chairman of the Energy Reform Committee National Reform Council of Thailand
2012 - Present	Independent Director Star Petroleum Refining Public Company Limited

Training records with IOD :

- Director Accreditation Program (DAP 97/2012)
- Audit Committee Program (ACP 41/2012)

Current director position in other Thai listed company(s) : none

Other current positions

- Advisor of the Energy Reform Steering Committee
National Reform Steering Assembly of Thailand

Number of Shares held in the Company : none

Interest in Company : none

Relationship to other Directors or executives in the Company : none



Mr. Robert Stair Guthrie

Age 69 years

Current Position : Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee

First Appointment date

28 May 2012, Latest appointment on 28 April 2015 (re-elected)

Education

Bachelor Degree Civil Engineering
University of Cape Town, South Africa

Working experience in past 5 years

2012 - Present Independent Director Star Petroleum Refining Public Company Limited

2008 - 2012 Managing Director Lanta Land Development

Training records with IOD :

- Audit Committee Program (ACP 43/2013)
- Director Accreditation Program (DAP 101/2013)
- Director Certification Program (DCP 182/2013)

Current director position in other Thai listed company(s) : none

Other current positions : none

Number of Shares held in the Company : none

Interest in Company : none

Relationship to other Directors or executives in the Company : none



Mr. Amit Rajindrasingh Ghai

Age 43 years

Current Position : Director / Member of the Nomination and Remuneration Committee

First Appointment date

14 June 2013, Latest appointment on 8 April 2014 (re-elected)

Education

Master Degree Business and Administration
University of Michigan, USA

Master Degree Chemical Engineering
Lamar University, USA

Bachelor Degree Chemical Engineering
University of Mumbai, India

Working experience in past 5 years

2013 - Present Director Star Petroleum Refining Public Company Limited

2013 - Present Regional Treasury Manager
Chevron International Pte. Ltd.

2011 - 2013 Upstream Finance Manager
Chevron NA Exploration Production Company

2009 - 2011 Corporate Competitor Analysis
Chevron Corporation

Training records with IOD :

- Director Accreditation program (DAP 108/2014)

Current director position in other Thai listed company(s) : none

Other current positions

- Regional Treasury Manager Chevron International Pte. Ltd. Singapore

- Assistant Treasurer, Chevron Asia Pacific Holdings Limited and other Chevron subsidiaries in the Asia Pacific region

Number of Shares held in the Company : none

Interest in Company : none

Relationship to other Directors or executives in the Company : none



Mr. Ranga Rama Kumar Sreeramagiri

Age 54 years

Current Position : Director / Member of the Human Resources Committee

First Appointment date

13 September 2010, Latest appointment on 28 April 2015 (re-elected)

Education

Master Degree Business Administration
The State University of New Jersey, USA

Bachelor Degree Mechanical Engineering
S.V. University, India

Working experience in past 5 years

2010 - Present General Manager Chevron International Pte. Ltd.

2010 - Present Director Star Petroleum Refining Public Company Limited

2010 - Present Director Singapore Refining Company

Training records with IOD :

- Director Accreditation Program (DAP 101/2013)

Other training in 2015 :

- Executive Coaching, organized by Chevron

Current director position in other Thai listed company(s) : none

Other current positions

- General Manager Chevron International Pte. Ltd. Singapore
- Director Singapore Refining Company Singapore

Number of Shares held in the Company : none

Interest in Company : none

Relationship to other Directors or executives in the Company : none



Mr. William Lewis Stone

Age 57 years

Current Position : Director / Chairman of the Human Resources Committee / Member of the Nomination and Remuneration Committee / Chief Executive Officer

First Appointment date

25 April 2008, Latest appointment on 25 April 2013 (re-elected)

Education

Bachelor Degree Chemical Engineering
University of California, Santa Barbara, USA

Working experience in past 5 years

2008 - Present Director and Chief Executive Officer
Star Petroleum Refining Public Company Limited

2014 - Present Director of GS Caltex, South Korea

Training records with IOD :

- Directors Accreditation Program (DAP 72/2008)
- Director Certificate Program (DCP 123/2009)
- Financial Statement for Director (FSD 2/2010)

Current director position in other Thai listed company(s) : none

Other current positions:

- Director GS Caltex Corporation South Korea

Number of Shares held in the Company : 0.001% (40,000 shares)

Interest in Company : none

Relationship to other Directors or executives in the Company : none

Directors who resigned or completed their term in 2015			
	Name	Position	Effective Date
1	Mr. Ryan Curtis Krogmeier	Chairman of the Board of Directors Chairman of the Nomination and Remuneration Committee Member of the Human Resources Committee	Resignation with effect on 14 August 2015
2	Mr. Wirat Uanarumit	Director Member of the Nomination and Remuneration Committee	Resignation with effect on 9 December 2015
3	Ms. Duangporn Thiengwatanatham	Director Member of the Human Resources Committee	Resignation with effect on 18 December 2015

Report of the Company's securities held by directors (including spouse and minor children) As of 31 December 2015				
	Name	Number of Shares		Changing Number of Shares Increase (Decrease)
		As of 3 December 2015	As of 31 December 2015	
1	Mr. Andrew Benjamin Walz Spouse and minor children	3 -	3 -	- -
2	Mr. Pliu Mangkornkanok Spouse and minor children	- -	- -	- -
3	Mr. Manoon Siriwan Spouse and minor children	- -	- -	- -
4	Mr. Robert Stair Guthrie Spouse and minor children	- -	- -	- -
5	Mr. Amit Rajindrasingh Ghai Spouse and minor children	- -	- -	- -
6	Mr. Ranga Rama Kumar Sreeramagiri Spouse and minor children	- -	- -	- -
7	Mr. William Lewis Stone Spouse and minor children	- -	40,000 -	40,000 -

Report of the Company's securities held by directors who resigned in 2015

	Name	Number of Shares		Changing Number of Shares Increase (Decrease)
		As of 3 December 2015	As of 31 December 2015	
1	Mr. Ryan Curtis Krogmeier	-	N/A	N/A
	Spouse and minor children	-	N/A	N/A
2	Mr. Wirat Uanarumit	-	N/A	N/A
	Spouse and minor children	-	N/A	N/A
3	Ms. Duangporn Thiengwatanatham	-	N/A	N/A
	Spouse and minor children	-	N/A	N/A

Remark: N/A means no information due to the directors resigned before 31 December 2015

Committees

The Board of Directors has established 3 committees, Audit Committee, Nomination and Remuneration Committee, and Human Resources Committee in order to support and provide recommendations to the Board of Directors in each aspect for effective operations of the Company's business.

Member of each committee as of 31 December 2015

	Name	Audit Committee	Nomination and Remuneration Committee	Human Resources Committee
		(3 persons)	(4 persons)	(3 persons)
1	Mr. Andrew Benjamin Walz	-	-	-
2	Mr. Pliu Mangkornkanok	Chairman	-	Member
3	Mr. Manoon Siriwan	Member	Member	-
4	Mr. Robert Stair Guthrie	Member	Chairman	-
5	Mr. Amit Rajindrasingh Ghai	-	Member	-
6	Mr. Ranga Rama Kumar Sreeramagiri	-	-	Member
7	Mr. William Lewis Stone	-	Member	Chairman

Remark: Directors number 2, 3 and 4 are independent directors who are qualified and have qualifications in accordance to the requirements of the Company's independent directors.

Audit Committee

- | | |
|-----------------------------|----------|
| 1. Mr. Pliu Mangkornkanok | Chairman |
| 2. Mr. Manoon Siriwan | Member |
| 3. Mr. Robert Stair Guthrie | Member |



Mr. Pliu has knowledge and experience to review the financial statements.

Nomination and Remuneration Committee

- | | |
|--------------------------------|----------|
| 1. Mr. Robert Stair Guthrie | Chairman |
| 2. Mr. Manoon Siriwan | Member |
| 3. Mr. Amit Rajindrasingh Ghai | Member |
| 4. Mr. William Lewis Stone | Member |





Human Resources Committee

- | | |
|--------------------------------------|----------|
| 1. Mr. William Lewis Stone | Chairman |
| 2. Mr. Pliu Mangkornkanok | Member |
| 3. Mr. Ranga Rama Kumar Sreeramagiri | Member |



Board of Directors Meetings

Attendance of the Board of Directors Meetings and Committee Meetings in 2015

	Director's Name	Board of Directors Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Human Resources Committee Meeting
		(Total 7 Meetings)	(Total 4 Meetings)	(Total 3 Meetings)	(Total 4 Meetings)
1	Mr. Andrew Benjamin Walz	2/2	-	-	-
2	Mr. Pliu Mangkornkanok	6/7	4/4	1/1	-
3	Mr. Manoon Siriwan	7/7	4/4	-	-
4	Mr. Robert Stair Guthrie	7/7	4/4	2/2	-
5	Mr. Amit Rajindrasingh Ghai	7/7	-	1/1	-
6	Mr. Ranga Rama Kumar Sreeramagiri	4/7	-	-	0/1
7	Mr. William Lewis Stone	7/7	-	3/3	4/4

The list of directors who resigned during the year 2015

1	Mr. Ryan Curtis Krogmeier	5/5	-	2/2	3/3
2	Mr. Wirat Uanarumit	6/6	-	1/2	-
3	Ms. Duangporn Thiengwatanatham	5/6	-	-	4/4

Marked set by chutathipp

Director's Remuneration

Under the Company's Article of Association, the director's remuneration will be considered and approved by the Shareholders at the Shareholders' meeting. The directors are entitled to remuneration from the Company in form of monthly fee, meeting allowance, reward, bonus or any other benefits in accordance with the Article of Association or as approved by a meeting of shareholders which may be a fixed sum or subject to any conditions applicable from time to time.

The Annual General Meeting of Shareholders in 2015 approved the director's remuneration for monthly fee and meeting allowance fee for Board of Directors meeting and committee meeting, without bonus.

Director Fee for 2015		
Position	Monthly Fee (Baht/Month)	Meeting Allowance of Board of Directors Meeting (Only attending directors) (Baht/Meeting)
Chairman of the Board of Directors	150,000	25,000
Director	120,000	20,000

Compensation for Committee for 2015 (Audit Committee, Nomination and Remuneration Committee, and Human Resources Committee)	
Position	Meeting Allowance of Committee Meeting (Only attending members) (Baht/Meeting)
Chairman of the committee	40,000
Member of the committee	30,000

In summary, the total director compensation in 2015 is 15,435,000 baht, comprising of monthly fees in total of 13,180,000 baht and the meeting allowance fees for the Board of Directors meetings and sub-committee meetings in total of 2,255,000 baht. This total fee was paid to 10 directors which include the directors who held the directorship position for 12 months, ending on 31 December 2015, the directors who completed their directorship term or resigned during the year, and the director who started their directorship during the year. Such director compensation is made in accordance with the resolution of the meeting of shareholders. The compensation was appropriately determined by considering roles and responsibilities, economic environment, and benchmarking with peers in the same industries and size of the company. The Company does not provide bonuses for directors, but the directors can be reimbursed from the Company on the actual expenses from attending of the Company's meetings with original receipt incurred.

The compensation that each director received in 2015						
	Name	Monthly Fee	Meeting Allowance Fee			
			Board of Directors	Audit Committee	Nomination and Remuneration Committee	Human Resources Committee
1	Mr. Andrew Benjamin Walz	675,000	50,000	-	-	-
2	Mr. Pliu Mangkomkanok	1,440,000	120,000	160,000	40,000	-
3	Mr. Manoon Siriwan	1,440,000	140,000	120,000	-	-
4	Mr. Robert Stair Guthrie	1,440,000	140,000	120,000	80,000	-
5	Mr. Amit Rajindrasingh Ghai	1,440,000	140,000	-	30,000	-
6	Mr. Ranga Rama Kumar Sreeramagiri	1,440,000	80,000	-	-	-
7	Mr. William Lewis Stone	1,440,000	140,000	-	90,000	160,000
Directors who resigned in 2015						
1	Mr. Ryan Curtis Krogmeier	1,125,000	125,000	-	60,000	90,000
2	Mr. Wirat Uanarumit	1,352,000	120,000	-	30,000	-
3	Ms. Duangporn Thiengwatanatham	1,388,000	100,000	-	-	120,000
Total		13,180,000	1,155,000	400,000	330,000	370,000

Mr. Ryan Curtis Krogmeier (resigned in 2015), Mr. Andrew Benjamin Walz (appointed in 2015), Mr. Amit Rajindrasingh Ghai, Mr. Ranga Rama Kumar Sreeramagiri and Mr. William Lewis Stone are directors nominated by Chevron. They have declined to receive director compensation, both monthly fees and meeting allowance fees, from the Company. Total declined fees were 7,085,000 baht, comprising of the monthly fee of 6,120,000 baht and the meeting allowance fee of 965,000 baht. Instead, the Company made this compensation to Chevron. This director compensation is not covered under the Personnel Secondment Agreement made between the Company and Chevron.

Company Secretary

The Board of Directors meeting No. 4/2013, held on 27 November 2013, resolved to appoint Ms. Nattawan Khumwiwat to act in the position of Company Secretary. The Company Secretary has roles and responsibilities to ensure compliance with and advise the Board of Directors and management on relevant laws and regulations, and practice guidelines for good corporate governance. The Company Secretary is responsible for organizing meetings of the Board of Directors and meetings of the shareholders, as well as following and monitoring the Company's actions and implementation in compliance with resolutions made at the meetings. The Company Secretary shall manage the registration and record of Company's directors, notice of the Board and shareholders meetings, minutes of the Board and shareholders meetings, safely store the company's material documents, and retain the conflict of interest declaration forms made by directors and management. The Company Secretary shall also perform other general company secretary's works and have other roles and responsibilities as provided by the Capital Market Supervisory Board.

Corporate Compliance Officer

The Board of Directors established the Business Conduct policy in 2010 and appointed the Corporate Compliance Officer to have primary oversight responsibility to ensure the Company operates the business in accordance with guidelines and policies provided in the Business Conduct policy. The Corporate Compliance Officer is responsible on implementation and monitoring the compliance program, consistent with the Business Conduct policy and ensuring enforcement with disciplinary action(s) against personnel whose conduct is not in line with the principles provided in the Business Conduct. The Corporate Compliance Officer has established a whistle blowing channel with encouragement of open and confidential lines of communication with employees so that they will feel free to report suspected conduct violating the policy or other suspected criminal conduct involving the Company or its personnel. The Corporate Compliance Officer reports quarterly to the Audit Committee on the compliance program ensuring that the report addresses such policies as provided in the Business Conduct policy. Ms. Nattawan Khumwiwat has been appointed to be the Corporate Compliance Officer to replace Mr. Wichai Chunhasomboon since 1 July 2015.

Ms. Nattawan Khumwiwat

Age	35 years
Current Position	Corporate Legal Counsel, Company Secretary and Corporate Compliance Officer

Education

Master Degree:	LL.M., International Business Law, American University, Washington College of Law, USA
Master Degree:	LL.M., Business Law (English Program), Chulalongkorn University
Bachelor Degree:	Laws, Thammasart University
Barrister at Law:	The Thai Bar Association

Working experience in past 5 years

2015 - Present	Corporate Compliance Officer
2013 - Present	Corporate Legal Counsel and Company Secretary
2009 - 2013	Legal Counsel

Training Course on Company Secretary

- Company Secretary Program (CSP 39/2011)
- Board Reporting Program (BRP 5/2011)
- Effective Minute Taking (EMT 22/2012)

Interest in Company : none

Relationship to other Directors or executives in the Company : none

Internal Auditor

According to the Audit Committee Charter, the Audit Committee has authorization and is responsible for appointment or removal of the internal auditor of the Company. The Audit Committee Meeting No. 4/2012, held on 20 June 2012, resolved to appoint Ms. Sukhumal Tonpitak to be the Company's Internal Auditor. The Internal Auditor has roles and responsibilities to independently conduct audits on the Company's operating business based on risk management tools, provide recommendations on internal controls to the business units, and monitor the Company's internal control system to ensure it is effective and robust. The audits develop value-added suggestions for improvements in systems and procedures to achieve the Company's goals.

Ms. Sukhumal Tonpitak

Age 46 years

Current Position Internal Auditor

Education

Master Degree: MBA, Maryville University of St. Louis, Missouri, USA.

Bachelor Degree: Accounting, Assumption University

Working experience in past 5 years

2009 - Present Internal Auditor

Training Course on Internal Auditor

The Institute of Internal Auditors of Thailand

- Certified Professional Internal Auditor of Thailand
- Internal Control
- Risk Management

Interest in Company : none

Relationship to other Directors or executives in the Company : none

Executives

Chief Executive Officer

The Board of Directors has authorization and is responsible for appointment or removal of the Company's chief executive officer to manage the Company's business as assigned by the Board of Directors. The Board of Directors appointed Mr. William Lewis Stone as the Company's chief executive officer and set his scope of authority in accordance with the resolution of the Board of Directors Meeting No. 2A/2012 held on 20 June 2012, under which the chief executive officer is authorized to oversee the Company's day-to-day business and operation, take any action and make any decision under the scope of his or her authority, including execution of agreements and obligations that are necessary or beneficial to the Company. The chief executive officer has the authority to execute transactions in the name of the Company, with a limit of not exceeding Baht 200 million. The chief executive officer also has the authority to execute transactions and obligations exceeding Baht 200 million for transactions and obligations with a term not exceeding 12 months that are related to the current and future purchase, sale, and exchange of crude oil, raw materials, intermediate products, and finished products.

Leadership Team

There are 14 executives on the SPRC Leadership Team. The Leadership Team is responsible for executing the strategies, objectives and business plans approved by the Board of Directors, and managing the day to day activities at SPRC. Members of the Leadership Team all bring significant industry and company specific experience and knowledge to SPRC providing the required skills and competencies to lead SPRC to “Set the Standard” in the refining industry.

Leadership Team members as of 31 December 2015 are:

Name	Position
1. Mr. William Lewis Stone	Director and Chief Executive Officer
2. Mr. Steven Lewis Gibson	Deputy Chief Executive Officer - Operations
3. Mr. Wichai Chunhasomboon	Chief Financial Officer
4. Mr. Sakchai Thamsuruk	Manager of Supply & Planning
5. Mr. Chirasak Mhasuconda	Manager of Human Resources
6. Mr. Pongkorn Chochuwong	Manager of Asset Management
7. Mr. Narong Triyotee	Manager of Production Unit-Processes & Utilities
8. Mr. Paul Andrew Rushworth	Manager of Production Unit-Movement & Dispatches
9. Mr. Roger Albert Frederick Bartlett	Manager of Integrity & Reliability
10. Mr. Akasit Rumpagaporn	Manager of Technology & Engineering
11. Ms. Nattawan Khumwiwat	Corporate Legal Counsel, Company Secretary and Corporate Compliance Officer
12. Ms. Pornthip Viraphand	Manager of Public & Government Affairs
13. Mr. Krisda Chaikul	Manager of Process Safety
14. Ms. Angkana Panyaopart	Manager of OEHS & Laboratory



Mr. William Lewis Stone

Age 57 years

Current Position in SPRC :

Director

Chairman of the Human Resources Committee

Member of the Nomination and Remuneration Committee

Chief Executive Officer

Appointment date : 25 April 2008

Education

Bachelor Degree in Chemical Engineering

University of California, Santa Barbara, USA

Working experience in past 5 years

2008 - Present Director and Chief Executive Officer, SPRC

2014 - Present Director of GS Caltex, South Korea

Shareholdings as of 31 December 2015 : 0.001%

Relationship to other Directors or executives in the Company : none



Mr. Steven Lewis Gibson

Age 52 years

Current Position in SPRC :

Deputy Chief Executive Officer - Operations

Appointment date : 17 June 2013

Education

Bachelor Degree in Chemical Engineering

University of Sydney, Australia

Working experience in past 5 years

2013 - Present Deputy Chief Executive Officer - Operations, SPRC

2009 - 2013 Manager of Asset Management, SPRC

Shareholdings as of 31 December 2015 : none

Relationship to other Directors or executives in the Company : none



Mr. Wichai Chunhasomboon

Age 58 years

Current Position in SPRC : Chief Financial Officer

Appointment date : 21 April 2009

Education

Master of Business Administration in Accounting
Thammasat University

Bachelor Degree in Accounting
Bangkok University

Working experience in past 5 years

2009 - Present Chief Financial Officer, SPRC

Shareholdings as of 31 December 2015 : none

Relationship to other Directors or executives in the Company : none



Mr. Sakchai Thamsuruk

Age 48 years

Current Position in SPRC : Manager of Supply & Planning

Appointment date : 1 March 2009

Education

Bachelor of Science Degree in Chemistry
King Mongkut's University of Technology Thonburi

Working experience in past 5 years

2009 - Present Manager of Supply & Planning, SPRC

Shareholdings as of 31 December 2015 : 0.008%

Relationship to other Directors or executives in the Company : none



Mr. Chirasak Mhasuconda

Age 53 years

Current Position in SPRC : Manager of Human Resources

Appointment date : 15 March 2011

Education

Master of Public Administration
National Institute of Development Administration (NIDA)

Bachelor of Law
Ramkhamhaeng University

Working experience in past 5 years

2011 - Present Manager of Human Resources, SPRC

Shareholdings as of 31 December 2015 : 0.006%

Relationship to other Directors or executives in the Company : none



Mr. Pongkorn Chochuwong

Age 46 years

Current Position in SPRC : Manager of Asset Management

Appointment date : 1 June 2014

Education

Bachelor Degree of Science in Chemistry
Chiang Mai University

Working experience in past 5 years

2014 - Present Manager of Asset Management, SPRC

2009 - 2014 Manager of Production Unit-Processes, SPRC

Shareholdings as of 31 December 2015 : 0.008%

Relationship to other Directors or executives in the Company : none



Mr. Narong Triyotee

Age 45 years

Current Position in SPRC :

Manager of Production Unit-Processes & Utilities

Appointment date : 1 June 2015

Education

Bachelor of Engineering Degree in Chemical Engineering
Curtin University of Technology, Perth, Australia

Working experience in past 5 years

2014 - Present Manager of Production Unit-Processes
 & Utilities, SPRC

2009 - 2014 Manager of Production Unit-Movement
 & Dispatches, SPRC

Shareholdings as of 31 December 2015 : 0.012%

Relationship to other Directors or executives in the Company : none



Mr. Paul Andrew Rushworth

Age 46 years

Current Position in SPRC :

Manager of Production Unit-Movement & Dispatches

Appointment date : 1 June 2014

Education

Master of Business Administration Degree in Technology Management
Jointly the Association of Professional Engineers Scientists and
Managers Australia (APESMA) and Deakin University, Australia

Master of Engineering Degree in Engineering Design
Loughborough University of Technology, UK

Bachelor of Engineering Degree in Mechanical Engineering
Manchester Polytechnic, UK

Working experience in past 5 years

2014 - Present Manager of Production Unit-Movement
 & Dispatches, SPRC

2012 - 2014 Event Project Manager, SPRC

2008 - 2012 Maintenance Manager, SPRC

Shareholdings as of 31 December 2015 : 0.006%

Relationship to other Directors or executives in the Company : none



Mr. Roger Albert Frederick Bartlett

Age 67 years

Current Position in SPRC : Manager of Integrity & Reliability

Appointment date : 1 February 2009

Education

Doctorate in environmental fracture of steels
Manchester Institute of Science and Technology, UK

Master of Science Degree, Metallurgy
Manchester Institute of Science and Technology, UK

Bachelor of Science, Metallurgy
Manchester Institute of Science and Technology, UK

Working experience in past 5 years

2009 - Present Manager of Integrity & Reliability, SPRC

Shareholdings as of 31 December 2015 : 0.006%

Relationship to other Directors or executives in the Company : none



Mr. Akasit Rumpagaporn

Age 46 years

Current Position in SPRC : Manager of Technology & Engineering

Appointment date : 1 May 2015

Education

Master of Science Degree in Computer Engineering Management
Assumption University

Bachelor of Science Degree in Chemical Engineering
Chulalongkorn University

Working experience in past 5 years

2015 - Present Manager of Technology & Engineering, SPRC

2011 - 2015 Planning Manager, SPRC

Shareholdings as of 31 December 2015 : 0.005%

Relationship to other Directors or executives in the Company : none



Ms. Nattawan Khumwiwat

Age 35 years

Current Position in SPRC : Corporate Legal Counsel,
Company Secretary and
Corporate Compliance Officer

Appointment date : 27 November 2013

Education

Master of Law International Business Law
American University, Washington College of Law, USA

Master of Law Business Law (English Program)
Chulalongkorn University

Bachelor of Laws
Thammasart University

Barrister at Law
The Thai Bar Association

Working experience in past 5 years

2015 - Present Corporate Compliance Officer, SPRC
2013 - Present Corporate Legal Counsel and Company
Secretary, SPRC
2009 - 2013 Legal Counsel, SPRC

Shareholdings as of 31 December 2015 : 0.005%

Relationship to other Directors or executives in the Company : none



Ms. Pornthip Viraphand

Age 50 years

Current Position in SPRC : Manager of Public & Government
Affairs

Appointment date : 1 June 2014

Education

Master of Public Administration
Burapha University

Bachelor of Business Administration
Rajamangala University of Technology Krungthep

Working experience in past 5 years

2014 - Present Manager of Public & Government Affairs, SPRC
2009 - 2014 Manager of Procurement and Logistics, SPRC

Shareholdings as of 31 December 2015 : 0.004%

Relationship to other Directors or executives in the Company : none



Mr. Krisda Chaikul

Age 54 years

Current Position in SPRC : Manager of Process Safety

Appointment date : 1 July 2014

Education

Master of Science, Industry and Technology with Specialization in Safety
College of Engineering and Engineering Technology
Northern Illinois University, USA

Bachelor of Science Degree in Occupational Health and Safety
Mahidol University

Working experience in past 5 years

2014 - Present Manager of Process Safety, SPRC

2009 - 2014 Manager of QEHS & Laboratory, SPRC

Shareholdings as of 31 December 2015 : 0.005%

Relationship to other Directors or executives in the Company : none



Ms. Angkana Panyaopart

Age 46 years

Current Position in SPRC : Manager of QEHS & Laboratory

Appointment date : 1 July 2014

Education

Master of Engineering (Industrial Management Engineering)
King Mongkut's University of Technology North Bangkok

Bachelor of Science in Computer Science
Ramkhamhaeng University

Working experience in past 5 years

2014 - Present Manager of QEHS & Laboratory, SPRC

2012 - 2014 Event Project Business Manager, SPRC

2009 - 2012 Lead Reliability and Asset Management, SPRC

Shareholdings as of 31 December 2015 : 0.006%

Relationship to other Directors or executives in the Company : none

Report of the Company's securities held by Executives (including spouse and minor children)

	Name	Number of Shares/Changing Amount		Increase (decrease) number of shares During 2015
		As of 3 December 2015	As of 31 December 2015	
1	Mr. William Lewis Stone	-	40,000	40,000
	Spouse and minor children	-	-	-
2	Mr. Steven Lewis Gibson	-	-	-
	Spouse and minor children	-	-	-
3	Mr. Wichai Chunhasomboon	-	-	-
	Spouse and minor children	-	-	-
4	Ms. Sakchai Thamsuruk	267,100 (ESOP)	267,100	-
	Spouse and minor children	78,500 (ESOP)	78,500	-
5	Mr. Chirasak Mhasuconda	267,100 (ESOP)	267,100	-
	Spouse and minor children	-	-	-
6	Mr. Pongkorn Chochuwong	347,300 (ESOP)	347,300	-
	Spouse and minor children	-	-	-
7	Mr. Narong Triyotee	347,300 (ESOP)	347,300	-
	Spouse and minor children	167,600 (ESOP)	167,600	-
8	Mr. Paul Andrew Rushworth	267,100 (ESOP)	267,100	-
	Spouse and minor children	-	-	-
9	Mr. Roger Albert Frederick Bartlett	267,100 (ESOP)	267,100	-
	Spouse and minor children	-	-	-
10	Mr. Akasit Rumpagaporn	205,500 (ESOP)	205,500	-
	Spouse and minor children	-	-	-
11	Ms. Nattawan Khumwiwat	205,500 (ESOP)	205,500	-
	Spouse and minor children	-	-	-
12	Ms. Pornthip Viraphand	167,600 (ESOP)	167,600	-
	Spouse and minor children	-	-	-
13	Mr. Krisda Chaikul	205,500 (ESOP)	205,500	-
	Spouse and minor children	-	-	-
14	Ms. Angkana Panyaopart	205,500 (ESOP)	248,400	42,900
	Spouse and minor children	-	-	-

Human Resources

SPRC has a strategic objective to Set the Standard as Employer of Choice in Thailand, which is a key in allowing us to meet our other strategic objectives in Operational Excellence and Shareholder return. Our visions are happy and healthy employees, with positions that fit their skills and competencies as part of a high performance organization, and they are proud of their contributions to our success, and to be part of our One Family.

Our Human Resources Management System, Strategy and action plans are all directed at achieving this vision, to attract, motivate, engage and retain employees in a happy working environment. We provide training and development opportunities with challenging assignments to allow our employees to achieve their career goals. Our salary, incentive, and benefits program is designed to provide a fair and competitive compensation package to attract and retain talent.

We are confident that our strategies, management systems, action plans, training and development and compensation packages, along with our One Family Culture and Core Values attract, motivate and retain employees to achieve our strategies and the long term sustainable success of SPRC.

Number of Employees

The company has 454 total employees as of 31 December 2015. The number of employees includes direct hires and secondees from Chevron.

	<u>Number of Employees</u>
Production Unit - Process and Utilities	128
Production Unit - Movement and Dispatches	87
Asset Management	60
Technology and Engineering	44
QEHS & Laboratory	36
Corporate Service	22
Integrity & Reliability	24
Others	53
Total	454

Executive and Employee Compensation

SPRC recognizes that our employees and management are the most important resource for achieving the strategic goals of the company. Our Company's One Family culture cares for and respects all of our employees and management. It is the Company's policy to attract and retain high performance employees and encourage them to excel in the organization through attractive remuneration and benefits that fairly and equitably reward our employees for their contributions to SPRC's success, and that are competitive with other companies in Thailand's petrochemical industry.

Executive Compensation

Total remuneration for executives includes basic salary, bonus, provident fund, welfare and benefit, and ESOP expense. In 2015, total remuneration for executives was Baht 205 million. These totals include management manpower costs paid to Chevron under the Personnel Secondment Agreement. Executives also receive other benefits and compensation as described below for all employees.

Employee Compensation

Compensation Paid to the Employees

In 2015, total compensation, including salary, bonus, overtime pay, provident fund, welfare and benefit, and ESOP expense paid to the employees and executives was Baht 1,307 million including a one-time expense of Baht 322 million for ESOP. Annual merit increase for each employee is determined based on the individual's annual performance result and market competitiveness.

Other compensation

The Company provides for employees' retirement package which complies with Thai Labor Law. The Company also recognizes employees with "Top Up with Gold" at their retirement. The Company has recorded retirement benefits of Baht 21 million in the year 2015.

The Company also provides other benefits to the employees including Housing Allowance, Leave, Annual Holidays, Maternity Leave, Life Insurance and Disability, and Medical Coverage. In 2015, the Company initiated a Flexible Benefit program that allows individual employees to make selections of benefits to fit with their life style and family's needs.

Employee Stock Ownership Plan

In conjunction with the Company's Initial Public Offering (IPO), we executed an Employee Stock Ownership Plan (ESOP) to promote management and employee's ownership as well as encourage employee pride and engagement in SPRC. The ESOP plan was approved at the Board of Directors meeting No. 2A/2015 and Shareholder meeting No. 2/2015, held on 29 June 2015 and on 7 July 2015, respectively. The Company offered to sell ordinary shares to management (not including certain management secondees) and employees at the same price as the IPO price and at the same period as the IPO. Company Directors were not eligible for the ESOP program. The Company provided support for the management and employees who participated in the ESOP program which was recorded as company expense. Employees and management purchased a total of 35,728,800 ordinary shares through the ESOP program.

Following the first day of trading of the Company's shares on the Stock Exchange of Thailand, the employees and management are allowed to sell up to 25% of their shares after 12 months and 24 months, and the remaining 50% after 36 months.

Provident Fund

The Company provides a provident fund, registered as a juristic person under the Provident Fund Act, B.E. 2530 (1987) for the Company's employees. Participating employees pay a contribution of 3 to 15 percent of the monthly wage to the fund, and the Company contributes 3 to 15 percent of the employee's wage, depending on the employee's years of service. Provident Fund contributions by the Company were Baht 48 million for the year 2015.

Training & Development

At SPRC, we believe that the efficiency, effectiveness and success of our organization depends largely on the skills, abilities and commitment of our people. We, therefore, place a lot of emphasis on the training and development of our people.

Training at SPRC is carried out with both short term and long term objectives in mind, and that's why we offer a range of training and development activities. Depending on roles and responsibilities, employees are provided:

- On-the-job learning including overseas job postings.
- Training for recognized professional qualifications - either through external organizations or through SPRC's own training services and facilities.
- Personal development programs.
- Mentoring and regular appraisals with line managers.
- Special project assignments.
- Joint Venture Chevron Technical University (JV CTU): A set of engineering and technical courses provided to young engineers of joint venture Chevron refineries by experienced Chevron engineers from around the world.

CORPORATE GOVERNANCE

The Company conducts all of its business operations to the highest levels of corporate governance and business ethics, with a goal of long term sustainability. We conduct our business and treat all stakeholders responsibly, equitably, and with transparency. We believe our business conduct and strong leadership builds confidence among our investors and stakeholders.

The Board of Directors has set the Company's Corporate Governance Policy and Business Conduct, which set out policies and guidelines that are consistent with the corporate governance principles prescribed by the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission ("SEC").

The Corporate Governance Policy and Business Conduct are part of the Company's business operation policy. It is our firm commitment to be a role model for good corporate governance.

The rights of the shareholders

The Company recognizes the rights of all shareholders, which include rights to independently buy, sell, or transfer shares; rights to attend and vote in shareholders meetings regarding the appointment or removal of directors, remuneration of directors, appointment and remuneration for auditors, declaration of dividend payments, determination or amendment of the Articles of Association and the memorandum of association, reduction or increase of capital, and approval of special matters requiring the resolution of the shareholders meeting.

Prior to our IPO last year and registration of the company's securities with the SET, the annual general meeting of 2015 was held on 28 April 2015, and three extraordinary general meetings were held on 16 June, 7 July, and 12 November 2015. All were held in accordance with the requirement in the Company's Articles of Association and the applicable laws concerning shareholder meetings. This includes due delivery of notices of the meetings, as well as providing in advance the procedures regarding attendance and the meeting agenda as prescribed in the Company's Articles of Association and laws.

All shareholders meetings of the Company were conducted taking into consideration the rights of shareholders. If a shareholder cannot attend the meeting, the Company allows the shareholder to appoint an independent director or any person as a proxy to attend the meeting on their behalf, by submitting

a proxy form sent with the notice to the shareholders meeting by the Company.

To allow shareholders to vote knowledgeably and effectively, the Company sends the notice of shareholders meeting and supporting information to the shareholders at a reasonable time in advance. The notice contains details on the agenda of the meeting to be considered by the shareholders, with an explanation and reason for each agenda item or each resolution sought, as well as the opinion of the Board of Directors, including:

- with respect to the appointment of directors, background and suitability of the nominated persons, including education, experience, and other titles held;
- with respect to the consideration of remuneration for directors, components and amount of remuneration proposed to be approved by the shareholders;
- with respect to appointment of the auditor and determination of their remuneration, name and auditing office of the proposed auditor, the proposed remuneration, and the years for which the auditor has performed their duty for the Company in the event of reappointment of an existing auditor;
- with respect to the payment of dividend, an explanation to support the decision regarding the proposed dividend; and
- with respect to the consideration of important matters of the Company, such as amendment of the Articles of Association, amendment of the Board of Directors' charter, adjustment of the structure of the Company's capital, reduction and increase of capital, allocation of new ordinary shares for an initial public offering, approval of an employee stock ownership plan (ESOP), and consideration of listing the Company's shares on the SET, sufficient information regarding the objectives of the matters proposed, and the effects on the Company and the shareholders.

During the meeting, the Company provides an opportunity to all shareholders to ask questions, and give opinions and

suggestions. The Board of Directors and senior leadership attend the meeting to answer questions and to listen to the opinions and suggestions of shareholders. When the meeting ends, the Company prepares accurate and complete minutes of the meeting, including questions and responses during the meeting, within 14 days from the date of the meeting. The meeting minutes are available for inspection by the shareholders, and sent to the relevant agency within the period specified.

It is the Company's policy to organize the shareholders meeting at a venue which meets our high safety standards, has multiple transportation options e.g. close to BTS or MRT station and available parking areas, and a proper sized meeting room.

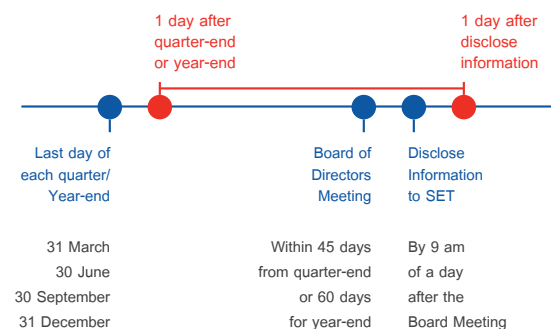
Equitable treatment for shareholders

In the Company's Business Conduct, the Company has established a policy for managing conflicts of interest among directors, executives, and employees of the Company. The policy requires that the Company's directors, executives, and employees refrain from having any conflict between personal interest and the interest of the Company, or the duties of the directors, executives, and employees toward the Company. Conflicts of interest may arise when such persons take any action or have any personal interest that adversely affects the Company's interest, reputation, and good relations with others, as well as actions that affect their decisions when performing their respective duties. The practice regarding conflicts of interest is as follows:

- Directors, executives, and employees of the Company have duties in reporting their interests upon being appointed or joining the Company, and shall report on any changes to those interests.
- The Company discloses a clear shareholding structure to ensure confidence of the shareholders in the Company's shareholding structure.
- In a meeting of the Board of Directors, if any director has a conflict of interest in the matter being considered, that director shall not take part in the consideration and decision regarding that matter, by refraining from participating in that portion of the meeting and voting, in order to ensure fairness and transparency in the decision of the Board of Directors and to protect the best interests of all shareholders.

Preventive measures have been put into place to prevent the improper use of material non-public information by directors, executives, and employees who have access to such material non-public information through their duties and roles within the Company. Improper use includes insider trading whether for their own or others' benefit. The practice regarding material non-public information is as follows:

- Directors, executives, employees, auditors, contractors or consultants of the Company who are aware of SPRC's material and non-public information, directly or indirectly shall not:
 - engage in transactions of any kind of SPRC's securities whether for their own account or for the account of another;
 - recommend that another person engage in transaction of SPRC's securities (known as "tipping");
 - assist anyone in engaging in transactions of SPRC's securities; or
 - disclose material and non-public information to anyone who does not have a legitimate business reason for receiving such information.
- All directors, executives, and employees who have access and are involved with financial reporting, as well as spouses and minor children of such persons, are prohibited from trading the Company's securities for a period starting one day after the quarter-end or year-end and ending one day after disclosure or publication of the quarterly or annual financial statements to the SET.



- If any director, executive or employee, or their spouse or minor children gain access to any undisclosed information that may affect the price of securities of the Company, those persons shall not trade the securities until a period of 24 hours following disclosure of such information to the public.
- Directors and executives shall notify the Chairman of the Board of Directors, or the Company Secretary, at least one day in advance before trading the Company's securities.
- If the company's directors and executives elect to trade in the Company's securities, the Company encourages them to make long-term investments. Directors and executives shall not engage in speculative or short-term trading of the Company's securities.
- Upon first being appointed as directors or executives of the Company, the directors and top-level executives shall report the holding of the Company's securities by them to the Office of the SEC (form 59-1) within 30 days from the date they first take office, and report any changes upon buying, selling, transferring, or accepting the Company's securities (form 59-2) within three business days from the date of any such change.
- The Audit Committee shall monitor the compliance with such measures, ensuring that any changes in securities holding are reported at the meeting of the Audit Committee each time any such changes occur. The number of shares held directly or indirectly at the beginning of the year, at the end of the year, and any trading during the year by the directors and top-level executives shall be disclosed in the annual report.

Roles of stakeholders

The Company is committed to becoming a good role model for society, with the intention of operating the business sustainably and with good corporate governance. It is our belief and our commitment that our long term success must balance stewardship of the environment, social development and financial performance. We incorporate the balance of these objectives into our work practices, procedures and decision making. We support and participate in activities that benefit society, the community, and the environment in the long run. It is the Company's aim for the business to exist side by side with society and the environment, with a focus on concurrent development to ensure sustainable growth.

The Company recognizes the importance of honest, fair, and transparent business operations, in compliance with all applicable laws, rules, and regulations. All new staff will be introduced and trained on the Company's Business Conduct when they start work for their awareness and understanding on the Company's Business Conduct. Periodic training is also provided to existing staff to refresh their awareness and understanding on the Company's Business Conduct.

The Business Conduct contains guidelines on how to conduct our business properly, including:

- To operate the business strictly in accordance with applicable laws, regulations, and rules, and to cooperate with government officials.
- To instill awareness among the employees regarding the importance of compliance with the law and fair business competition.
- To operate the business and make investments in accordance with the principles of ethics, transparency, and the honoring of mutual commitments and sharing benefits fairly.
- To respect human rights, as supported by the policy on promotion and protection of human rights, freedom, and equitable treatment, which is the foundation of human resource management and development. The Company's business operation is in line with the United Nations Universal Declaration of Human Rights. The Company does not discriminate against races, religions, women, children, or people with disability.
- To avoid conflicts of interest in all of our business operations and decisions.
- To enter into any related party transaction on a commercial arm's length basis and always take into consideration, on balance, the best interest of Company.
- To follow anti-corruption practices in accordance with Thai laws and US regulations, e.g. the Foreign Corrupt Practice Act. An example is the prohibition of promising to pay or give or actually paying or giving money or anything of value to officials for the purpose of gaining influence over the official's acts or decisions

Our Stakeholders

The Company has put in place policies and measures with respect to the treatment of stakeholders, as follows:

Shareholders

The Company regards shareholders as the owners of the Company. Directors, executives, and employees, therefore, have the duty to comply with the good corporate governance policy and code of ethics of the Company, in order to assure the shareholders that the Company operates its business in accordance with good corporate governance principles for the best and sustainable interest of all shareholders.

Customers

It is the Company's policy to build and maintain our customer base by developing, producing, and selling quality products through an efficient and reliable production and distribution process, and to meet or exceed customers' expectations. The Company surveys customer satisfaction on a quarterly basis, seeking opinions and suggestions from customers in order to establish a plan to continuously improve our relationship and the reliable supply of quality products.

Community

The Company has in place safety standards and production process controls, as well as operational best practices and advanced technologies to ensure that we meet or exceed all safety and environmental regulations and to ensure reliable and safe operations to have minimal impact on the environment and community around us.

Consumers

The Company is committed to product stewardship through the safe and reliable production of quality products, meeting all product specifications and regulations.

Employees

The Company believes that our staff and contractors are the heart of our operations and sustainable development, and we value all of our staff and contractors and their quality of life. The Company respects human rights, and believes foremost in the safety of all employees and contractors. On the first day of work at our Company, all new staff and contractors must have a full day training on safety awareness and the Company's safety culture. All staff and contractors have the authority and responsibility to stop – or not start – any work activity that they or

others are performing if hazards or risks pose a threat to safety. The Company's goal is to ensure a positive and rewarding working environment.

Our human resource development system is based on equality, desirable employment terms and conditions, job development and achievement of full potential, equitable employment opportunity, and to encourage employee participation in planning, management, and compliance with internal practices and work processes, recognizing that the success of the Company depends on all its employees.

The Company promotes the development of personnel through training and first-hand experience that matches each of the employee's needs in order to improve work efficiency and the opportunity to progress in one's career. The Company's practice in this regard is as follows:

1. The Company values the differences between, and abilities of, each employee, and provides a working environment that fully encourages employees' contributions toward the Company's success.
2. The Company complies with the laws prohibiting unequal treatment, by giving employees equal opportunity to advance in the organization, and does not practice illegal treatment of employees. It is the Company's policy not to discriminate against employees based on differences in race, religion, skin color, origin, age, gender, disability, military service status, political opinion, sexual diversity, and genetic information. The Company promotes equality for persons with disability and complies with the law concerning employment of persons with disabilities by remitting money to the Fund for the Empowerment of Persons with Disabilities.
3. The Company sets remuneration for employees based on performance, to promote competition and the development of ability among employees.
4. The Company prohibits violence and sexual harassment within the workplace.
5. The Company provides training for employees based on the suitability for their roles, in accordance with an annual knowledge and skills development plan for each individual employee.

6. The Company prioritizes the organization of the work environment to ensure occupational safety, and provides a canteen with good sanitation, clean toilets, safe transportation, and medical clinic in line with legal requirements.
7. The Company ensures equality and transparency in its processes for hiring, transferring and remuneration of employees, taking into consideration qualifications, suitability for the role, nature of work, and performance.
8. The Company provides equal opportunity and encouragement for all levels of employees to raise questions, suggestions, or opinions, whether directly or indirectly, leading to mutual solutions to any problem. We utilize different communication channels, such as the direct supervisor, management, Human Resources Manager and the Corporate Compliance Officer. We also conduct internal employee engagement and satisfaction surveys every two years, to develop suggestions and areas to focus on to further improve our Human Resources programs.

The Company encourages the development of personal potential in many areas, including professional skills, general skills, leadership development, analytical skills, problem solving, and happiness in life and work.



LEADERSHIP SKILLS DEVELOPMENT TRAINING



KNOWLEDGE MANAGEMENT PROJECT



HAPPY LIFE AND WORK

Recreational activities are held to strengthen relationships between executives and employees, and between departments, both within the Company and with other companies and local government organizations, such as Refinery Games and Sports Complex Games.



INTERNAL SPORTS COMPETITION AND RECREATIONAL ACTIVITIES



REFINERY GAMES

SPORTS COMPLEX GAMES

The Company continuously encourages good health among employees through a variety of health promotions, such as holding regular health food fairs featuring food products and shops from the community, a week-long health fair, and an annual check-up for employees. Additionally, employees can participate and join in 22 sport and recreational clubs.



EXAMPLES OF SPORT AND RECREATIONAL CLUBS



BLOOD DONATIONS AND ANNUAL HEALTH CHECKUP

HEALTHY FOOD AND LOCAL PRODUCTS FAIR

It is the Company's policy to attract and retain high performance employees and encourage them to excel in the organization through attractive remuneration and benefits that are competitive with other companies in Thailand's petrochemical industry.

The Company provides a provident fund, registered as a juristic person under the Provident Fund Act, B.E. 2530 (1987) for the Company's employees. Participating employees pay a contribution of 3 to 15 percent of the monthly wage to the fund, and the Company contributes 3 to 15 percent of the employee's wage, depending on the employee's years of service.

Partners who the Company deals with

It is the Company's policy to treat all our business partners fairly and transparently. Our business partners must be on our SPRC Approved Vendor List (AVL) to ensure reliable and high quality provision of services and supplies. To qualify for the AVL, the vendors and suppliers must meet the following criteria;

1. To ensure they have good safety management, they must demonstrate a successful safety performance, and have policies on safety, safety training, and safe workplace environment.
2. To ensure they can supply materials and provide services that meet the Company's requirements, they must have skill, capability, knowledge, resources, experience, and a good reputation.
3. To ensure they can be our sustained partnership, they must demonstrate a good financial status, such as good cash flow, reasonable debt, etc.

Additionally, the Company builds relationships that benefit all involved which we believe creates the best performance for both SPRC and its partners. The Company holds training and seminars for its business partners, including introduction to our safety culture, knowledge exchange, and awareness in occupational safety. The activities include:

- holding meetings, workshops and other activities to introduce and strengthen our incident and injury free culture and work process with customers, contractors and other business partners;

- invitation of ship owners and truck owners, who transport products from our terminals, to meetings and workshops to strengthen relationships and safety awareness; and
- providing awards to ship owners and truck owners who perform work safely, and providing the opportunity for ship owners and truck owners to take pride in their award-winning safety standards.

The Company has a zero tolerance for corruption. Our policies and management systems promote ethics, morality, and transparency in operating our business. The Company instills awareness among employees regarding possible effects of corruption. Among other things, the Company combats corruption through our Business Conduct Policy on giving or receiving gifts, presents, entertainment, and other benefits from persons or companies dealing with the Company, to prevent conflicts of interest, including accepting money as consideration for providing service in the name of the Company, or giving or accepting gifts, presents, or entertainment from persons who operate, or wish to operate, a business with the Company, and giving gifts, presents, or entertainment to any person in order to induce that person to act for the benefit of the Company. If any such action is necessary and is in accordance with laws and the Company's guidelines, the permission shall be obtained from the Corporate Compliance Officer and management in advance.

The Company also has a policy concerning reporting or disclosure of activities, business, or relations between employees that may overlap or contradict the Company's interests. If an employee suspects that any activity may be overlapping or in conflict with the Company's interests, the employee shall report or disclose such information in advance, in order to protect the employee from any conflict of interest problem.

Furthermore, it is the Company's policy not to allow or support illegal payment of money or bribery to government agencies, or participation in political activities that violate Thai or US laws.

At the end of each fiscal year, members of the Company's management prepare a report on compliance with SPRC's Business Conduct policy over the past year, particularly in the part related to anti-corruption and conflict of interest.

The Company has procedures to allow for participation and suggestions from stakeholders for consideration by management and the Board of Directors. The Company ensures that sufficient information is disclosed so that stakeholders can efficiently take part in a dialog with the company. A channel for reporting tips or complaints has also been set up for reporting violations of the law or the Business Conduct, inaccurate financial reporting, or defective internal control systems. It is the responsibility of the Corporate Compliance Officer to ensure a proper investigation is held on any tips or complaints and report any findings, results and corrective actions to the Audit Committee and the Board of Directors without disclosure of the name of the whistleblower. In the case where a stakeholder suffers damage as a result of an infringement of their rights by the Company, SPRC has a policy to indemnify that stakeholder as appropriate.

Disclosure and transparency

The Company recognizes the importance of information disclosure. Its disclosure policy takes into account equitable receipt of information, consistent with the rules, regulations, and procedures prescribed by the SET and the SEC.

The Company has established a policy for the disclosure of the Company's information, in order to control and screen the information as well as to ensure completeness and accuracy. A process is put in place to ensure transparency, credibility, equality, and timely disclosure. Both financial and non-financial information is disclosed in both Thai and English. Disclosure is also made through the SET Portal system and the Company's website at www.sprc.co.th.

The Company has developed channels for communicating information and news through various media for the benefits of various stakeholders, including:

- The investor relations group has been set up as a platform for communicating and managing relations with investors, securities analysts, and the general public, with a focus on disclosure of accurate and sufficient information in a timely manner, so that they can reasonably and equitably obtain relevant information, in accordance with the rules prescribed by the SEC and the SET, and for carrying out other activities to enhance the image of the Company in the eyes of investors and related persons.

Shareholders, investors, securities analysts, and the general public may contact investor relations at:

Investor Relations Unit

Star Petroleum Refining Public Company Limited

Address : No. 1 I-3B Road, Map Ta Phut,
Muang, Rayong Province 21150

Tel : +66 (0) 38 699 887

Email : ir@sprc.co.th

Facsimile : +66 (0) 38 699 999 ext. 7887

The Company has planned investor relations communications, such as:

- quarterly meeting with analysts and institutional investors;
- opportunity day at the SET to report the operating results every quarter;
- holding meetings and telephone conferences with both domestic and international investors and analysts on a routine basis;
- arranging visits to the refinery for minor shareholders and investors to meet with the management to develop an understanding of the Company's business; and
- holding exhibitions or giving talks to improve the knowledge of investors, such as the SET in the City, and SET Thai Corporate Day 2016 – Driving Economy with Sustainable Growth Conference.
- Preparing printed matter and other materials to disseminate the Company's information, including annual reports and sustainability reports.
- Publishing information through the mass media, such as news, photographs, articles, and social media.
- Communicating information to employees through various staff meetings, bulletin boards, as well as electronic means, such as intranet or e-mail.

The Company has put in place measures for personal data protection to ensure that personal data in the possession of the Company is kept confidential and treated in a reasonable manner. Data access measures implemented by the Company help prevent unauthorized access, unauthorized disclosure,

abuse, or careless management of data. Such measures prohibit employees from tampering with the data, such as examination, reproduction, distribution, removal from the premises, destruction, or making changes to the data without authorization. Furthermore, all employees must appropriately use information technology protections, such as by keeping passwords confidential.

Responsibilities of the Board of Directors

The Company's Board of Directors consists of directors who possess knowledge, ability, and experience in a variety of fields, so that they can apply this experience, knowledge, and ability in effectively developing and determining the direction, policy, and strategy of the Company's business operation, in accordance with the strategic plan and budget determined, and rules and regulations of the relevant authority and government agencies, as well as the resolutions of the shareholders meeting, with honesty, transparency, and care for the best interests of the Company and its shareholders. The Board of Directors has also put in place an internal control process that is appropriate and consistent with good corporate governance principles.

Composition of the Board of Directors

Pursuant to the Company's Articles of Association, the Board of Directors shall consist of at least five directors. The Board of Directors shall elect one director as the chairman, and may elect another director as the vice chairman or other positions as deemed appropriate. No less than one-half of the number of directors shall reside in Thailand.

The Charter of the Board of Directors, approved by the shareholders, requires that the Board of Directors consist of seven to nine directors who possess knowledge and experience in a variety of fields. At least three of the Company's Board of Directors shall be independent directors. The directors shall possess the qualifications and shall not possess any prohibited characteristics specified by law.

The Board of Directors shall evaluate the composition of the board every year to determine whether the board consists of directors with knowledge and experience in different fields, to ensure that the board members can suitably work together to determine the policy and operate the business of the Company.

Appointment and removal of directors

Appointment, removal, or termination from office of directors shall be in accordance with the Company's Articles of Association, as follows:

1. The shareholders meeting shall elect the Company's directors in accordance with the following rules and methods:
 - a shareholder shall be entitled to one vote per share held by them;
 - each shareholder may cast votes to elect one or more directors, but the votes are indivisible; and
 - the person who receives the highest vote, and other persons with the next highest number of votes, shall be elected as directors in accordance with the number of directors required, and if more than one person receives equal votes, the chairman of the shareholders meeting shall have the casting vote.
2. At each annual general meeting, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third, must retire from office. The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been in office the longest shall retire. A retiring director is eligible for re-election.
 - Directors who will retire at the annual general meeting 2016 are:
 - Mr. Pliu Mangkornkanok; and
 - Mr. William Lewis Stone;
 - (Vacant, as a director was not yet recommended for appointment to replace Miss Duangporn Thiengwattanatham, who resigned.)
 - Directors who will retire at the annual general meeting 2017 are:
 - Mr. Andrew Benjamin Walz; and
 - Mr. Amit Rajindrasingh Ghai;
 - (Vacant, as a director was not yet recommended for appointment to replace Mr. Wirat Uanarumit, who resigned.)
 - Directors who will retire at the annual general meeting 2018 are:
 - Mr. Manoon Siriwan;
 - Mr. Ranga Rama Kumar Sreeramagiri; and
 - Mr. Robert Stair Guthrie

3. A director may resign from office by submitting a letter of resignation to the Company, effective from the date on which the Company receives the letter. The director may notify the public company registrar of his or her resignation. The Board of Directors may appoint a new director to replace a resigning director, but any person so appointed shall retain office only for as long as the resigning director was entitled to retain the same.
4. A shareholders meeting may remove any director before the expiration of his or her period of office, upon a resolution of the meeting passed by not less than three-fourths of the shareholders attending the meeting and eligible to vote, holding not less than 50 percent of the total shares held by the shareholders attending the meeting and eligible to vote.

Nomination of directors and top-level executives

The Board of Directors has determined the procedures for nomination of directors as guidelines for the Nomination and Remuneration Committee with respect to the nomination of directors, and for the Human Resources Committee with respect to the nomination of chief executive officer of the Company, to ensure compliance with the good corporate governance guidelines of the SET for listed companies. The Nomination and Remuneration Committee has the duty to examine policies and the process for nominating new directors, and determine necessary and desirable qualifications of new directors. A person appointed as director or executive of the Company (as the case may be) shall possess all qualifications under Section 68 of the Public Limited Company Act, and shall not possess any prohibited characteristic prescribed in the Notification of the Securities and Exchange Commission No. Gor.Jor. 8/2553 re: Determination of Untrustworthy Characteristics of Company Directors and Executives (as amended). Directors and executives shall also possess knowledge, ability, and experience suitable for the operation of the Company's business

Nomination of independent directors

Persons nominated as independent directors shall possess the following qualifications:

1. An independent director must not hold shares exceeding 1 percent of the total shares with voting rights of the Company, the parent company, the subsidiaries, the associate companies, major shareholders, or controlling persons of the Company. That percentage shall include shares held by related persons of the independent director.

2. An independent director shall not be, or have been, an executive director, employee, staff member, or consultant who receives a regular salary, or a controlling person of the Company, the parent company, the subsidiaries, the associate companies, the same-level subsidiaries, major shareholders, or controlling persons of the Company, unless the director has not held such a position for at least two years before the date of submission of the application to the Office of the SEC. Such a prohibition does not include cases of an independent director holding a position as a government officer or consultant of a government agency that is a major shareholder or controlling person of the Company.
3. An independent director shall not be related by blood or legal registration as father, mother, spouse, sibling, or child, including spouse of a child of another director, executive, major shareholder, controlling person to be nominated as an executive director, or controlling person of the Company or the subsidiaries.
4. An independent director shall not have, or have had, a business relationship with the Company, the parent company, the subsidiaries, the associate companies, major shareholders, or controlling persons of the Company in a manner that may prevent free judgment, and shall not be, or have been, a significant shareholder or controlling person of a person related to the business of the Company, the parent company, the subsidiaries, the associate companies, major shareholders, or controlling persons of the Company, unless that relationship ended at least two years before the date of submission of the application to the Office of the SEC.

The above business relationship includes execution of trade transactions in the ordinary course of the business; leasing or letting immovable property; transactions related to assets or service, or provision or acceptance of financial assistance by way of borrowing or lending, guarantee, charges, and security assets, and other similar circumstances causing indebtedness of the Company or a party to the other party of 3 percent of the net tangible assets of the Company, or Baht 20 million and above, whichever is lower. Calculation of such indebtedness shall be in accordance with the method for calculating related-party transactions under the notification of the Capital Market Supervisory Board concerning rules for related-party transactions, *mutatis mutandis*. However, such indebtedness shall include the indebtedness arising during the period of one year before the relationship with that person was established.

5. An independent director shall not be, or have been, an auditor of the Company, the parent company, the subsidiaries, the associate companies, major shareholders, or controlling persons of the Company, and shall not be a significant shareholder, controlling person of, or a partner in, the auditing office in which the auditor of the Company, the parent company, the subsidiaries, the associate companies, major shareholders, or controlling persons of the Company works, unless the director has not held such a position for at least two years before the date of submission of the application to the Office of the SEC.
6. An independent director shall not be, or have been, a provider of any professional service, including legal advisory or financial advisory service, receiving more than Baht 2 million of service charges per year from the Company, the parent company, the subsidiaries, the associate companies, major shareholders, or controlling persons of the Company, and shall not be a significant shareholder, controlling person, or a partner of the service provider, unless the director has not held such a position for at least two years before the date of submission of the application to the Office of the SEC.
7. An independent director shall not be a director appointed as the agent of the directors of the Company, major shareholders, or shareholders related to a major shareholder.
8. An independent director shall not operate a business of the same nature, with and in competition with the business of the Company, or the subsidiaries, and shall not be a significant partner in a partnership, or be an executive director, employee, staff member, or consultant who receives a regular salary, or hold shares exceeding 1 percent of the total shares with voting rights, of another company operating a business of the same nature, with and in competition with the business of the Company or the subsidiaries.
9. An independent director shall not possess any other characteristics that prevents him or her from freely giving an opinion regarding the Company's operation.

Scope of authority, duties, and responsibilities of the Company's Board of Directors

The Company's Board of Directors has a number of duties and responsibilities toward the shareholders, pursuant to the

Public Limited Company Act, Securities and Exchange Act, rules and guidelines of the SET, the Company's Articles of Association, and the Charter of the Board of Directors, to be observed by the Board of Directors. It is the primary responsibility of the Board of Directors to manage the Company's business within the scope of the law, objectives, Articles of Association, and resolutions of the shareholders meeting. The Board of Directors shall propose any capital expenditure that exceeds Baht 1.5 billion for approval by the shareholders meeting.

The Board of Directors authorizes the Chief Executive Officer to manage the business and the daily tasks of the Company within the scope of authority approved by the Board of Directors. The Chief Executive Officer then delegates that authority to the management.

The Company's Board of Directors has the duties and responsibilities prescribed in applicable laws, including to consider and provide consent in matters essential for the Company's operation, taking into account good corporate governance and core principles, as follows:

- The Board of Directors shall perform its duty using its best efforts to add value to the business in the long run, and manage the business carefully and prudently, and prevent any occurrence of conflict of interest.
- The Board of Directors shall operate the business with transparency, and disclose sufficient information to related parties.
- The Board of Directors shall operate the business by taking into account an adequate control and risk management system.
- The Board of Directors shall determine the standard practice for the operation of the Company's business, to be observed by the directors and employees.

The Charter of the Board of Directors sets out the authority and duties of the Board of Directors, and clearly separates the authority and duties of the directors, independent directors, and chairman. For example, the independent director shall be independent from major shareholders, and shall not take part in the management of the Company. The chairman of the Board of Directors shall ensure that the Board of Directors performs work in an efficient manner and is open to the opinions of the directors, and encourage such participation.

The Company's Board of Directors will prepare annual reports of the Board of Directors regarding the activities and financial results of the Company, to be considered by the shareholders meeting.

The Company will arrange for the Audit Committee to audit and provide opinions regarding transactions required by applicable laws to be audited and commented on by the Audit Committee, such as related-party transactions, or transactions that may be a conflict of interest, etc. The opinions of the Audit Committee will be proposed to the Board of Directors or the shareholders, as the case may be, to ensure that the proposed transactions are in line with the relevant terms and rules for the best interest of the Company. The Company will also disclose information related to the execution of such transactions in the annual report and the annual registration (Form 56-1), as well as the notes to the financial statements.

The Company encourages directors to participate in seminars related to directors held by the Thai Institute of Directors, to develop knowledge and ability in performing their duties as directors.

The authorized directors of the Company are any two of Mr. Andrew Benjamin Walz, Mr. Amit Rajindrasingh Ghai, Mr. William Lewis Stone, and Mr. Ranga Rama Kumar Sreeramagiri, to jointly sign and affix the Company's seal.

Board of Directors meetings

The Company's Articles of Association require that the Board of Directors holds at least one meeting every three months, and may hold additional meetings to consider urgent matters.

The directors shall regularly attend Board of Directors meetings to acknowledge and take part in the decisions regarding the operation of the Company's business. The Company Secretary has the duty to determine in advance the meeting schedule every year, and notify each director of the meeting schedule for the following year, before the end of the year, so that each director is aware of the meeting schedule in advance, and is able to attend the meeting. Each meeting takes approximately four hours. In 2015, meetings of the Board of Directors were held seven times, including the four meetings scheduled in advance, and three special meetings.

The Chairman, the Chief Executive Officer, and the Company Secretary together consider and approve the meeting agenda. At each meeting, a clear agenda is set, and sufficient supporting documents sent to the directors, both in hard copy and electronic form, at least seven days in advance, to allow sufficient time for the Board of Directors to study the matters before the meeting.

To consider each matter, the Chairman of the Board of Directors, who acts as the chairman of the meeting, allocates sufficient time for each agenda item, and allows directors to ask questions and express opinions freely. Resolutions of the Board of Directors

require a majority vote of the directors. Each director has one vote. In the event of equal votes, the Chairman of the meeting has the casting vote.

The Company's executives attend the Board of Directors meeting in order to directly provide beneficial information and acknowledge policies from the Board of Directors, to ensure efficient implementation. The executives report implementation results in the following Board of Directors meeting.

If any director has a conflict of interest in the matter being considered, the interested person shall not take part in the consideration and decision on that matter, for transparency and the best interest of the Company.

Upon conclusion of the meeting, the Company Secretary prepares the minutes of the meeting, containing important matters considered, as well as the opinions expressed in the meeting, and proposes the minutes to the next Board of Directors meeting for consideration and approval, and certification by the Chairman of the Board of Directors. The Company's directors may express opinions or amendment of the minutes to include more details. Minutes approved by the meeting and certified by the Chairman of the Board of Directors are systematically kept, with the documents supporting each agenda item in the meeting, both in hard copy and electronic form, for convenience of retrieval and reference.

Audit Committee

Scope of authority, duties, and responsibilities of the Audit Committee

- To ensure that the Company's financial statements are accurate and adequately disclosed.
- To ensure that the Company implements internal controls and internal audit systems that are appropriate and effective, and to consider the independence of the internal audit unit and give consent regarding the appointment, transfer, and termination of employment of the internal auditor.
- To ensure that the Company complies with the law governing securities and exchange, regulations of the SET, and the laws applicable to the Company's business.
- To consider selecting, nominating, and appointing an independent person to act as an auditor of the Company, and propose the remuneration of the auditor, and attend meetings with the auditor and internal auditor without the management's presence at least once a quarter.

- To consider related-party transactions or transactions with likely conflict of interest, and ensure that they are in accordance with the laws and regulations of the SET, in order to ensure that such transactions are reasonable and in the best interest of the Company.
- To prepare the report of the Audit Committee and disclose the same in the Company's annual report. The report is certified by the Chairman of the Audit Committee, and contains at least the following:
 - opinion regarding the accuracy, completeness, and reliability of the Company's financial report;
 - opinion regarding the adequacy of the Company's internal control system;
 - opinion regarding compliance with the law governing securities and exchange, regulations of the SET, and the laws applicable to the Company's business;
 - opinion regarding the suitability of the auditor;
 - opinion regarding transactions with likely conflict of interest;
 - number of Audit Committee meetings held and attended by each audit committee member;
 - overall opinion or observation of the Audit Committee from compliance with the charter; and
 - other details to be noted by shareholders and general investors as deemed appropriate by the Audit Committee in accordance with the scope of duty and responsibility assigned by the Board of Directors.
- To take any other actions as assigned by the Board of Directors, subject to the consent of the Audit Committee.

Nomination of the Audit Committee

The Audit Committee members must be the Company's independent directors, with all qualifications required under the law governing securities and exchange, the notifications of the Capital Market Supervisory Board, and the notifications, regulations, or rules of the SET. The rules under the notifications of the Capital Market Supervisory Board and the SET require that the Audit Committee consist of at least three members, who possess sufficient knowledge and experience to act as audit committee members. At least one audit committee member possesses sufficient knowledge and experience in accounting to be able to inspect the credibility of the Company's financial

statements. Each member of the Audit Committee maintains his or her qualifications as an audit committee member and title as director, which can be summarized as follows:

1. The member must be an independent director of the Company.
2. The member must be nominated by the Board of Directors meeting.
3. The member must possess the qualifications specified in the notification of the Stock Exchange of Thailand concerning qualifications and scope of work of audit committees.
4. The member must not be a director assigned by the Board of Directors to make decisions on the operation of the business of the Company, the parent company, the subsidiaries, the associate companies, major shareholders, or controlling persons of the Company.
5. The member is not a director of the parent company, the subsidiaries, and the same-level subsidiaries that are listed companies.

Nomination and Remuneration Committee

Scope of authority, duties, and responsibilities of the Nomination and Remuneration Committee

- The Company's Nomination and Remuneration Committee has the duties of assisting the Board of Directors with respect to the structure of the Board of Directors; the nomination, election, and re-election of directors; consideration for performance of the Board of Directors and each director; as well as the succession plan for the Board of Directors.
- The Nomination and Remuneration Committee has the duties assigned by the Board of Directors, including approving the nomination process for directors, determining the terms of appointment, and providing consultancy service to assist the Board of Directors in evaluating the performance and nomination of directors.
- The Nomination and Remuneration Committee shall ensure that the Board of Directors possesses the appropriate skills, experience, expertise, and variety, and shall implement an appropriate process with respect to succession, appointment, performance, and other matters related to the Board of Directors.

- The Nomination and Remuneration Committee considers and proposes fair and reasonable remuneration or a remuneration structure for the Board of Directors and other committees, including the Company's Chief Executive Officer, in accordance with rules and responsibility, performance, the Company's operating results, and business guidelines, to be approved by the Board of Directors.

Human Resources Committee

Scope of authority, duties, and responsibilities of the Human Resources Committee

- The primary role of the Human Resources Committee is to provide the Board of Directors with assistance regarding the strategic plan for management and development of the Company's human resources, and the Company's remuneration system.
- The Human Resources Committee has the duties assigned by the Board of Directors, including approving the plan on payment of annual remuneration, and incentives.
- The Human Resources Committee considers ways to develop human resources management and personnel development strategies, in order to enhance the operation of the Company's business, and improve operations, as well as to increase shareholder value in the long run.
- The Human Resources Committee ensures that the remuneration system is appropriately managed, and a clear and reasonable process is in place, in order to enhance the Company's human resources management strategy.

Introduction for new directors

In August 2015, Mr. Andrew Benjamin Walz was appointed as a new director and elected as Chairman of the Board. The Company provided him an introduction on the Company's business and operations, the Company's culture and business practices, the Company's performance benchmarking with the peers in Thailand and international industry, as well as the Company's governance documents.

Board Self-Assessment

The Board of Directors has assessed its 2015 performance and discussed the results of the assessment at the Board of Directors meeting in February 2016. The self-assessment form consists of 50 questions covering 6 criteria;

- **Board structure and qualifications:** to evaluate the appropriate composition of the board on diversity of skills and experiences as well as diversity to effectively support the Board's activities and Company's business;
- **Roles, duties and responsibilities of the board:** to evaluate the effectiveness and contribution of the Board of Directors to achieve the goals of the Company;
- **Duties of directors:** to evaluate the neutrality and independence of directors performing their roles;
- **The board meeting:** to evaluate the effectiveness and environment of the meetings, and the quality of information provided for board consideration at the meetings;
- **Relationship with management:** to evaluate the trust relationship between directors and management, including working to support each other on their roles; and
- **Director's self-improvement and training:** to evaluate the Directors' understanding of their roles, and responsibilities, and the company's nature of business.

The overall result of the 2015 Board's self-assessment indicates 95%. The directors also discussed development of criteria to assess the CEO's performance and achievement of business results and strategies.

AUDIT COMMITTEE REPORT

To the Shareholders,

The Audit Committee independently completed their duties under the Audit Committee Charter, which complies with the regulations and guidelines of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Their duties include: to review and discuss with management and the external auditor on the appropriateness of accounting policies; review financial reports; monitor the adequacy, integrity and effectiveness of the internal controls relative to corporate risk management; review related party transactions; review and assess internal and external auditor activities and effectiveness; and meet with external and internal auditors in the absence of management.

The Audit Committee comprises of three independent directors: Mr. Pliu Mangkornkanok as the chairman, Mr. Manoon Siriwan and Mr. Robert Stair Guthrie as committee members. The Audit Committee members have skills, qualifications and competencies of independent directors as required by the guideline of the SEC and provided in the Board Charter and the Audit Committee Charter. They have experience in the fields of management, finance, accounting, marketing, economics, the oil business, and refining in particular.

In 2015, the Audit Committee held four meetings with full attendance by the members. Below is a summary of key activities undertaken in 2015

1. Financial Statements: The Audit Committee has reviewed and discussed the quarter and annual financial statements of the year 2015 reported by the Chief Financial Officer and the external auditor. Management presented to the Audit Committee that SPRC's audited financial statements were prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the SEC under the Security and Exchange Act B.E. 2535. In addition, Pricewaterhouse Coopers ABAS Ltd. (PwC) presented their independent audit and opinion of the financial statements.

The Audit Committee has reviewed and discussed with PwC and management on the audited financial result for fiscal year 2015. In addition, the Audit Committee included a discussion on the reasonableness of significant estimates and judgements and the clarity of disclosure in the financial statements. The Audit Committee reported to the Board of Directors that the audited financial statements for the year ended 31 December 2015 were prepared in compliance with generally accepted accounting principles and accurately reflect the financial performance of the Company.

- 2. Internal Controls:** The Company has a sufficient internal control system based on the result of the internal control assessment which was conducted per the guidelines of the SEC. For the internal audit function, the Audit Committee reviewed and approved the annual audit plans and KPIs and monitored activities and performance of the internal auditor and audit function on a quarterly basis. In year 2015 there were no significant weaknesses in the internal controls or any issues related to conflict of interest or fraudulent activities.
- 3. Independence of Auditors:** The Audit Committee met with the internal auditor and external auditors at each meeting without the presence of management to discuss their ability to perform their duties independently and on the level of cooperation from the company's management and staff on audit activities.
- 4. Related Party Transactions:** The Audit Committee has reviewed all related party transactions and reviewed their performance on a quarterly basis. The Audit Committee agrees that the transactions are reasonable and have been entered into for the best interest of the Company. The terms and conditions of the transactions are reasonable and necessary for the company's business. They were negotiated on an arm's length basis in the ordinary course of business and according to normal trade conditions, which an ordinary person under similar circumstance

would enter into, without any misappropriation of benefits between the Company and the conflicted person. The material related party transactions are disclosed in the company's financial statements.

5. **Risk Management:** The Company has established the Risk Management Committee at the management level to ensure that all risks to the company are identified, analyzed, and managed so that they are mitigated to an acceptable level. The Audit Committee evaluated and monitored the effectiveness of the risk management process on a quarterly basis. It has found that the Company has an adequate risk management process including identification of internal and external factors, assessment on impacts and likelihood, and mitigation assurance plans.
6. **Compliance:** The Company has appointed a Corporate Compliance Officer to implement, control, monitor and ensure a Business Conduct Policy is in place and all staff are aware, understand and comply with the Business Conduct Policy, as well as to ensure that the Company operates with integrity, transparency, fairness, and without corruption, bribery or violation of laws. Compliance matters were reported to the Audit Committee on a quarterly basis and they noted that the company has sufficient control on all compliance matters.
7. **Appointment of the External Auditor for 2016:** The Audit Committee reviewed past performance, as well as the qualification and remunerations of the external auditor as proposed by management. The Audit Committee endorsed Price Waterhouse Cooper as external auditor for the year 2016 for the Board's concurrence and the shareholders' approval at the 2016 AGM, together with its audit fees.

8. **Corporate Governance:** At the Board of Directors Meeting No. 1/2015, the Audit Committee proposed to the Board of Directors to limit the term of independent directors to be not more than 3 consecutive terms for good corporate governance. The Board of Directors supported and endorsed the revision of the qualifications of independent directors in the Charter of the Board of Directors. The Annual General Meeting of Shareholders in 2015 approved this revision of the Charter of the Board of Directors.
9. **Audit Committee Self-Assessment:** At the Audit Committee Meeting No. 1/2016, the Audit Committee conducted a self-assessment of the Audit Committee's performance in 2015. The self-assessment covers the appropriateness of the Audit Committee's composition and qualifications, the effectiveness of preparation for the meetings and the meetings themselves, and the roles and responsibilities of the Audit Committee. The self-assessment result is 94%.

For the year 2015, the Audit Committee has completed its duties according to the Audit Committee Charter and opined that the audited financial statements for the year ended 31 December 2015 were prepared in compliance with generally accepted accounting principles and accurately reflect the financial performance of the Company; the company has performed with good corporate governance; complied with all laws and regulations; and have an effective, efficient, and well managed risk management and internal control system.

On behalf of the Audit Committee



Mr. Pliu Mangkornkanok
Chairman of the Audit Committee

NOMINATION AND REMUNERATION COMMITTEE REPORT

To the Shareholders,

The Board of Directors of Star Petroleum Refining Public Company Limited ("The Company") has appointed the current Nomination and Remuneration Committee which comprises of four directors including the CEO, of which two including the Chairman of the Committee are independent directors and one is a non-executive director.

The four directors appointed to the Nomination and Remuneration Committee are: Mr. Robert Stair Guthrie (independent director) as the Chairman and Mr. Manoon Siriwan (independent director), Mr. William Lewis Stone (executive director and CEO), Mr. Amit Rajindrasingh Ghai (non-executive director) as Committee members.

Mr. Robert Stair Guthrie has replaced Mr. Pliu Mangkornkanok since 13 August 2015, Mr. Amit Rajindrasingh Ghai has replaced Mr. Ryan Curtis Krogmeier since 14 August 2015, and Mr. Manoon Siriwan has replaced Mr. Wirat Uanarumit since 18 December 2015.

In 2015, the Nomination and Remuneration Committee held three meetings on various matters in accordance with the duties mandated by the Board of Directors and the Nomination and Remuneration Committee Charter. Below is a summary of key activities undertaken in Year 2015:

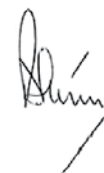
1. Nominated candidates for director positions to fill vacancies resulting from those that had completed their terms or have resigned. Such nominations were proposed to the Board of Directors for consideration and the Board proposed to a shareholder's meeting. The Nomination and Remuneration Committee (excluding members with conflict of interests) diligently reviewed the candidate by considering their qualifications, expertise and experience that are suitable for SPRC's business.
2. Recommended to the Board of Directors for the nomination of members for the Nomination and Remuneration Committee and the Human Resources Committee.
3. Assessed the Board composition and opined that the Board has an appropriate mix of skills, experience, expertise and diversity.
4. Reviewed and recommended fair and reasonable remuneration packages and compensation structures for the Board of Directors and its committees, consistent with their respective roles and responsibilities, work performance, company performance and industry practices to the Board of Directors for review and to propose to the Shareholders' meeting.

The Committee proposed to the Board of Directors' to keep the director compensation for 2016 at the same rates since originally approved in 2012 when the Company converted from "limited company" to "public limited company". The directors' compensation consists of a monthly fee, meeting allowances and no bonuses.

Additionally, the Committee proposed filling the position of the Vice-Chairman in order to cover cases where the Chairman is unable to perform his duties or if the Chairman potentially has a conflict of interest for an item under consideration for approval. The Committee also proposed a Vice Chairman specific monthly fee for the Board's consideration to propose for shareholder consideration at the 2016 AGM. The committee has disclosed the compensation of the directors and the members of committees in this annual report for transparency.

In the discharge of duties and responsibilities specified in the Nomination and Remuneration Committee Charter, the Nomination and Remuneration Committee is confident that it has performed duties with prudence, transparency, and for the best benefit of the Company and shareholders.

On behalf of the Nomination and Remuneration Committee



Mr. Robert Stair Guthrie
Chairman of the Nomination and
Remuneration Committee

HUMAN RESOURCES COMMITTEE REPORT

To the Shareholders,

The Board of Directors of Star Petroleum Refining Public Company Limited (SPRC) has appointed the Human Resources Committee, which is comprised of two non-executive Directors, who are appointed by the Board, and the CEO. The SPRC Human Resources Manager has been appointed to be the Committee Secretary.

At the start of 2015, the committee members were: Mr. William Lewis Stone, CEO, as the Chairman, Mr. Ryan Curtis Krogmeier (non-executive Director), and Miss Duangporn Thiengwatanatham (non-executive Director). Mr. Krogmeier was replaced by Mr. Ranga Rama Kumar Sreeramagiri (non-executive director) at the 14 August 2015 board meeting, and Miss Thiengwatanatham was replaced by Mr. Pliu Mangkornkanok (independent director) at the 18 December 2015 board meeting. The Committee will meet as required but will typically meet at least four times a year.

The committee assists the Board in relation to SPRC's human resources strategy, workforce development, and salary & bonus program including approving SPRC's annual remuneration program and aspects of its incentive programs to support SPRC's business objectives of superior performance and long term growth in shareholder value. Also, the committee reviews the appointment of SPRC's senior leadership positions, succession planning for the senior leadership team, and the SPRC Human Resources Master Plan.

In 2015, the Committee held four meetings on various matters in accordance with their duties. Below is a summary of key activities undertaken in 2015:

1. **Remuneration program:** The committee reviewed the management and performance of the Flexible Benefit program that was approved by Board of Directors in August 2014 and implemented on 1st January 2015. The committee reviewed the 2015 Total Remuneration program and annual merit increase and approved the special bonus provided to recognize the significant achievements and excellent business performance contributed by SPRC family members. The committee reviewed and endorsed the proposed Employee Stock Ownership Plan that was executed in conjunction with the IPO and completed in Q4 2015.
2. **Human Resources Strategy:** The Committee reviewed the 2014 lookback on People Strategy and action plans and endorsed the 2015 People Strategy and action plans that will drive and enhance SPRC pride, our goal to be a Highly-Engaged family, and to be the Employer of Choice.
3. **Succession Planning and talent management program:** The Committee has reviewed the succession planning for senior leadership team members, and 2 assignments abroad in other Chevron JV refineries for career development opportunities. The Committee also reviewed the rotation program among the Leadership Team that was executed in 2014 to enhance leadership capabilities and competencies and to support business growth. The Committee reviewed and endorsed the 2015 promotion and rotation program identified through succession planning and the rising star program.

4. **Effective Organization:** The committee reviewed and endorsed the Post IPO Organization Chart, including the elimination of the Corporate Advisor (CA) as PTT is no longer a major shareholder in SPRC, and the Deputy CEO-Administration (DA) to reduce costs and streamline the organization, with all the functions that used to report to the DA now reporting directly to the CEO. Other changes include the company secretary reporting to the Board of Directors with associated roles and responsibility, and the Legal Consultant (LS) function reporting directly to the CEO.

For the year 2015, the Human Resources Committee has completed its duties according to the Committee Charter and is confident that SPRC's strong Culture and Core Values and Human Resources management program will continue to support SPRC's pursuit of Operational Excellence and future growth of SPRC. Our goal is to be the Best Place to work and the Employer of Choice. All of which provides the best benefits for our shareholders.

On behalf of the Human Resources Committee



Mr. William Lewis Stone
Chairman of the Human Resources Committee

SUSTAINABLE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY



SPRC is committed to being a role model to society in conducting business based on good corporate governance and corporate social and environmental responsibility. We recognize that we must have a good balance between financial performance, stewardship of the environment, and social development. We promote business growth along with sustainable development for society and our stakeholders, such as shareholders, investors, employees, customers, business partners, surrounding communities, etc. We emphasize the need for socially responsible business processes, and support social activities that benefit communities in the long term, with the ambition that the business sector, communities, society, and the environment can peacefully coexist and progress together to achieve sustainable and quality growth.

We have established our sustainability development program and embedded it in our business processes to follow these principles. We have a robust corporate governance and business conduct policies to ensure that we interact fairly and transparently with all of our stakeholders, manage our business ethically and without corruption, and have respect for human rights. In addition, we have identified 9 specific focus areas within our overall sustainable development framework. Highlights of some of these focus areas follows.



Climate Change:

We conduct business in a manner that reduces emission of greenhouse gases and causes minimal impact on environment and communities. Our goal is to achieve a reduction of greenhouse gas emissions by 4 percent by 2020 (base 2015 year), primarily by means of improving energy efficiency in our refinery. We routinely review the energy conservation policy, objectives and management plans, and make corrective actions as required to implement continual improvement in energy management. We monitor energy usage in our operations continuously to ensure we are always maintaining as efficient an operation as possible. We explore new opportunities in reducing emissions of greenhouse gas, such as our recent installation of furnace air preheaters which reduced emissions GHG 16,000 metric ton per year.

Air Quality:

We are committed to improving air quality in the surrounding areas with a long term roadmap to reduce air emissions and their impact on the environment and the surrounding communities. We comply with all rules and regulations relating to air emissions. We are committed to reduce SO₂, NO_x, VOC and particulate emissions by 2019 through daily monitoring by Continuous Emissions Monitoring Systems ("CEMS"), operational control and selected projects.



Spill Prevention and Response:

SPRC integrates spill prevention into all aspects of operation and maintenance procedures and activities. Our commitment to incident and injury free operations is fundamental to our commitment to zero spills to the environment. We are also committed to having world-class spill response preparedness and contingency plans to respond in the event that a spill occurs. We collaborate with our partners (local authorities, port authorities, provincial government, industry safety and environmental groups, and oil spill professionals) to build our competency by having practical training sessions and emergency exercises in oil spill response. We continually improve our operational, maintenance and reliability mitigation plans to minimize the risk of a spill, as well as our spill response plans to minimize impact to communities and the environment in the case of a spill.



Water Management:

SPRC recognizes that water resources continue to become more constrained and has committed to reducing its water consumption in order to reduce the impact on the environment and surrounding communities that must share the same water sources. SPRC's Water Management Team has developed a long-term road map and identified potential projects for water reduction. We continuously monitor water usage and water availability and make adjustment to the process to conserve water. We promote new initiatives and projects to reduce fresh water consumption through usage reduction and recycling.





Waste Management:

SPRC's Waste Management Team focuses on ways to reduce waste generation, and minimize the impact of waste generated on the environment as well as reduce waste disposal costs. The "3R" philosophy – Recycle, Reuse, or Reduce – is the key concept used for waste management. SPRC realizes the importance of waste management and has an efficient waste management system to achieve ongoing reduction of waste volume in the operations. We have closely controlled, and consistently sought measures to reduce, the volume of waste from the production process, and have endeavored to reduce waste disposal by means of landfill.

Corporate Social Responsibility ("CSR")

Our "One Family" culture extends to the surrounding communities, and SPRC believes that community acceptance and engagement is one of the key success factors for a sustainable business. We continually expand our CSR programs with the aim to improve the quality of life of people in the communities through care of the environment and social development. We offer opportunities for all employees to initiate and participate in CSR activities under the branded CSR theme "Do Good, Look Great with Nong Star". The CSR activities are carried out by our volunteers and they join hand-in-hand with communities, local government and business partners. Our CSR activities are conducted primarily in the Rayong area, where SPRC is located, through four key areas of activity -- namely, youth and education, quality of life, environment, and relationships.

The four areas of CSR activities:

1. Youth and education

- Continuously support the Vocational Chemical Engineering Practice College, Map Ta Phut Technical College (V-ChEPC) project to develop the capabilities of aspiring technicians.
- Extend our safety culture to local schools, to help students appreciate safety in their daily lives, through recreational activities.



2. Quality of life

- Arrange fire evacuation exercise for students, and prepare fire evacuation procedures for schools.
- Join hands with Map Ta Phut Municipality to organize the health program "Aerobics on Tour" activity for communities in Map Ta Phut municipality area, and share health and safety information with them.



3. Environment

- Arrange a "3R: Reduce, Reuse, and Recycle" project and encourage staff and contractors donate waste to the community's Waste Bank.
- Join hands with the Huay Ma Had community and the Khao Huay Ma Had Water Conservation and Forest Restoration Group, to build a check dam at Khao Phu Don-Huay Ma Had for the third consecutive year.

4. Relationships

- Work with 38 communities in Map Ta Phut, Rayong Province, through regular community visits, idea sharing, and brainstorming for improvement on their quality of life, environment and safety.
- Arrange and provide support for local traditional events such as the Songkran festival, Kathin, Loy Krathong, and making merit (e.g. Boonkhaolam merit-making event).



The Company's Sustainable Development and CSR activities are disclosed in the 2015 Sustainability Report, which is our first annual report. The Company has selected topics based on the materiality assessment under the Global Reporting Initiative G4, which is the latest edition of internationally recognized guidelines for reporting on economic, social, and environmental performance.

INTERNAL CONTROLS

SPRC's Board of Directors and Management are committed to "Set the Standard" in corporate governance, business conduct, integrity and ethical behavior. Internal controls are geared to achieve these standards and meet the company's objectives. The Audit Committee (AC) was assigned by the Board of Directors to review and assess the adequacy of the internal control system to ensure effective and efficient operations, including adequate, accurate and reliable financial reporting and compliance with applicable laws and regulations. SPRC also follows the U.S. Sarbanes-Oxley Act of 2002.

At the Board of Directors Meeting No. 2/2015, held on May 14th, 2015, the directors including the audit committee evaluated SPRC's Internal Control System based on the internal control assessment report prepared by Management and the Internal Auditor. The Audit Committee has performed an assessment of the effectiveness of the Internal Control System including a review of all internal audit findings and recommendations. The Board of Directors opined that SPRC's internal control systems are suitable and adequate, and are consistent with good corporate governance. Basic principles of our Internal Controls are as follows:

1. **Control Environment:** The Board of Directors has established the Audit Committee with oversight responsibility related to financial practices and reporting and internal controls. Management and employees are assigned appropriate levels of authority to ensure effective internal controls are in place to achieve the company's objectives.
2. **Risk Assessment:** The Risk Management Policy was established and approved by the Board of Directors. The Risk Management Committee was set up and includes the top level of SPRC management. The Risk Management Committee is responsible for overseeing the risk management program and system, including coordinating annual risk assessments, reviewing and making recommendations for appropriate risk management mitigation plans and monitoring progress on those plans.
3. **Internal Control Activities:** Internal control activities are selected and developed to mitigate risks to the achievement of the company's objectives. Segregation of duties is one of the critical and effective internal controls designed to provide appropriate checks and balances, and to prevent fraud and error. Policies and procedures to specify work process are established and communicated throughout the company. Information technology controls are designed and implemented to support the achievement of company objectives.
4. **Information and Communication:** SPRC has established a policy regarding communication in order to keep all key audiences timely and effectively informed on all matters pertinent to key company operations, to give careful consideration to their feedback and opinions, and to comply with all applicable laws and regulations. SPRC delivers the meeting agenda and information packages to the Board of Directors in a timely manner at least 7 days in advance to ensure that they have sufficient time to review and make decisions. Internally, Management keeps SPRC staff informed through a variety of means, including written and electronic means, as well as quarterly staff presentations.
5. **Monitoring Activities:** An annual internal audit program is developed, review and approved by the Audit Committee to audit potential high value or high risk company activities. Audit findings, recommendations and corrective actions are identified and tracked to ensure completion in a timely manner, and communicated to those parties responsible as well as to Management. The internal auditor reports to the Audit Committee on quarterly basis.

Risk Management policy applies to all aspects of the operations of SPRC and is designed to manage, including but not limited to, operational risk, financial risk, trading risk, reputational risk and strategic risk. Management reviews the risk assessment and progress on mitigation plans with the Audit Committee on a quarterly basis.

Business Conduct Policy: The Board of Directors has established the Business Conduct Policy in order to clearly set forth SPRC's expectations of its management, employees, agents, and representatives (Personnel) in the manner in which it conducts its business. SPRC's personnel is communicated and trained to have understanding and awareness on the Company's Business Conduct and be able to apply and comply with the Company's Business Conduct.

The Board of Directors has appointed a Corporate Compliance Officer with responsibility to develop and promote the corporate compliance programs and to have overall responsibility within SPRC for all activities related to the proper implementation of SPRC's corporate compliance program with support from the relevant departments. The Company has also set up an anonymous e-mail and phone system to allow reporting of possible fraud, improper activities or behaviors, non-compliance issues and any other activities that do not match SPRC's high standards of business conduct.

The Board of Directors has approved a rigorous policy for approval and monitoring of related party transactions, to ensure all related party transactions are on an "arm's length basis" and/or on terms that would have been similar to the transactions entered into with other non-related parties. The related party transactions were defined in accordance with the rules and regulations of the SEC, the Management regularly reports the execution of the related transaction to the Audit Committee on quarterly basis.

The Internal Auditor independently assessed and evaluated the effectiveness, control, and governance of selected work processes, as well as compliance with contract terms and conditions for selected contractors. During 2015 audits, the auditor did not find any significant weakness in the internal controls or any issues related to conflict of interest or fraudulent activities.

RISK MANAGEMENT

It is the policy of SPRC to conduct its business in a manner to ensure that risks of SPRC are identified, analyzed, and managed so that they are mitigated to an acceptable level.

SPRC has developed and implemented a Risk Management Policy which applies to all aspects of the business and operations of SPRC and is designed to manage, including but not limited to, operational risk, financial risk, trading risk, reputation risk and strategic risk.

The Risk Management Committee includes the Chief Executive Officer, the Deputy Chief Executive Officer - Operations, the Supply and Planning Manager, and the Chief Financial Officer.

SPRC utilizes a risk based approach to internal control and decision making, designed to provide reasonable assurance of achieving our business objectives with fit for purpose risk mitigation measures.

SPRC conducts risk assessments annually to identify potential risks to our operations and identify effective ways of responding to and mitigating those risks. Risk response is routinely monitored to ensure plans are progressed on a timely basis and make adjustments as necessary if conditions change.

SPRC reviews its Risk Matrix, mitigation plans, and progress on those plans on a regular basis, and reports to the Audit Committee every quarter.

SPRC has developed business processes to provide practical tools for day-to-day risk based decision-making that weighs threats against costs and other business impacts, as well as procedures that set out the nature, role, responsibility and authority of risk assessment processes within SPRC to ensure that risk assessment is conducted in an effective and timely manner.

RELATED PARTY TRANSACTIONS

In 2015, SPRC conducted a significant amount of its business with related parties. All of these related parties were our major shareholders or one of their affiliates. During most of the year, our two major shareholders were Chevron at 64.0% and PTT at 36.0%. As of December 3, 2015, as part of our Initial Public Offering, PTT reduced its shareholding to 5.4%, and is no longer considered a related party. All financial figures presented in the coming tables cover Chevron and its affiliates for all of 2015 and PTT for the year up to December 2, 2015. Accounts receivable and accounts payable for the end of year only reflect transactions with Chevron and its affiliates, as PTT is no longer a related party.

Need and Justification for Related Party Transactions

Due to the nature of our business, SPRC has worked with its shareholders to both buy feedstocks and to sell products. SPRC has been able to leverage off of the global capability and expertise of both Chevron and PTT for sourcing our feedstock, primarily crude oil, to ensure that we have access to a wide variety of crudes at competitive prices. Chevron and PTT are also two of the largest marketers of products in Thailand, providing significant benefit to SPRC to place its products in the higher value domestic market. To achieve higher value for some of its products, SPRC also sells a variety of petrochemical feedstocks to petrochemical companies, mostly in the Map Ta Phut Industrial Estate, many of which are affiliates of PTT. Lastly, SPRC has several service contracts with Chevron to leverage off of their global business, technological and operational expertise. All of these contracts have been confirmed to be at “arm’s length” with competitive market pricing, and executed in the normal course of business.

Approval of Related Party Transactions

All related party contracts have been endorsed by SPRC’s Audit Committee, which is made up of independent directors only. A summary of all related party contracts are reviewed quarterly with the Audit Committee to review the scope of the contract, confirmation that pricing is competitive and at market prices, and that contract terms and conditions have been met.

Any new related party transactions approval process will follow the Board of Director’s resolution as well as applicable laws and regulations. All new related party transactions will be reviewed by the Audit Committee to ensure that they are executed strictly on a commercial “arm’s length” basis, taking into consideration that the agreement is in the best interest of SPRC and in the normal course of business. The Audit Committee’s opinion on such new transaction will be communicated to the Board of Directors. When there is a potential conflict of interest, directors will not participate in the vote on approving the contract at the Board of Directors.

Related Party Transactions (Revenue)			
Company Name	Relationship	Nature of Transaction/Service	Amount of Y2015 (US\$ Million)
Chevron Singapore Pte Ltd.	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Purchase and Sale Agreement (PSA) 	91.6
Chevron Thailand Limited (CTL)	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Purchase and Sale Agreement (PSA) 	2,439.1
		<ul style="list-style-type: none"> Purchase, Sale and Storage Crude/ Products Agreement 	0.8
		<ul style="list-style-type: none"> Fixed Reserve 	<0.1
Chevron U.S.A. Inc (Singapore Branch)	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Purchase and Sale Agreement (PSA) 	108.0
HMC Polymers Co., Ltd.	41.4 % of the shares held by PTT	<ul style="list-style-type: none"> Propylene Sale and Purchase Agreement 	123.0
PTT Global Chemical PLC (PTTGC)	48.9 % of the shares held by PTT	<ul style="list-style-type: none"> Participating and Operating Agreement on Single Point Mooring System (SPM) 	0.8
		<ul style="list-style-type: none"> Intermediate Product Exchange Agreement 	244.9
		<ul style="list-style-type: none"> LPG Transportation and Loading Agreement 	0.5
		<ul style="list-style-type: none"> Pipe Rack Term Agreement 	0
		<ul style="list-style-type: none"> Thapline Distribution System Agreement 	0.2
		<ul style="list-style-type: none"> Crude Oil Co-load/ Co-Freight Agreement 	0

Related Party Transactions (Revenue, Cont.)			
Company Name	Relationship	Nature of Transaction/Service	Amount of Y2015 (US\$ Million)
PTT International Trading Pte. Ltd.	100 % of the shares held by PTT	<ul style="list-style-type: none"> Purchase and Sale Agreement (PSA) 	223.6
PTT PLC	<p>Major shareholder, with 36% of SPRC's shares</p> <p>As of December 3, 2015, PTT, as part of our Initial Public Offering, reduced its shareholding to 5.4%</p>	<ul style="list-style-type: none"> Purchase and Sale Agreement Purchase, Sale and Storage Crude/ Products Agreement Sale and Purchase of Decant Oil Sale of Light Naphtha of Export Fixed Reserve Floating Reserve Line Handling Fee Agreement for Import, Purchase and Sale Base Fuel 95 	<p>1,458.0</p> <p>0.8</p> <p>0.1</p> <p>3.8</p> <p>0.2</p> <p><0.1</p> <p><0.1</p> <p>22.2</p>
Thaioil Marine International Pte. Ltd.	100 % of the shares held by Thaioil (49.1 % of the shares in Thaioil held by PTT)	<ul style="list-style-type: none"> Line Handling Fee 	<0.1
UBE Chemicals (Asia) PLC	25 % of the shares held by IRPC PLC, (38.5% of the shares in IRPC PLC held by PTT)	<ul style="list-style-type: none"> Agreement for Sale and Purchase of Molten Sulphur 	4.1

Related Party Transactions (Expenses)			
Company Name	Relationship	Nature of Transaction/Service	Amount of Y2015 (US\$ Million)
B8/32 Partners Limited	25% of the shares held by PTTEP off shore Investment Co., Ltd. (75% of the shares in PTTEP Offshore Investment Co., Ltd. held by PTT Exploration and Production PLC (65.3% of the shares held by PTT) and 25% of the shares held by PTT International Trading Pte Ltd.)	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) 	64.4

Related Party Transactions (Expenses, Cont.)			
Company Name	Relationship	Nature of Transaction/Service	Amount of Y2015 (US\$ Million)
<ul style="list-style-type: none"> Chevron Oversea Services Corporation (COSC) Chevron Thailand Limited Singapore Refining Co., Pte. Ltd. (SRC) Caltex Australia Limited (as of March 2015) 	Affiliate of Chevron which directly or indirectly hold 100% of shares, (50% of the shares in SRC are indirectly held by Chevron)	<ul style="list-style-type: none"> Secondment Agreement Personnel. Provide secondees for SPRC, to assist SPRC in construction, administrative control, and refinery operations SPRC also provide staff to support Chevron 	1.7
Caltex Service Corporation	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> VDU License Agreement 	0
Chevron (Thailand) Exploration and Production Ltd	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) 	163.7
Chevron (Thailand) Limited	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Purchase Order of Lube Oil 	0.1
Chevron Asia Pacific Shipping Pte., Ltd. (CAPS)	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) Marine Services Transportation Agreement (MSTA) 	10.0 0.8
Chevron Block B8/32 (Thailand) Ltd.	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) 	11.7
Chevron Lummus Global LLC	Chevron corporation which directly or indirectly hold 50% of shares	<ul style="list-style-type: none"> DHTU License Agreement 	0
Chevron Offshore (Thailand) Ltd.	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) 	103.5

Related Party Transactions (Expenses, Cont.)			
Company Name	Relationship	Nature of Transaction/Service	Amount of Y2015 (US\$ Million)
Chevron Oversea Services Corporation (COSC)	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> • Technical Service Agreement • Technical Services License Agreement 	0.8 1.6
Chevron Research and Technology Company	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> • HVGO License Agreement 	0
Chevron Singapore Pte Ltd	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> • Sale and Contract of LSWR (Fuel Oil No. 5) 	56.0
Chevron U.S.A. Inc (Singapore Branch) (CUSA)	Affiliate of Chevron which directly or indirectly hold 100% of shares	<ul style="list-style-type: none"> • Feedstock Supply Agreement (FSA) • New Feedstock Supply Agreement (FSA) 	1,452.5 0
Dhipaya Insurance Public Company Limited (TIP)	13.3% of the shares held by PTT	<ul style="list-style-type: none"> • Insurance • SPRC bought insurance policies from TIP. The insurance policies include, among other, property all risks, business interruption, third party liability and marine cargo insurance. 	2.7
Eastern Fluid Transport Co., Ltd. (EFT)	15% of the shares held by PTT Global Chemical PLC (PTTGC) (48.9% of the shares in PTTGC held by PTT)	<ul style="list-style-type: none"> • BIG Pipe Rack Maintenance and Management • SPRC use EFT service to maintain BIG pipeline according to its obligation. 	<0.1
NPC Safety and Environmental Service Co., Ltd.	100% of the shares held by PTT Global Chemical PLC (PTTGC) (48.9% of the shares in PTTGC held by PTT)	<ul style="list-style-type: none"> • Supply for Personnel Protection Equipment 	0.1

Related Party Transactions (Expenses, Cont.)			
Company Name	Relationship	Nature of Transaction/Service	Amount of Y2015 (US\$ Million)
Orange Energy Limited	53.9% of the shares held by PTTEP off shore Investment Co., Ltd. (75% of the shares in PTTEP off shore Investment Co., Ltd. held by PTT Exploration and Production PLC (65.3% of the shares held by PTT) and 25% of the shares held by PTT International Trading Pte Ltd.)	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) 	69.4
PTT Energy Solution Co., Ltd. (PTTES)	<ul style="list-style-type: none"> 40% of the shares held by PTT 20% of the shares held by Thaioil (49.1% of the shares in Thaioil held by PTT) 20% of the shares held by PTT Global Chemical PLC (PTTGC) (48.9% of the shares in PTTGC held by PTT) 20% of the shares held by IRPC PLC (38.5% of the shares in IRPC PLC held by PTT) 	<ul style="list-style-type: none"> Purchase Order – Technical Service provided by PTTES 	0.3
PTT Exploration and Production PLC	65.3% of the shares held by PTT	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) 	7.7
PTT Global Chemical PLC (PTTGC)	48.9 % of the shares held by PTT	<ul style="list-style-type: none"> Intermediate Product Exchange Agreement Participating and Operating Agreement on Single Point Mooring System (SPM) Sale and Purchase of Light Naphtha 	153.8 0.7 6.3
PTT International Trading Pte Ltd.	100 % of the shares held by PTT	<ul style="list-style-type: none"> Sale and Purchase Agreement – Base Fuel 95 	15.7

Related Party Transactions (Expenses, Cont.)			
Company Name	Relationship	Nature of Transaction/Service	Amount of Y2015 (US\$ Million)
PTT Maintenance & Engineering Co., Ltd. (PTTME)	40 % of the shares held by PTT	<ul style="list-style-type: none"> Project Construction Service 	0
PTT PLC	<ul style="list-style-type: none"> Major shareholder, with 36% of SPRC's shares As of December 3, 2015, PTT, as part of our Initial Public Offering, reduced its shareholding to 5.4% 	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) Process Natural Gas – PTT to supply natural gas for use in SPRC's petroleum product manufacturing process Cogeneration Natural Gas – PTT to supply natural gas for use in SPRC's cogeneration power plant. 	1005.1 29.8 47.2
PTTEP International Limited	100 % of the shares held by PTT	<ul style="list-style-type: none"> Feedstock Supply Agreement (FSA) 	12.6
Thai Oleo Chemicals Co., Ltd..	100% of the shares held by PTT Global Chemical PLC (PTTGC) (48.9% of the shares in PTTGC held by PTT)	<ul style="list-style-type: none"> Supply Agreement for Methylester (B100) off-take 	5.8
Ubon Bio Ethanol Co., Ltd.	21.3% of the shares held by Thairoil Ethanol (100% of the shares in Thairoil Ethanol held by Thairoil which 49.1% of the shares in Thairoil held by PTT)	<ul style="list-style-type: none"> Denatured Ethanol Supply Agreement 	3.2

The below table shows the total account receivables and account payables for the period ending December 31, 2015 for Chevron related party transactions only. PTT was no longer a related party at the end of the period.

Related Party Transactions	For the period of ending December 31, 2015 (US\$ Million)
Accounts Receivable	121.0
Accounts Payable	54.5
Other	0.0

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results

	(US\$ Million)			(Baht Million)		
	2015	2014	+/(−)	2015	2014	+/(−)
Total Revenue	5,221	7,035	(1,814)	178,877	229,325	(50,449)
EBITDA	397	(160)	557	13,418	(5,269)	18,687
EBIT	315	(237)	553	10,619	(7,791)	18,409
Exchange gain	13	29	(15)	495	943	(448)
Net income (loss)	245	(194)	439	8,227	(6,367)	14,595
Net income (loss) (US\$/Baht per share)	0.06	(0.05)	0.11	1.99	(1.55)	3.54
Gross refining margin (US\$ per barrel) – accounting ⁽¹⁾	8.10	(1.45)	9.55	8.10	(1.45)	9.55
Market gross refining margin (US\$ per barrel) ⁽²⁾	10.41	6.15	4.26	10.41	6.15	4.26

⁽¹⁾ margin includes inventory gain/loss based on weighted average inventory.

⁽²⁾ margin is calculated based on current replacement cost

In 2015 SPRC operated with crude intake of 164 thousand barrels per day, or 99.7% of the refining capacity, which was significantly increased by 23 thousand barrels per day over 2014, which was impacted from the scheduled shutdown of the refinery during the 2014 Event. Although SPRC's production and sale volumes increased in 2015, oil and product prices declined and as a result total sale revenue decreased in 2015. However, higher Singapore refining margins and higher domestic demand of refined products in 2015 resulted in higher gross refining margin and market gross refining margin. Operating expenses were also lower compared to 2014, which had significant expenses related to the 2014 Event. EBITDA in 2015 increased to US\$397 million (Baht 13,418 million) from a loss of US\$160 million (Baht 5,269 million) in 2014 and net income also increased to US\$245 million (Baht 8,227 million) from a net loss US\$194 million (Baht 6,367 million) in 2014.

In 2015, crude prices were volatile with Dubai crude price moving between US\$32 and US\$66 per barrel, with an average of US\$51 per barrel, which was lower than 2014 average of US\$97 per barrel.

Petroleum product prices also dropped, following crude prices. The average gasoline crack hit a record high this year of US\$18.3/bbl, which provided significant support to SPRC's margin due to our high gasoline yield. The gap between gasoline and Dubai was supported by increases in driving miles, strong vehicle sales growth and also a rise in India's gasoline consumption after elimination of their diesel subsidy. Jet/kerosene cracks were supported by increased demand of aviation fuel, while Diesel cracks weakened, starting from US\$17/bbl at the beginning of the year, and slipping to US\$12/bbl in December, reflecting lower industrial demand due to global economy slowdown and flooding of the diesel market from high refinery rates to take advantage of the high refinery margins.

Analysis of financial position

	(US\$ Million)			(Baht Million)		
	2015	2014	+/(−)	2015	2014	+/(−)
Total Assets	1,686	2,069	(383)	61,122	68,477	(7,355)
Total Liabilities	673	714	(41)	24,397	23,634	763
Total Shareholders' Equity	1,013	1,355	(342)	36,725	44,843	(8,118)

Assets

As of 31 December 2015, total assets were US\$1,686 million (Baht 61,122 million), decreased US\$383 million (Baht 7,355 million) from the year end 2014 mainly due to a decrease in current assets arising from a decrease in trade and other receivables of US\$149 million (Baht 4,173 million) and a decrease in inventory of US\$155 million (Baht 4,345 million) in line with the decrease in crude oil and petroleum product prices and a decrease in value added tax receivable of US\$31 million (Baht 1,026 million) from VAT refund.

Non-current assets also decreased from a decrease in Property Plant and Equipment of US\$68 million (Baht 1,120 million) mainly from depreciation and a decrease in deferred tax assets of US\$16 million (Baht 546 million) from utilization in 2015 of 2014 operating loss carry forward.

Liabilities

As of 31 December 2015, total liabilities decreased US\$41 million (but increased Baht 763 million due to foreign exchange translation impact from US\$ financial statement) from prior year. The changes in total liabilities are mainly from a decrease in trade and other account payables of US\$137 million (Baht 3,925 million) due to a lower crude oil price and a lower quantity of crude purchased in December 2015 and a decrease in dividend payable of US\$179 million (Baht 5,400 million) from the payment of dividend which was approved in May 2012 and paid in July 2015.

The decrease was partially offset by increase in capital reduction payable of US\$99 million (Baht 3,580 million) from the reduction in par value of company shares from 10 Baht to 6.92 Baht. Total capital reduction was Baht 12,637 million of which Baht 9,057 million was paid in December 2015. There were also an increase in corporate income tax payable of US\$17 million (Baht 632 million) for 2015 company's profit, and deferred tax liabilities of US\$42 million (Baht 1,513 million) which resulted from the temporary differences between the amount of assets and liabilities in the tax base and in the financial statements which was mainly caused by the translation of US\$ financial statements using the exchange rate at the period end. In 2015, the company also drew down a long term loan of US\$110 million (Baht 3,988 million) for payment on capital reduction.

Shareholders' Equity

As of 31 December 2015, the company's shareholders' equity decreased US\$342 million (Baht 8,118 million) from prior year. The decrease is mainly from capital reduction of US\$365 million (Baht 12,637 million) from par value reduction and dividend declaration and payment of US\$278 million (Baht 9,463 million). The decrease in shareholders' equity is partially offset by 2015 net profit of US\$245 million (Baht 8,227 million), capital increase of US\$56 million (Baht 2,031 million) from new shares issued and paid up under IPO and ESOP and increase in other component of shareholders' equity of Baht 3,723 million from the translation of US\$ financial statement.

Cash flow Statement

	(US\$ Million)		(Baht Million)	
	2015	2014	2015	2014
Net cash generated from operating activities	600	78	20,534	2,526
Net cash used in investing activities	(14)	(53)	(468)	(1,723)
Net cash used in financing activities	(541)	(60)	(17,836)	(1,856)
Net (decrease) / increase in cash and cash equivalents	45	(35)	2,230	(1,053)
Cash and cash equivalents at the beginning of the year	69	103	2,286	3,380
Adjustments from foreign exchange translation	(5)	1	(568)	(41)
Cash and cash equivalents at the end of the year	109	69	3,949	2,286

The company cash and cash equivalents at 31 December 2015 was US\$109 million (Baht 3,949 million), an increase of US\$40 million (Baht 1,662 million) from 31 Dec 2014.

Net cash generated from operating activities was US\$600 million (Baht 20,534 million), primarily due to 2015 net profit of US\$245 million (Baht 8,227 million) and added back non-cash items of US\$78 million (Baht 2,781 million); and cash generated from operating assets of US\$410 million (Baht 14,132 million) mainly from a decrease in trade and other receivables of US\$148 million (Baht 5,096 million) and a decrease in inventory of US\$230 million (Baht 7,919 million) due to lower crude and petroleum price, and a decrease in other current asset of US\$32 million (Baht 1,117 million) mainly from VAT refund. This was partially offset by cash used in operating liabilities of US\$128 million (Baht 4,401 million) mainly from a decrease in trade and other payables of US\$136 million (Baht 4,685 million) due to lower purchase price of crude oil.

Net cash used in investing activities was US\$14 million (Baht 468 million), primarily attributable to projects to increase refinery reliability and environmental compliance.

Net cash used in financing activities was US\$541 million (Baht 17,836million) mainly from payment on capital reduction of US\$262 million (Baht 9,057 million) and cash used for dividends paid to shareholders of US\$448 million (Baht 14,863 million) from profit prior to 2015 and the first six months of 2015. This was partially offset by cash proceed of US\$110 million (Baht 3,988 million) from long term borrowing and US\$58 million (Baht 2,097 million) from issue of new shares under IPO and ESOP.

Financial Ratios

		Year Ended December 31		
		2015	2014	2013
Current Ratio	(Time)	1.1	1.3	1.4
Net Profit Margin ⁽¹⁾	(%)	4.7	(2.8)	1.5
Return on Equity	(%)	20.7	(13.1)	8.0
Return on Total Assets	(%)	13.0	(8.0)	4.7
Net Debt to Equity ratio	(Time)	0.7	0.5	0.7
Interest Coverage ratio ⁽²⁾	(Time)	4,165.5	154.3	648.2
Dividend Payout Ratio ⁽³⁾⁽⁴⁾	(%)	183.1	(30.9)	113.0

⁽¹⁾ Total revenue excluded gain from non-operating income such as gain from exchange rate

⁽²⁾ Cash flow from operation after deduct interest income / expense and income tax paid

⁽³⁾ Net loss in 2014 resulted to negative ratio which has no meaning

⁽⁴⁾ Dividend equivalents to dividend paid to shareholders in the cash flow statement

Analysis of Financial Ratios

Liquidity Ratio

In the past 3 years, the average current ratio was over one as a result of current assets being higher than current liabilities. As of 31 December, 2015 current ratio decreased from prior year mainly from an increase in current liabilities from capital reduction payables of US\$ 99 million (Baht 3,580 million) and current portion of long term borrowings due within one year of US\$37 million (Baht 1,329 million).

Profitability and Efficiency Ratio

Net profit margin and return on equity decreased from 2013 to 2014, due to the loss in the year 2014 caused primarily by the decline of weighted average crude price and the scheduled major turnaround and 2014 Event. However they increased significantly in 2015 from reliable operations, high margins and high domestic placement yielding higher net profit.

Leverage Ratio

The debt to equity ratio dropped from 2014 compared to that of 2013 mainly from trade and other payables reduction which was the consequence of crude and raw material price declined. In the year 2015, a combination of continued decline in crude prices, the capital reduction, draw down of long term loan, and the increase in paid-up shares resulted to the increase in debt to equity ratio.

The interest coverage ratio decreased from 2013 to 2014 mainly from the higher financing costs in 2014 from short term loans to support the scheduled major turnaround in 2014. The interest coverage ratio at the end of 2015 increased from 2014 mainly from higher 2015 cash flow from operating activities and lower interest expenses.

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTS

The Board of Directors of SPRC is responsible for the fair presentation and integrity of the financial statements which comprise the Statement of Financial Position as at 31 December 2015, and the related Statement of Comprehensive Income, Statements of Changes in Shareholders' Equity, and Statement of Cash Flows. The financial statements have been prepared in conformity with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Security and Exchange Act B.E. 2535.

The Board has reviewed the effective internal control system over the accounts, financial statements and reports of SPRC and is of the opinion that the system has been designed to provide reasonable assurance that assets are safeguarded; transactions have been recorded fairly and accurately in the accounting records in accordance with the established procedures and accounting policies; that fraud is prevented and would be detected. There is no other material gain or loss contingencies, claims or assessments, violation or possible violation of laws or regulations required to be accrued or disclosed.

The Company's external auditor has audited and provided an opinion on the Company's financial statements. Their audit was made in accordance with Thai Financial Reporting Standards.

The Audit Committee of the Board of Directors meets quarterly with the internal and external auditors to discuss the Company's internal controls, auditing and financial reporting matters. The Board has been provided reasonable assurance that the financial statements of SPRC have been prepared in accordance with the generally accepted accounting principles.



Mr. Andrew Benjamin Walz

Chairman of the Board

Star Petroleum Refining Public Company Limited



Star Petroleum Refining Public Company Limited

Statutory Financial Statements

31 December 2015



Auditor's Report

To the Shareholders of Star Petroleum Refining Public Company Limited

I have audited the accompanying financial statements of Star Petroleum Refining Public Company Limited, which comprise the statements of financial position as at 31 December 2015 and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of Star Petroleum Refining Public Company Limited as at 31 December 2015, and its results of operations and cash flows for the years then ended in accordance with Thai Financial Reporting Standards.



Chanchai Chaiprasit

Certified Public Accountant (Thailand) No. 3760

PricewaterhouseCoopers ABAS Ltd.

Bangkok

16 February 2016

Star Petroleum Refining Public Company Limited

Statement of Financial Position

As at 31 December 2015

		Unit: US Dollar		Unit: Baht	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Notes					
Assets					
Current assets					
Cash and cash equivalents	7	108,913,055	69,042,730	3,948,511,029	2,286,101,979
Trade and other receivables	8	239,044,481	388,215,860	8,659,590,134	12,832,565,578
Inventories, net	9	249,161,207	404,000,224	9,033,040,568	13,377,740,209
Value-added tax receivable		-	30,982,345	-	1,025,924,584
Other current assets	10	6,630,560	7,111,839	240,271,472	235,314,803
Total current assets		603,749,303	899,352,998	21,881,413,203	29,757,647,153
Non-current assets					
Property, plant and equipment, net	11	1,075,901,525	1,144,124,632	39,005,518,691	37,885,627,771
Intangible asset, net	12	2,159,380	2,719,845	78,285,721	90,062,776
Deferred tax assets, net	17	-	16,480,275	-	545,714,642
Other non-current assets		4,320,462	5,975,091	156,633,192	197,854,372
Total non-current assets		1,082,381,367	1,169,299,843	39,240,437,604	38,719,259,561
Total assets		1,686,130,670	2,068,652,841	61,121,850,807	68,476,906,714

Star Petroleum Refining Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 December 2015

		Unit: US Dollar		Unit: Baht	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Notes					
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	13	195,458,583	332,518,829	7,085,510,693	11,010,153,286
Capital reduction payable		98,748,269	-	3,580,000,000	-
Current portion of long-term borrowings	14	36,666,667	-	1,329,306,000	-
Value added tax payable		4,032,920	-	146,208,681	-
Current income tax payable		17,446,359	-	632,496,804	-
Dividend payable	15	166,240,640	345,084,586	6,026,854,902	11,426,854,902
Other current liabilities	16	33,678,689	30,214,500	1,220,980,444	1,000,498,773
Total current liabilities		552,272,127	707,817,915	20,021,357,524	23,437,506,961
Non - current liabilities					
Long-term borrowings - financial institutions	14	73,333,333	-	2,658,612,000	-
Deferred tax liabilities, net	17	41,743,563	-	1,513,362,801	-
Employee benefit obligations	18	5,617,685	5,569,757	203,662,442	184,432,493
Other non-current liabilities		-	354,167	-	11,727,616
Total non-current liabilities		120,694,581	5,923,924	4,375,637,243	196,160,109
Total liabilities		672,966,708	713,741,839	24,396,994,767	23,633,667,070
Shareholders' equity					
Share capital					
Authorised share capital	19				
Ordinary shares 4,774,343,003 shares at par value of Baht 6.92 each (2014: 4,102,951,025 shares at par value of Baht 10.00 each)		948,633,413	1,184,955,167	33,038,453,581	41,029,510,250
Issued and paid-up share capital					
Ordinary shares 4,335,902,125 shares paid-up at Baht 6.92 each (2014: 4,102,951,025 shares at paid-up at Baht 10.00 each)		864,713,808	1,184,955,167	30,004,442,705	41,029,510,250
Premium on share capital		31,917,416	20,308,211	977,711,111	558,960,166
Retained earnings					
Appropriated - legal reserve	20	84,652,251	61,418,972	2,886,500,098	1,965,065,317
Unappropriated		31,880,487	88,228,652	3,599,501,081	5,756,445,882
Other component of shareholders' equity		-	-	(743,298,955)	(4,466,741,971)
Total shareholders' equity		1,013,163,962	1,354,911,002	36,724,856,040	44,843,239,644
Total liabilities and shareholders' equity		1,686,130,670	2,068,652,841	61,121,850,807	68,476,906,714

Star Petroleum Refining Public Company Limited

Statement of Comprehensive Income

As at 31 December 2015

	Notes	Unit: US Dollar		Unit: Baht	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Sales	6	5,217,572,506	6,985,375,089	178,765,671,936	227,712,385,461
Liquefied Petroleum Gas and fuel subsidies		3,236,273	49,225,059	111,203,329	1,613,037,920
Total revenue		5,220,808,779	7,034,600,148	178,876,875,265	229,325,423,381
Cost of sales	22	(4,890,293,154)	(7,275,475,126)	(167,751,921,845)	(237,228,201,551)
Gross profit (loss)		330,515,625	(240,874,978)	11,124,953,420	(7,902,778,170)
Other income	23	6,904,787	6,748,930	233,657,661	220,115,532
Gain on exchange rate		13,460,699	28,908,729	494,730,080	943,112,860
Profit (loss) before expenses		350,881,111	(205,217,319)	11,853,341,161	(6,739,549,778)
Administrative expenses	22	(35,292,362)	(26,497,830)	(1,222,284,979)	(864,944,924)
Other expenses		(373,979)	(5,715,092)	(12,425,743)	(186,156,734)
Finance costs		(249,818)	(585,554)	(8,735,951)	(19,011,893)
Profit (loss) before income tax		314,964,952	(238,015,795)	10,609,894,488	(7,809,663,329)
Income tax	24	(70,415,517)	43,964,586	(2,382,420,438)	1,442,286,922
Profit (loss) for the year		244,549,435	(194,051,209)	8,227,474,050	(6,367,376,407)
Other comprehensive income <i>Items that will not be reclassified subsequently to profit or loss</i>					
Currency translation differences		-	-	3,723,443,016	96,088,516
Other comprehensive income for the year, net of tax		-	-	3,723,443,016	96,088,516
Total comprehensive income (expense) for the year		244,549,435	(194,051,209)	11,950,917,066	(6,271,287,891)
Earnings (loss) per share	25				
Basic earnings (loss) per share		0.06	(0.05)	1.99	(1.55)

Star Petroleum Refining Public Company Limited

Statement of Changes in Shareholders' Equity

As at 31 December 2015

	Notes	Unit: US Dollar				Total
		Issued and paid-up share capital	Premium on share capital	Appropriated legal reserve	Retained earnings Unappropriated	
Beginning balance 1 January 2014		1,184,955,167	20,308,211	61,418,972	342,279,861	1,608,962,211
Dividends	21	-	-	-	(60,000,000)	(60,000,000)
Total comprehensive expense for the year		-	-	-	(194,051,209)	(194,051,209)
Ending balance 31 December 2014		<u>1,184,955,167</u>	<u>20,308,211</u>	<u>61,418,972</u>	<u>88,228,652</u>	<u>1,354,911,002</u>
Opening balance 1 January 2015		1,184,955,167	20,308,211	61,418,972	88,228,652	1,354,911,002
Share capital reduction	19	(364,966,192)	-	-	-	(364,966,192)
Share capital issuance	19	44,724,833	-	-	-	44,724,833
Premium on share capital		-	11,609,205	-	-	11,609,205
Legal reserve	20	-	-	23,233,279	(23,233,279)	-
Dividends	21	-	-	-	(277,664,321)	(277,664,321)
Total comprehensive income for the year		-	-	-	244,549,435	244,549,435
Ending balance 31 December 2015		<u>864,713,808</u>	<u>31,917,416</u>	<u>84,652,251</u>	<u>31,880,487</u>	<u>1,013,163,962</u>

The notes to the financial statements are an integral part of these financial statements.

Star Petroleum Refining Public Company Limited

Statement of Changes in Shareholders' Equity (Cont'd)

As at 31 December 2015

		Unit: Baht				
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other component of shareholders' equity	Total
			Appropriated legal reserve	Unappropriated	Exchange differences on translation	
Beginning balance 1 January 2014	41,029,510,250	558,960,166	1,965,065,317	13,979,503,492	(4,562,830,487)	52,970,208,738
Dividends	-	-	-	(1,855,681,203)	-	(1,855,681,203)
Total comprehensive (expense) income for the year	-	-	-	(6,367,376,407)	96,088,516	(6,271,287,891)
Ending balance 31 December 2014	<u>41,029,510,250</u>	<u>558,960,166</u>	<u>1,965,065,317</u>	<u>5,756,445,882</u>	<u>(4,466,741,971)</u>	<u>44,843,239,644</u>
Opening balance 1 January 2015	41,029,510,250	558,960,166	1,965,065,317	5,756,445,882	(4,466,741,971)	44,843,239,644
Share capital reduction	(12,637,089,157)	-	-	-	-	(12,637,089,157)
Share capital issuance	1,612,021,612	-	-	-	-	1,612,021,612
Premium on share capital	-	418,750,945	-	-	-	418,750,945
Legal reserve	-	-	921,434,781	(921,434,781)	-	-
Dividends	-	-	-	(9,462,984,070)	-	(9,462,984,070)
Total comprehensive income for the year	-	-	-	8,227,474,050	3,723,443,016	11,950,917,066
Ending balance 31 December 2015	<u>30,004,442,705</u>	<u>977,711,111</u>	<u>2,886,500,098</u>	<u>3,599,501,081</u>	<u>(743,298,955)</u>	<u>36,724,856,040</u>

The notes to the financial statements are an integral part of these financial statements.

Star Petroleum Refining Public Company Limited

Statement of Cash Flows

As at 31 December 2015

	Notes	Unit: US Dollar		Unit: Baht	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Cash flows from operating activities					
Profit (Loss) before income tax		314,964,952	(238,015,795)	10,609,894,488	(7,809,663,329)
Adjustments for:					
Finance income	23	(2,670,459)	(891,456)	(90,492,667)	(29,060,670)
Finance expense		249,818	585,554	8,735,950	19,011,893
Depreciation	11, 22	80,364,961	76,332,284	2,766,432,620	2,489,746,851
Amortisation		965,200	977,016	33,197,478	31,871,256
Loss from disposal of fixed assets		361,948	5,363,301	12,031,220	179,378,130
Unrealised (gain) loss from foreign exchange rate		3,508,171	(13,249,866)	120,820,370	(432,234,490)
Loss on obsolete materials and supplies	9	520,333	560,690	17,477,712	18,390,439
(Reversal) write down of inventory to net realisable value	9	(75,605,567)	75,605,567	(2,476,815,131)	2,476,815,131
Retirement benefit expenses		423,798	596,184	19,136,575	19,467,643
Deferred income realised during the year		(354,167)	(1,160,686)	(12,197,419)	(37,863,677)
Change in operating assets and liabilities					
Trade and other receivables		147,968,351	287,720,758	5,095,985,622	9,385,969,022
Inventories		229,924,251	263,861,606	7,918,995,803	8,607,640,544
Other current assets and other assets		32,447,651	37,593,114	1,117,487,378	1,226,355,042
Trade and other payables		(136,040,726)	(422,340,473)	(4,685,201,796)	(13,777,506,432)
Retirement benefit paid		(46,162)	-	(1,592,949)	-
Other current liabilities and other liabilities		8,287,148	15,919,130	285,410,936	519,291,626
Cash generated from operations		605,269,501	89,456,928	20,739,306,190	2,887,608,979
Interest received		2,671,302	901,608	90,493,750	29,393,620
Interest paid		(145,948)	(585,554)	(4,970,271)	(19,011,893)
Income tax paid		(8,162,353)	(11,805,752)	(291,207,628)	(372,123,241)
Net cash generated from operating activities		599,632,502	77,967,230	20,533,622,041	2,525,867,465

Star Petroleum Refining Public Company Limited

Statement of Cash Flows (Cont'd)

As at 31 December 2015

	Notes	Unit: US Dollar		Unit: Baht	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Cash flows from investing activities					
Purchases of equipment and intangible asset		(13,589,207)	(53,026,511)	(468,008,209)	(1,729,820,230)
Proceeds from disposal of equipment		12,031	207,461	394,524	6,767,764
Net cash used in investing activities		(13,577,176)	(52,819,050)	(467,613,685)	(1,723,052,466)
Cash flow from financing activities					
Proceeds from long-term borrowings		110,000,000	-	3,987,918,000	-
Payment of capital reduction		(261,573,792)	-	(9,057,089,157)	-
Proceeds from issue and paid in common shares		49,246,616	-	1,775,000,700	-
Proceeds from issue and paid in common shares under Employee Stock Ownership Plan		8,921,519	-	321,559,200	-
Dividends paid to shareholders	21	(447,672,381)	(60,000,000)	(14,862,984,070)	(1,855,681,203)
Net cash used in financing activities		(541,078,038)	(60,000,000)	(17,835,595,327)	(1,855,681,203)
Net increase (decrease) in cash and cash equivalents		44,977,288	(34,851,820)	2,230,413,029	(1,052,866,204)
Cash and cash equivalents at the beginning of year		69,042,730	102,850,273	2,286,101,979	3,380,180,893
Adjustment from foreign exchange translation		(5,106,963)	1,044,277	(568,003,979)	(41,212,710)
Cash and cash equivalents at the ending of year	7	108,913,055	69,042,730	3,948,511,029	2,286,101,979
Non-cash item					
Acquisitions of property, plant and equipment which have not been paid		1,068,198	273,460	38,726,232	9,055,131

Star Petroleum Refining Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2015

1 General information

Star Petroleum Refining Public Company Limited (“the Company”) is a public limited company incorporated and domiciled in Thailand.

The address of its registered office is No.1, I-3B Road, Tambol Map Ta Phut (Subdistrict), Amphur Muang Rayong (District), Rayong Province 21150.

The Company was registered on 20 November 1992 to engage in the construction and operation of a petroleum refinery in the Rayong Province of Thailand. On 7 June 2012, the Company registered as a public company with the Department of Business Development, Ministry of Commerce and has changed its name to Star Petroleum Refining Public Company Limited then onward.

The Company was listed on the Stock Exchange of Thailand on 8 December 2015.

These financial statements were authorised for issue by the Board of Directors on 16 February 2016.

2 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E.2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Company financial statements are disclosed in Note 4.

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

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

2.2.1 New financial reporting standards, revised accounting standards, and revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Company.

a) Financial reporting standards with significant changes and have minor impact to the Company:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 34 (revised 2014)	Interim financial reporting
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory. This standard has no impact to the Company.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. This standard has no impact to the Company.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the Company, except for disclosures.

TFRIC 14 (revised 2014), this interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This standard has no impact to the Company.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.1 New financial reporting standards, revised accounting standards, and revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Company. (Cont'd)

- b) Financial reporting standards with minor changes and do not have impact to the Company are as follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of cash flows
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 20 (revised 2014)	Accounting for government grants & disclosure of government assistance
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 26 (revised 2014)	Accounting and reporting by retirement benefit plan
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TFRS 2 (revised 2014)	Share-based payment
TFRS 8 (revised 2014)	Operating segments
TSIC 10 (revised 2014)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 10 (revised 2014)	Interim financial reporting and impairment

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New financial reporting standard, revised accounting standards, and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Company and are not early adopted:

a) Financial reporting standards, which have an impact to the Company:

TAS 16 (revised 2015)	Property, plant and equipment
TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 36 (revised 2015)	Impairment of asset
TAS 38 (revised 2015)	Intangible assets
TFRS 2 (revised 2015)	Share-based payment
TFRS 8 (revised 2015)	Operating segments
TFRS 13 (revised 2015)	Fair value measurement

TAS 16 (revised 2015), 'Property, plant and equipment' clarifies how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required.

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy, 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption.

TAS 38 (revised 2015), 'Intangible assets' is amended to clarify how the gross carrying amount and the accumulated amortisation are treated where an entity uses the revaluation model.

TFRS 2 (revised 2015), 'Share based payments' clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or IFRS 9 (when announced).

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New financial reporting standard, revised accounting standards, and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Company and are not early adopted: (Cont'd)

- b) Financial reporting standards with minor changes and do not have impact to the Company are as follows:

TAS 1 (revised 2015)	Presentation of financial statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of cash flows
TAS 8 (revised 2015)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2015)	Events after the reporting period
TAS 12 (revised 2015)	Income taxes
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 20 (revised 2015)	Accounting for government grants and disclosure of Government assistance
TAS 21 (revised 2015)	The effects of changes in foreign exchange rates
TAS 23 (revised 2015)	Borrowing costs
TAS 26 (revised 2015)	Accounting and reporting by retirement benefit plans
TAS 33 (revised 2015)	Earnings per share
TAS 34 (revised 2015)	Interim financial reporting
TAS 37 (revised 2015)	Provisions, contingent liabilities and contingent assets
TFRS 5 (revised 2015)	Non-current assets held for sale and discontinued operations
TSIC 15 (revised 2015)	Operating leases - Incentives
TSIC 25 (revised 2015)	Income taxes - changes in the tax status of an entity or its Shareholders
TSIC 27 (revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2015)	Service concession arrangements: Disclosures
TSIC 31 (revised 2015)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2015)	Intangible assets - Web site costs
TFRIC 1 (revised 2015)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2015)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2015)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 10 (revised 2015)	Interim financial reporting and impairment
TFRIC 14 (revised 2015)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

2.3 Foreign currency translation

- (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Company's management has determined that US Dollar is the Company's functional currency. However, the Company is required to present its financial statements in Thai baht (the presentation currency) to comply with the regulation of the Department of Business Development, the Company financial statements are presented by translating from US Dollar to Thai Baht using the method described in Note 2.3 (c).

2 Accounting policies (Cont'd)

2.3 Foreign currency translation (Cont'd)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in the other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in the profit and loss.

(c) Translation to presentation currency

The results and financial position that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities in statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses in statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

2.4 Cash and cash equivalents

In the Company statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, and other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

2.5 Trade receivables

Trade accounts receivable are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expenses.

2.6 Inventories

Inventories are stated at the lower of cost or net realisable value, cost being determined on the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts, allowances or rebates. The cost of finished goods and work-in-progress comprise raw materials, direct labour, other direct costs and related production overheads, but exclude borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2 Accounting policies (Cont'd)

2.7 Property, plant and equipment

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation. Costs include directly attributable expenses in acquiring such asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on plant and equipment is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Buildings	20 - 50 years
Refinery plant and equipment	5 - 33 years
Furniture, fixtures and equipment	5 - 25 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within statement of comprehensive income.

2.8 Intangible asset - Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use or sell;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs are recognised as assets and amortised over their estimated useful lives, which does not exceed 10 years.

2 Accounting policies (Cont'd)

2.9 Impairment of assets

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

2.10 Leases - where the Company is a lessee

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

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

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

2.11 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred.

Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2 Accounting policies (Cont'd)

2.11 Borrowings (Cont'd)

Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.12 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from operating loss, long-term debt acquisition cost, employee benefit obligation, allowance for stock obsolescence and accumulated depreciation, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Accounting policies (Cont'd)

2.13 Accounting for employee benefit

2.13.1 Defined contribution plan - provident fund

The Company operates a provident fund that is a defined contribution plan. The assets are held in a separate fund which is managed by an external fund manager in accordance with the Provident Fund Act B.E. 2530. The provident fund is funded by payments from employees and by the Company. Contributions to the provident fund are charged to the statement of comprehensive income in the year to which they relate.

2.13.2 Defined benefit plan - retirement benefit

The Company provides for post employment benefits, payable to employees under the Thai Labour Law. The liability in respect of employee benefits is the present value of the defined benefit obligation which is calculated by an independent actuary using the projected unit credit method in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using interest rates which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and others. Actuarial gains or losses will be recognised in the statement of comprehensive income in the period to which they are related. The costs associated with providing these benefits are charged to the statement of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned.

2.14 Share-based payment

The Company operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- excluding the impact of any non-vesting conditions

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2 Accounting policies (Cont'd)

2.15 Provisions

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.16 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, return, rebates and discounts. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Other income and interest received are recognised as income on the accrual basis unless collectability is in doubt.

2.17 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the compensation of costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate.

Government grant amount is separately presented from revenue from sales.

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

2.19 Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2 Accounting policies (Cont'd)

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. The interim dividend is approved by the Company's Board of Directors.

3 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

3.1 Financial risk factors

3.1.1 Foreign exchange risk

The Company did not enter into any foreign currency forward contracts to cover the exchange risk because a substantial portion of our revenues, costs and expenses are directly linked to, or denominated in US dollars. The Company is exposed to fluctuations in the value of the Baht on account of employee-related and other costs denominated in Baht. An appreciation of the Baht against the US dollar causes, among other things, their Baht denominated costs to increase in US dollars, which has a negative effect on US dollar-denominated results of operations. Also, an increase in volatility in the value of the Baht against the US dollar may also increase the cost that the Company incurs in converting the Baht that the Company receives as proceeds from the sale of their petroleum products into US dollars required to pay for crude oil and imported feedstock.

3.1.2 Interest rate risk

The Company is exposed to interest rate risk in relation to its current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. The Company does not enter into any financial instruments.

3.1.3 Credit risk

The Company has no significant credit risk because the Company sells majority of its total sales to its shareholders and related companies who have reputable and strong financial position. Apart from sales of products to the shareholders, sales are made to other customers with an appropriate credit history. Financial transactions are limited to high credit quality financial institutions.

3.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities.

3 Financial risk management (Cont'd)

3.2 Accounting for derivative financial instruments and hedging activities

The Company has no derivative financial instruments.

4 Critical accounting estimates and assumptions

Estimates, assumptions, and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Asset retirement obligation

It is recognised that the Company may incur asset retirement obligations for the dismantling and site restoration costs of its refining facilities. The timing and quantum of cash flows is difficult to estimate as the Company has no intention to decommission the sites in the near future. Accordingly and consistent with industry practice, no provision is recorded for asset retirement obligations as the amount cannot be measured with sufficient reliability due to the significant uncertainties involved.

5 Capital risk management

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders.

6 Segment information

The Company produces petroleum products in Thailand for both domestic and export markets, utilising the same assets. The Company has one reportable segment which is the refinery. The chief operating decision maker (the Chief Financial Officer) reviews the internal management report which reported the performance of the Company as a whole in order to assess performance and allocate resources. The chief operating decision maker assesses the performance of the reportable segment based on a measure of revenue, cost of goods sold, gross margin and earnings before interest income and expense, tax, depreciation and amortisation which are the same information as these financial statements.

The Company derived 91% of its revenue (2014: 92%) from sales to its related parties. Refer to Note 29 for the amount of revenue from each related party.

6 Segment information (Cont'd)

Geographical information

Revenues are presented by the entity's country of domicile and foreign countries which the entity derives revenues as shown in table below.

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Sales:				
- Local Sales	4,745,296,770	6,019,931,949	162,438,825,306	196,298,572,249
- Export Sales	472,275,736	965,443,140	16,326,846,630	31,413,813,212
Total Sales	5,217,572,506	6,985,375,089	178,765,671,936	227,712,385,461

The Company only operated in Thailand, therefore geographical information of non-current asset has not been presented.

7 Cash and cash equivalents

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Cash on hands	1,379	1,510	50,000	50,000
Deposits held at call with banks	108,911,676	69,041,220	3,948,461,029	2,286,051,979
	108,913,055	69,042,730	3,948,511,029	2,286,101,979

During 2015, the interest rates of cash at bank ranged between 0.25% and 0.63% per annum (2014: 0.33% and 1.97% per annum).

8 Trade and other receivables

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Trade receivables				
- related parties (Note 29 (iv))	120,992,985	343,131,553	4,383,168,896	11,339,766,953
- third parties	110,779,496	34,644,036	4,012,832,079	1,147,174,899
	231,772,481	377,775,589	8,396,000,975	12,486,941,852
Other receivables				
- related parties (Note 29 (v))	109,814	411,663	3,944,865	13,564,947
- Liquefied Petroleum Gas (LPG) Subsidy	1,271,214	7,816,718	46,086,335	258,836,556
- fuel subsidy	104,540	-	3,789,970	-
- third parties	5,786,432	2,211,890	209,767,989	73,222,223
	7,272,000	10,440,271	263,589,159	345,623,726
Trade and other receivables	239,044,481	388,215,860	8,659,590,134	12,832,565,578

Outstanding trade receivables can be analysed as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Up to 3 months	231,772,481	377,775,589	8,396,000,975	12,486,941,852
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total trade receivables	231,772,481	377,775,589	8,396,000,975	12,486,941,852
<u>Less</u> provision for impairment of trade receivables	-	-	-	-
	231,772,481	377,775,589	8,396,000,975	12,486,941,852

Liquefied Petroleum Gas (LPG) Subsidy and Fuel Subsidy are the liabilities of Thai government to the Company.

As at 31 December 2015 and 2014, the LPG subsidy was the outstanding subsidy that the Company was compensated for the difference between the Government's controlled price and a separate controlled wholesale price set by the Ministry of Energy through the Oil Fuel Fund.

As at 31 December 2015, fuel subsidy was the outstanding subsidy that the Company was compensated for the price cut of Gasohol set by the Ministry of Energy through the Oil Fuel Fund.

9 Inventories, net

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Crude oil (net with allowance)	87,911,076	217,927,052	3,187,110,560	7,216,262,047
Petroleum products (net with allowance)	65,976,054	103,771,472	2,391,882,684	3,436,205,486
Materials and supplies (net with allowance)	22,821,506	25,102,692	827,366,316	831,230,470
	176,708,636	346,801,216	6,406,359,560	11,483,698,003
Crude oil in transit (net with allowance)	72,452,571	57,199,008	2,626,681,008	1,894,042,206
Inventories, net	249,161,207	404,000,224	9,033,040,568	13,377,740,209

According to the Ministry of Energy, the Company is required to maintain a minimum oil and gas reserve of 6% of total production output in each period (2014: 6%). The reserve fluctuates upon production plan and volume produced. As at 31 December 2015, the above inventories include USD 106,502,766 or Baht 3,861,129,970 of oil & gas set aside as minimum reserve (2014: USD 141,090,084 or Baht 4,671,944,183).

During 2015, The Company has no debited to the statement of comprehensive income with respect of loss on declining in value of inventories (2014: USD 75,605,567 or Baht 2,476,815,131).

During 2015, USD 520,333 or Baht 17,477,712 was debited to the statement of comprehensive income with respect to loss on obsolete materials and supplies (2014: USD 560,690 or Baht 18,390,439).

10 Other current assets

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Advance to suppliers	405,923	777,926	14,604,710	25,578,677
Prepaid income tax	5,460,153	5,903,161	197,951,299	195,472,541
Others	764,484	430,752	27,715,463	14,263,585
Other current assets	6,630,560	7,111,839	240,271,472	235,314,803

11 Property, plant and equipment, net

Unit: US Dollar					
	Land	Buildings	Refinery plant & machinery	Furniture, fixtures and equipment	Construction in progress
At 1 January 2014					Total
Cost	73,442,578	52,751,022	1,812,714,085	65,967,172	2,119,736,593
Less Accumulated depreciation	-	(18,676,103)	(880,633,661)	(62,907,665)	(962,217,429)
Net book amount	73,442,578	34,074,919	932,080,424	3,059,507	1,157,519,164
Year ended 31 December 2014					
Opening net book amount	73,442,578	34,074,919	932,080,424	3,059,507	1,157,519,164
Assets transferred from construction in progress	-	211,681	143,838,541	580,653	-
Additions	-	-	11,119,402	-	68,508,515
Disposal - Cost	-	-	(14,878,556)	(2,799,109)	(17,677,665)
Disposal - Depreciation	-	-	9,334,416	2,772,486	12,106,902
Depreciation charge	-	(1,247,059)	(74,163,233)	(921,992)	(76,332,284)
Closing net book amount	73,442,578	33,039,541	1,007,330,994	2,691,545	1,144,124,632
At 31 December 2014					
Cost	73,442,578	52,962,703	1,952,793,472	63,748,716	2,170,567,443
Less Accumulated depreciation	-	(19,923,162)	(945,462,478)	(61,057,171)	(1,026,442,811)
Net book amount	73,442,578	33,039,541	1,007,330,994	2,691,545	1,144,124,632

11 Property, plant and equipment, net (Cont'd)

Unit: US Dollar					
	Land	Buildings	Refinery plant & machinery	Furniture, fixtures and equipment	Construction in progress
At 1 January 2015					Total
Cost	73,442,578	52,962,703	1,952,793,472	63,748,716	2,170,567,443
Less Accumulated depreciation	-	(19,923,162)	(945,462,478)	(61,057,171)	(1,026,442,811)
Net book amount	73,442,578	33,039,541	1,007,330,994	2,691,545	1,144,124,632
Year ended 31 December 2015					
Opening net book amount	73,442,578	33,039,541	1,007,330,994	2,691,545	1,144,124,632
Assets transferred from construction in progress	-	1,052,271	17,938,184	7,502,253	(26,492,708)
Additions	-	-	43,574	-	12,472,259
Disposal - Cost	-	-	(1,085,965)	(336,658)	12,515,833
Disposal - Depreciation	-	-	711,986	336,658	(1,422,623)
Depreciation charge	-	(1,280,103)	(77,592,657)	(1,492,201)	1,048,644
	-	-	-	-	(80,364,961)
Closing net book amount	73,442,578	32,811,709	947,346,116	8,701,597	1,075,901,525
At 31 December 2015					
Cost	73,442,578	54,014,974	1,969,689,265	70,914,311	2,181,660,653
Less Accumulated depreciation	-	(21,203,265)	(1,022,343,149)	(62,212,714)	(1,105,759,128)
Net book amount	73,442,578	32,811,709	947,346,116	8,701,597	1,075,901,525

As at 31 December 2015, certain fully depreciated items of machinery and equipment are still in use, their original costs are approximately US Dollar 44.81 million (2014: US Dollar 48.09 million).

11 Property, plant and equipment, net (Cont'd)

	Unit: Baht				
	Land	Buildings	Refinery plant & machinery	Furniture, fixtures and equipment	Construction in progress
At 1 January 2014					
Cost	2,419,888,872	1,738,114,529	59,727,841,446	2,173,578,696	3,784,625,293
Less Accumulated depreciation	-	(615,366,401)	(29,016,350,716)	(2,072,769,770)	-
Net book amount	2,419,888,872	1,122,748,128	30,711,490,730	100,808,926	3,784,625,293
Year ended 31 December 2014					
Opening net book amount	2,419,888,872	1,122,748,128	30,711,490,730	100,808,926	3,784,625,293
Assets transferred from construction in progress	-	6,905,408	4,692,272,137	18,941,942	(4,718,119,487)
Additions	-	-	362,734,922	-	1,872,136,155
Disposal - Cost	-	-	(485,726,578)	(91,087,884)	-
Disposal - Depreciation	-	-	304,728,600	90,229,549	-
Depreciation charge	-	(40,678,996)	(2,418,970,730)	(30,097,125)	-
Exchange differences on translation	12,029,895	5,070,363	189,423,621	330,280	(24,056,250)
Closing net book amount	2,431,918,767	1,094,044,903	33,355,952,702	89,125,688	914,585,711
At 31 December 2014					
Cost	2,431,918,767	1,753,764,575	64,663,240,800	2,110,923,960	914,585,711
Less Accumulated depreciation	-	(659,719,672)	(31,307,288,098)	(2,021,798,272)	-
Net book amount	2,431,918,767	1,094,044,903	33,355,952,702	89,125,688	914,585,711
					37,885,627,771

11 Property, plant and equipment, net (Cont'd)

	Unit: Baht					
	Land	Buildings	Refinery plant & machinery	Furniture, fixtures and equipment	Construction in progress	Total
At 1 January 2015						
Cost	2,431,918,767	1,753,764,575	64,663,240,800	2,110,923,960	914,585,711	71,874,433,813
Less Accumulated depreciation	-	(659,719,672)	(31,307,288,098)	(2,021,798,272)	-	(33,988,806,042)
Net book amount	2,431,918,767	1,094,044,903	33,355,952,702	89,125,688	914,585,711	37,885,627,771
Year ended 31 December 2015						
Opening net book amount	2,431,918,767	1,094,044,903	33,355,952,702	89,125,688	914,585,711	37,885,627,771
Assets transferred from construction in progress	-	37,874,494	620,092,087	269,206,051	(927,172,632)	-
Additions	-	-	1,500,681	-	429,540,822	431,041,503
Disposal - Cost	-	-	(36,135,241)	(11,490,540)	-	(47,625,781)
Disposal - Depreciation	-	-	23,697,640	11,490,540	-	35,188,180
Depreciation charge	-	(44,084,598)	(2,670,167,836)	(52,180,186)	-	(2,766,432,620)
Exchange differences on translation	230,653,760	101,714,316	3,049,956,643	9,314,421	76,080,498	3,467,719,638
Closing net book amount	2,662,572,527	1,189,549,115	34,344,896,676	315,465,974	493,034,399	39,005,518,691
At 31 December 2015						
Cost	2,662,572,527	1,958,248,061	71,408,720,686	2,570,913,229	493,034,399	79,093,488,902
Less Accumulated depreciation	-	(768,698,946)	(37,063,824,010)	(2,255,447,255)	-	(40,087,970,211)
Net book amount	2,662,572,527	1,189,549,115	34,344,896,676	315,465,974	493,034,399	39,005,518,691

As at 31 December 2015, certain fully depreciated items of machinery and equipment are still in use, their original costs are approximately Baht 1,624.36 million (2014: Baht 1,592.34 million).

12 Intangible asset, net

	Unit: US Dollar	Unit: Baht
At 1 January 2014		
Cost	6,521,697	214,886,009
<u>Less</u> Accumulated amortisation	(3,010,667)	(99,199,674)
Net book amount	3,511,030	115,686,335
Year ended 31 December 2014		
Opening net book amount	3,511,030	115,686,335
Additions	59,733	1,948,589
<u>Less</u> Amortisation charge	(850,918)	(27,757,847)
Exchange differences on translation	-	185,699
Closing net book amount	2,719,845	90,062,776
At 31 December 2014		
Cost	6,581,430	217,932,204
<u>Less</u> Accumulated amortisation	(3,861,585)	(127,869,428)
Net book amount	2,719,845	90,062,776
Year ended 31 December 2015		
Opening net book amount	2,719,845	90,062,776
Additions	278,637	10,027,547
<u>Less</u> Amortisation charge	(839,102)	(28,859,562)
Exchange differences on translation	-	7,054,960
Closing net book amount	2,159,380	78,285,721
At 31 December 2015		
Cost	6,860,067	248,703,485
<u>Less</u> Accumulated amortisation	(4,700,687)	(170,417,764)
Net book amount	2,159,380	78,285,721

13 Trade and other payables

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Trade payables				
- related parties (Note 29(iv))	54,203,770	289,587,327	1,965,092,652	9,589,163,700
- third parties	119,168,010	20,486,639	4,320,293,189	678,377,564
	173,371,780	310,073,966	6,285,385,841	10,267,541,264
Other payables				
- related parties (Note 29 (v))	363,085	513,101	13,163,184	16,990,424
- third parties	21,723,718	21,931,762	786,961,668	725,621,598
	22,086,803	22,444,863	800,124,852	742,612,022
Trade and other payables	195,458,583	332,518,829	7,085,510,693	11,010,153,286

14 Borrowings

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Current				
Current portion of long-term borrowings				
Bank borrowings	36,666,667	-	1,329,306,000	-
Total current borrowings	36,666,667	-	1,329,306,000	-
Non-Current				
Bank borrowings	73,333,333	-	2,658,612,000	-
Total non-current borrowings	73,333,333	-	2,658,612,000	-
Total borrowings	110,000,000	-	3,987,918,000	-

The interest rate exposure on the borrowings of the Company is as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Borrowings:				
at floating rate	110,000,000	-	3,987,918,000	-
Total borrowings	110,000,000	-	3,987,918,000	-

The exposure of the Company's borrowings to interest rate changes and the contractual re-pricing dates at the statement of financial position dates are as follows:

	Unit: US Dollar				
	6 months or less	6-12 months	1-5 years	Over 5 years	Total
At 31 December 2015					
Total borrowings	18,333,333	18,333,334	73,333,333	-	110,000,000

	Unit: Baht				
	6 months or less	6-12 months	1-5 years	Over 5 years	Total
At 31 December 2015					
Total borrowings	664,652,988	664,653,012	2,658,612,000	-	3,987,918,000

Weighted average effective interest rates of long term borrowings from financial institutions were stated at 1.25% and 1.27% for loan issued in US Dollar.

Carrying value and fair value of long-term borrowings are as follows:

	Unit: US Dollar			
	Carrying amounts		Fair values	
	2015	2014	2015	2014
Long-term bank borrowings	73,333,333	-	73,243,456	-

	Unit: Baht			
	Carrying amounts		Fair values	
	2015	2014	2015	2014
Long-term bank borrowings	2,658,612,000	-	2,655,426,105	-

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant.

14 Borrowings (Cont'd)

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate of 1.17% (2014: Nil) and are within level 2 of the fair value hierarchy.

Maturity of long-term borrowings:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Within 1 year	36,666,667	-	1,329,306,000	-
Over 1 year to 5 years	73,333,333	-	2,658,612,000	-
Over 5 years	-	-	-	-
Total	110,000,000	-	3,987,918,000	-

15 Dividend payable

Dividend payable comprises amount from third declaration on Extraordinary General Meeting of Shareholders on 28 May 2012. The following payment will be made on 120 days after public trade of shares in Stock Exchange market of Thailand.

Amount to be paid can be segregated as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
- Chevron South Asia Holding Pte., Ltd.	106,394,010	220,854,135	3,857,187,137	7,313,187,137
- PTT Public Company Limited	59,846,630	124,230,451	2,169,667,765	4,113,667,765
	166,240,640	345,084,586	6,026,854,902	11,426,854,902

16 Other current liabilities

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Accrued excise tax	28,624,417	29,983,270	1,037,743,906	992,842,018
Accrued withholding tax	4,950,401	231,230	179,470,858	7,656,755
Accrued interest	103,871	-	3,765,680	-
Other current liabilities	33,678,689	30,214,500	1,220,980,444	1,000,498,773

17 Deferred income taxes

The analysis of deferred tax assets (liabilities) is as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	81,543	228,052	2,956,226	7,551,521
Deferred tax assets to be recovered after more than 12 months	1,986,511	45,998,197	72,018,579	1,523,147,522
Total deferred tax assets	2,068,054	46,226,249	74,974,805	1,530,699,043
Deferred tax liabilities:				
Deferred tax liabilities to be recovered within 12 months	(159,047)	(4,891)	(5,766,054)	(161,960)
Deferred tax liabilities to be recovered after more than 12 months	(43,652,570)	(29,741,083)	(1,582,571,552)	(984,822,441)
Total deferred tax liabilities	(43,811,617)	(29,745,974)	(1,588,337,606)	(984,984,401)
Deferred tax (liabilities) assets, net	(41,743,563)	16,480,275	(1,513,362,801)	545,714,642

The movement in the deferred tax assets (liabilities) account is as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
At beginning of year	16,480,275	(31,016,309)	545,714,642	(1,021,968,784)
(Credited)/charged to profit or loss (Note 24)	(44,215,126)	43,968,113	(1,459,732,369)	1,442,402,142
Exchange differences on translation	(14,008,712)	3,528,471	(599,345,074)	125,281,284
At end of year	(41,743,563)	16,480,275	(1,513,362,801)	545,714,642

17 Deferred income taxes (Cont'd)

The movement in deferred tax assets and liabilities during the year is as follows:

Unit: US Dollar						
	Tax effect of currency translation on tax base	Long-term debt acquisition cost	Retirement benefit obligation	Loss on obsolete materials and supplies	Net operating loss	Total
Deferred tax assets						
At 1 January 2014	(165,668)	713,760	1,001,322	646,769	-	2,196,183
Charged/(credited)to profit or loss	67,697	(298,460)	112,629	112,138	44,036,062	44,030,066
At 31 December 2014	(97,971)	415,300	1,113,951	758,907	44,036,062	46,226,249
At 1 January 2015	(97,971)	415,300	1,113,951	758,907	44,036,062	46,226,249
Charged/(credited)to profit or loss	62,675	(298,460)	9,585	104,067	(44,036,062)	(44,158,195)
At 31 December 2015	(35,296)	116,840	1,123,536	862,974	-	2,068,054
Unit: Baht						
	Tax effect of currency translation on tax base	Long-term debt acquisition cost	Retirement benefit obligation	Loss on obsolete materials and supplies	Net operating loss	Total
Deferred tax assets						
At 1 January 2014	(5,458,696)	23,517,964	32,992,970	21,310,665	-	72,362,903
Charged/(credited) to profit or loss	2,214,541	(9,862,887)	3,663,888	3,678,088	1,444,733,238	1,444,426,868
Exchange differences on translation	-	96,825	229,640	141,101	13,441,706	13,909,272
At 31 December 2014	(3,244,155)	13,751,902	36,886,498	25,129,854	1,458,174,944	1,530,699,043
At 1 January 2015	(3,244,155)	13,751,902	36,886,498	25,129,854	1,458,174,944	1,530,699,043
Charged/(credited) to profit or loss	1,964,506	(10,797,127)	296,204	3,495,542	(1,452,934,782)	(1,457,975,657)
Exchange differences on translation	-	1,281,100	3,549,786	2,660,695	(5,240,162)	2,251,419
At 31 December 2015	(1,279,649)	4,235,875	40,732,488	31,286,091	-	74,974,805

17 Deferred income taxes (Cont'd)

The movement in deferred tax assets and liabilities during the year is as follows: (Cont'd)

Unit: US Dollar			
	Tax effect of currency translation on tax base	Depreciation	Total
Deferred tax liabilities			
At 1 January 2014	(32,257,648)	(954,844)	(33,212,492)
Charged to profit or loss	3,460,774	5,744	3,466,518
At 31 December 2014	(28,796,874)	(949,100)	(29,745,974)
At 1 January 2015	(28,796,874)	(949,100)	(29,745,974)
(Credit)/charged to profit or loss	(14,071,387)	5,744	(14,065,643)
At 31 December 2015	(42,868,261)	(943,356)	(43,811,617)

Unit: Baht			
	Tax effect of currency translation on tax base	Depreciation	Total
Deferred tax liabilities			
At 1 January 2014	(1,062,870,150)	(31,461,537)	(1,094,331,687)
Charged to profit or loss	109,313,495	189,814	109,503,309
Exchange differences on translation	-	(156,023)	(156,023)
At 31 December 2014	(953,556,655)	(31,427,746)	(984,984,401)
At 1 January 2015	(953,556,655)	(31,427,746)	(984,984,401)
(Credit)/charged to profit or loss	(600,580,700)	207,794	(600,372,906)
Exchange differences on translation	-	(2,980,299)	(2,980,299)
At 31 December 2015	(1,554,137,355)	(34,200,251)	(1,588,337,606)

18 Employee benefit obligations

The amount recognised in the statement of financial position are determined as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Present value of unfunded obligation	5,617,685	5,569,757	203,662,442	184,432,493
Net liabilities recognised in the statement of financial position	5,617,685	5,569,757	203,662,442	184,432,493

The movement in the defined benefit obligation over the year is as follows:

	Unit: US Dollar		Unit: Baht	
	2015	2014	2015	2014
At 1 January	5,569,757	5,006,612	184,432,493	164,964,850
Current service cost	370,290	374,972	12,777,958	12,244,234
Interest cost	233,132	221,212	8,044,940	7,223,409
	603,422	596,184	20,822,898	19,467,643
Gain from exchange rate	(509,332)	(33,039)	-	-
Payment for plans:				
Benefit payment	(46,162)	-	(1,592,949)	-
At 31 December	5,617,685	5,569,757	203,662,442	184,432,493

Major Actuarial Assumptions

The Company's financial assumptions

For the year ended 31 December 2015 and 2014.

	% per annum
Discount rate	4.4
Salary growth rate	6.0

The Company's demographic assumptions

- Mortality assumption: The mortality rate is from the Thailand Mortality Ordinary 2008 (TMO08) issued by the Office of the Insurance Commission. The TMO08 contains the results of the most recent mortality investigation of policy holders of life insurance companies in Thailand. It is reasonable to assume that these rates would reflect of the mortality rate of the population in Thailand.

- Turnover rate assumption

For the year ended 31 December 2015 and 2014.

Age	% per annum
Age 25 - 34	3.75 - 4.50
Age 35 - 44	1.50 - 3.00
Age 45 thereafter	0.00 - 0.75

The turnover rate above reflects the rate at which employees voluntarily resign from service. It does not include death, disability, and early retirement. The calculation for the employee benefits is based on these assumptions.

18 Employee benefit obligations (Cont'd)

Sensitivity analysis for each significant assumption disclosed:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	Decrease by 11.58%	Increase by 13.58%
Salary growth rate	1.00%	Increase by 14.79%	Decrease by 12.69%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 18 years.

Expected maturity analysis of undiscounted retirement benefits:

	Unit: US Dollar			
	Within 1 year	Over 1 year to 5 years	Over 5 years	Total
At 31 December 2015				
Retirement benefits	95,925	489,936	20,758,900	21,344,761
Total	95,925	489,936	20,758,900	21,344,761

	Unit: Baht			
	Within 1 year	Over 1 year to 5 years	Over 5 years	Total
At 31 December 2015				
Retirement benefits	3,477,657	17,762,048	752,589,005	773,828,710
Total	3,477,657	17,762,048	752,589,005	773,828,710

19 Share capital

	Number of shares	Ordinary shares US Dollar	Ordinary shares Baht
At 1 January 2014	4,102,951,025	1,184,955,167	41,029,510,250
Issue of shares	-	-	-
At 31 December 2014	4,102,951,025	1,184,955,167	41,029,510,250
Capital reduction	-	(364,966,192)	(12,637,089,157)
Issue of shares	232,951,100	44,724,833	1,612,021,612
At 31 December 2015	4,335,902,125	864,713,808	30,004,442,705

19 Share capital (Cont'd)

The total authorised number of ordinary shares is 4,774,343,003 shares (2014: 4,102,951,025 shares) with a par value of Baht 6.92 per share (2014: Baht 10 per share). Number of 4,335,902,125 issued shares are fully paid.

At the Extraordinary General Meeting of Shareholder held on 7 July 2015, the shareholders approved a reduction in the registered and paid-up capital of the Company from Baht 41,029,510,250 to Baht 28,392,421,093 by reducing the par value of each share from Baht 10.00 to Baht 6.92. The Company registered the decreased share capital with the Ministry of Commerce on 15 September 2015.

At the Extraordinary General Meeting of Shareholder held on 7 July 2015, the shareholders approved an increase in the authorised share capital from 4,102,951,025 ordinary shares with a par value of Baht 6.92 per share to 4,774,343,003 ordinary shares with a par value of Baht 6.92 per share by issuing 671,391,978 additional shares at par value of Baht 6.92 per share. The Company registered the increased share capital with the Ministry of Commerce on 16 September 2015.

From approval of the offer for sale of the Employee Stock Ownership Plan or ESOP (the "ESOP") to the management (exclude management secondees) and employees on 7 July 2015, the Company issued newly shares of 35,728,800 at the price equivalent to the Initial Public Offering price of its newly-issued ordinary shares (IPO Price). The Company has registered paid-up share capital with Ministry of Commerce on 3 December 2015. Direct cost arising from public offering share capital USD 0.13 million (Baht 4.51 million) is offset to premium on share received from shareholders.

In November 2015, the Company has entered into initial public offering share capital from 197,222,300 ordinary shares with value of 9.00 Baht (par value of Baht 6.92 per share with premium on share capital 2.08 Baht per share) totaling to Baht 1,775,000,700. The Company has registered paid-up share capital with Ministry of Commerce on 3 December 2015. Public offering shares were trade on SET on 8 December 2015.

Direct cost arising from public offering share capital USD 1.71 million (Baht 61.28 million) is offset to premium on share received from shareholders

20 Legal reserve

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Balance at the beginning of year	61,418,972	61,418,972	1,965,065,317	1,965,065,317
Appropriation during the year	23,233,279	-	921,434,781	-
Balance at the end of year	84,652,251	61,418,972	2,886,500,098	1,965,065,317

The appropriation during the year includes the legal reserves set before and after registration as a public company.

21 Dividend paid

At the Extraordinary General Meeting of Shareholder No.1 held on 16 June 2015, the shareholders approved a resolution to declare dividend payment from unappropriated retained earnings after legal reserve allocation of the net profit of 2013 in the amount of USD 62,163,717 or an equivalent of Baht 0.47 per share, totalling Baht 1,922.6 million. The dividend was paid on 16 July 2015.

At the Extraordinary General Meeting of Shareholder No.2 held on 7 July 2015, the shareholders approved a resolution to declare dividend payment from unappropriated retained earnings after legal reserve allocation as of 31 December 2014 in the amount of USD 15,059,128 or an equivalent of Baht 0.12 per share, totalling Baht 509.3 million. The dividend was paid on 6 August 2015.

At the Board of Director Meeting No.3 held on 13 August 2015, the Board approved a resolution to declare interim dividend payment from unappropriated retained earnings after legal reserve allocation of the six months net profit of 2015 in the amount of USD 200,441,476 or an equivalent of Baht 1.71 per share, totalling Baht 7,031.0 million. The dividend was paid on 11 September 2015.

At the Extraordinary General Meeting of Shareholder held on 11 September 2014, the shareholders approved a resolution to declare dividend payment from unappropriated retained earnings after legal reserve allocation of the net profit of 2013 in the amount of USD 60,000,000 or an equivalent of Baht 0.45 per share, totalling Baht 1,855.7 million. The dividend was paid on 10 October 2014.

At the Extraordinary General Meeting of Shareholder held on 28 May 2012, the shareholders approved a resolution to declare dividend payment from unappropriated retained earnings after legal reserve allocation in the amount of USD 529,759,436 or an equivalent of Baht 4.10 per share, totalling Baht 16,826.9 million. Dividend payment was made into three times. The first payment amount to USD 170,008,060 or THB 5,400 million was paid to shareholders on 8 June 2012. The second payment amount of USD 170,008,060 or Baht 5,400 million was paid on 16 July 2015.

22 Expenses by nature

The following expenditure items, classified by nature, have been charged in arriving at profit for the year:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Changes in inventories of finished goods	37,627,801	16,683,827	1,372,042,917	544,004,556
Raw materials and consumables used	4,735,806,708	7,128,477,202	162,359,308,125	232,435,205,496
Staff costs	39,337,842	32,830,463	1,362,315,644	1,070,493,060
Repair and maintenance expenditure on plant and equipment	31,483,004	46,672,164	1,080,910,040	1,521,825,256
Depreciation on plant and equipment (Note 11)	80,364,961	76,332,284	2,766,432,620	2,489,746,851
Amortisation on intangible asset (Note 12)	839,102	850,918	28,859,562	27,757,847
Operating lease rental	126,098	126,098	4,337,916	4,113,409
Total cost of sales and administrative expenses	4,925,585,516	7,301,972,956	168,974,206,824	238,093,146,475

22 Expenses by nature (Cont'd)

Depreciation, amortisation, and operating rental related to production assets:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Recognised as cost of sales	73,312,838	69,312,346	2,523,812,348	2,297,841,596
Recognised as administration expenses	8,017,323	7,996,954	275,817,750	223,776,511
	81,330,161	77,309,300	2,799,630,098	2,521,618,107

23 Other income

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Finance income	2,670,459	891,456	90,492,667	29,060,670
Others	4,234,328	5,857,474	143,164,994	191,054,862
	6,904,787	6,748,930	233,657,661	220,115,532

24 Income tax expenses

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Current tax	26,208,086	-	922,948,779	-
Deferred tax (Note 17)	44,215,126	(43,968,113)	1,459,732,369	(1,442,402,142)
Prior year tax adjustment	(7,695)	3,527	(260,710)	115,220
	70,415,517	(43,964,586)	2,382,420,438	(1,442,286,922)

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Profit (loss) before tax	314,964,952	(238,015,795)	10,609,894,488	(7,809,663,329)
Tax calculated at a tax rate of 20% (2014: 20%)	62,992,990	(47,603,159)	2,106,436,377	(1,552,900,739)
Expenses double deductible for tax purposes	(39,608)	(35,807)	(1,364,088)	(1,168,089)
Expenses not deductible for tax purposes	14,566	15,867	501,640	517,610
Tax effect from translation of tax base	7,455,264	3,654,986	256,757,052	119,232,229
Prior year tax adjustment	(7,695)	3,527	(260,710)	115,220
Exchange differences on translation	-	-	20,350,167	(8,083,153)
Tax charge	70,415,517	(43,964,586)	2,382,420,438	(1,442,286,922)

25 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Profit (loss) attributable to shareholders	244,549,435	(194,051,209)	8,227,474,050	(6,367,376,407)
Weighted average number of ordinary shares in issue (Shares)	4,135,946,763	4,102,951,025	4,135,946,763	4,102,951,025
Basic earnings (loss) per share	0.06	(0.05)	1.99	(1.55)

26 Significant contractual agreements

The significant contractual agreements can be summarised as follows:

Construction and Operation of the Petroleum Refinery Agreement

On 22 November 1992, the Company accepted the transfer of all of the rights and obligations under the Agreement for the Construction and Operation of the Petroleum Refinery (“MOI Agreement”) from Caltex Trading and Transport (Thailand) Limited (“CTTTL”) in accordance with the MOI Agreement made between CTTTL and the Ministry of Industry (“MOI”) dated 29 November 1991. According to the terms of the MOI Agreement, as amended, the Company has to comply with certain stipulated conditions including thirty percent of the shares of registered capital in the Company to be sold to the public at the first opportunity following registration of the Company’s shares with the Securities Exchange of Thailand (“SET”) or by the end of the year 2000.

In 2015 the Company has successfully listed with the SET and started first day of trading of the Company shares on the SET on 8 December 2015.

Land Lease Agreement

On 20 November 1992, the Company entered into a lease agreement for certain parcels of land with the IEAT. The agreement is for a period of thirty years beginning 20 November 1992. The Company’s total fee, including interests from the date of the lease to the date of payment, was approximately Baht 302 million.

Joint Operation Agreement

On 1 December 1993, the Company entered into a joint operation agreement with the IEAT whereby the Company is committed to pay an annual fee of approximately Baht 2.5 million in return for joint operation and maintenance of roads and utilities for the refinery.

Natural Gas Sales Contract - Cogeneration

On 18 October 1996, the Company entered into a natural gas sales contract with PTT Public Company Limited (“PTT”) whereby the Company is committed to purchase natural gas based on the term stipulated in the agreement to be supplied for an electricity generating system called “Cogeneration”. The agreement expires twelve years from the date commercial use of gas commenced on 17 March 1997.

On 25 December 2002, the contract was amended to reflect the new pricing calculation by using Thailand Producer Price Index to replace Thailand Wholesales Price Index.

On 19 December 2008, the Company entered into a new natural gas contract with PTT with effective from 17 March 2009 and expires on 16 March 2019.

26 Significant contractual agreements (Cont'd)

Natural Gas Sales Contract - Petroleum Product Manufacturing Process

On 22 September 1999, the Company entered into a natural gas sales contract with PTT Public Company Limited (“PTT”) whereby the Company is committed to purchase natural gas based on the terms stipulated in the agreement to be supplied for its Petroleum product manufacturing process. The agreement has been renewed after its expiration on 31 December 2003. The renewed agreement expires four years from the date commercial use of gas commenced on 1 January 2004.

On 19 December 2008, the Company entered into a new natural gas contract with PTT with effective from 1 January 2009 and expires on 31 December 2018.

Feedstock Supply Agreement

On 19 February 1996, the Company entered into a feedstock supply agreement with Chevron U.S.A. Inc. whereby the Company is committed to purchase certain quantities of feedstock from Chevron U.S.A. Inc. which is based on the term stipulated in the agreement starting on the date the agreement was made. The agreement was terminated upon the first day of trading of the Company shares on the SET.

On 5 June 2012, the Company entered into a new feedstock supply agreement with Chevron U.S.A. Inc. whereby the Company is committed to purchase feedstock from Chevron U.S.A. Inc. which is based on the term stipulated in the agreement effective upon the first day of trading of the Company shares on the SET which is on 8 December 2015.

Also, on 8 March 1996, the Company entered into a feedstock supply agreement with PTT Public Company Limited whereby the Company is committed to purchase certain quantities of feedstock from PTT based on the term stipulated in the agreement starting on the date the agreement was made. The agreement was terminated upon the first day of trading of the Company shares on the SET.

On 5 June 2012, the Company entered into a new feedstock supply agreement with PTT whereby PTT will be granted certain rights to offer a supply crude oil to the Company which is based on the term stipulated in the agreement effective upon the first day of trading of the Company shares on the SET which is on 8 December 2015.

Purchase and Sale Agreement

On 10 August 1993, the Company entered into a purchase and sale agreement with PTT Public Company Limited (“PTT”) and Chevron (Thailand) Limited (“CTL”). According to this agreement, the Company has committed to sell a portion of the refined petroleum products it produces to PTT and CTL starting on the date commercial operations commenced, 1 July 1996, based on the terms of the agreement.

On 5 June 2012, the agreement was amended which is effective upon the first day of trading of the Company shares on the SET which is on 8 December 2015.

27 Contingent liabilities and bank guarantees

As at 31 December 2015 and 2014, the Company has bank guarantees issued on the Company’s behalf relating to value added tax refund, land use in Map Ta Phut Industrial Estate, electricity and others amounting to USD 0.72 million or Baht 26.24 million and USD 30.97 million or Baht 1,025.42 million, respectively.

28 Commitments

As at 31 December 2015 and 2014, the Company had commitment for the purchase of machinery, equipment and installations in progress of approximately USD 5.89 million or Baht 213.48 million and USD 5.72 million or Baht 189.25 million, respectively.

As at 31 December 2015 and 2014, the Company had commitment for the purchase of raw materials and utilities which include crude oil, hydrogen, natural gas and back-up electricity of approximately USD 553.10 million or Baht 20,052.02 million and USD 841.31 million or Baht 27,858.46 million, respectively.

As at 31 December 2015 and 2014, the Company had operating land lease commitment of approximately USD 1.62 million or Baht 58.60 million and USD 1.98 million or Baht 65.65 million, respectively.

29 Related party transactions

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

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

Related parties	Relationship
Chevron Group	Shareholder
PTT Public Company Limited	Shareholder
Chevron (Thailand) Limited	Related Party of Chevron Group
B8/32 Partners Ltd.	Related Party of PTT
Dhipaya Insurance Public Company Limited	Related Party of PTT
HMC Polymers Company Limited	Related Party of PTT
IRPC Public Company Limited	Related Party of PTT
Orange Energy Limited	Related Party of PTT
PTT Energy Solutions Company Limited	Related Party of PTT
PTT Exploration and Production Public Company Limited	Related Party of PTT
PTT Global Chemical Public Company Limited	Related Party of PTT
PTT International Trading PTE., Ltd.	Related Party of PTT
PTT Maintenance & Engineering Company Limited	Related Party of PTT
PTTEP International Limited	Related Party of PTT
PTTEP (Thailand) Limited	Related Party of PTT
Thai Oil Public Company Limited	Related Party of PTT
Thai Oleochemicals Co., Ltd.	Related Party of PTT
UBE Chemicals (Asia) Public Co., Ltd.	Related Party of PTT
Ubon Bio Ethanol Company Limited	Related Party of PTT

The accompanying financial statements include transactions with PTT, the Chevron Group and other related companies. The basis of transactions approximates those in the normal course of business. The Company acquires substantially all of its raw materials from its parent companies or affiliates at agreed prices and sells substantially all of its petroleum products to its parent companies or affiliates at agreed prices.

PTT Public Company Limited held major portion of shares and voting rights until 2 December 2015.

From 2 December 2015 onward, PTT Public Company Limited has diluted its ownership to 5.41% of total shares. Therefore, PTT Public Company Limited and its related parties are excluded from the Company's related parties. That means business transactions after 2 December 2015 and balances due to/due from as at 31 December 2015 are not considered as related party transactions.

29 Related party transactions (Cont'd)

The following transactions were carried out with related parties:

i) Sales of goods and services

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Sales of goods with related parties:				
- Chevron Group	199,570,749	340,513,179	6,948,664,674	11,064,221,184
- Chevron (Thailand) Limited	2,439,063,829	2,038,809,127	83,647,148,443	66,474,683,115
- HMC Polymers Company Limited	123,025,901	135,235,745	4,193,457,313	4,404,141,798
- IRPC Public Company Limited	-	1,154,287	-	37,622,154
- PTT Global Chemical Public Company Limited	244,861,047	433,809,328	8,324,859,348	14,129,068,930
- PTT International Trading PTE, Ltd.	223,589,741	589,815,125	7,643,997,937	19,219,182,198
- PTT Public Company Limited	1,488,074,695	2,834,265,887	50,728,361,262	92,392,828,968
- Thai Oil Public Company Limited	-	33,287,203	-	1,084,722,622
- UBE Chemicals (Asia) Public Co., Ltd.	4,079,513	4,075,497	139,653,856	132,798,388
	4,722,265,475	6,410,965,378	161,626,142,833	208,939,269,357
	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Sales of services with related parties:				
- Chevron (Thailand) Limited	869,547	1,178,424	29,449,389	38,374,036
- PTT Global Chemical Public Company Limited	1,459,578	2,120,705	49,634,844	69,095,184
- PTT Public Company Limited	1,057,109	1,685,907	35,604,414	54,917,579
	3,386,234	4,985,036	114,688,647	162,386,799

The above transactions were carried out on commercial terms and conditions which is reference from market prices.

Transaction with related parties of PTT Public Company Limited was occurred in coverage of 2 December 2015.

29 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

ii) Purchases of goods and service

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Purchases of goods with related parties:				
- Chevron Group	1,797,405,869	2,795,520,254	61,853,631,903	91,385,620,255
- B8/32 Partners Ltd.	64,406,350	97,291,828	2,197,983,904	3,174,034,701
- Orange Energy Limited	69,398,227	137,615,529	2,374,750,250	4,488,531,962
- IRPC Public Company Limited	-	54,188,882	-	1,769,630,173
- PTT Exploration and Production Public Company Limited	7,670,118	19,569,148	264,034,563	639,035,569
- PTT Global Chemical Public Company Limited	160,331,665	299,785,641	5,502,837,850	9,784,241,807
- PTT International Trading PTE, Ltd.	15,680,436	247,131,446	531,983,870	8,080,457,827
- PTT Public Company Limited	1,082,107,180	2,056,009,109	37,085,639,775	66,891,446,687
- PTTEP International Limited	12,643,700	16,926,588	431,472,660	552,924,905
- Thai Oleochemicals Co., Ltd.	5,761,001	7,744,851	196,389,545	253,561,295
- Ubon Bio Ethanol Company Limited	3,154,880	564,095	106,081,190	18,678,990
- Thai Oil Public Company Limited	-	35,541,039	-	1,145,885,741
	3,218,559,426	5,767,888,410	110,544,805,510	188,184,049,912
	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Purchases of services with related parties:				
- Chevron Group	5,255,075	5,482,397	180,564,606	178,558,938
- Chevron (Thailand) Limited	300,371	457,083	10,350,545	14,894,618
- Dhipaya Insurance Public Company Limited	2,663,068	3,252,027	91,115,596	105,874,584
- PTT Global Chemical Public Company Limited	708,794	2,696,317	24,183,122	87,899,721
- PTT Energy Solutions Company Limited	287,618	-	10,231,195	-
- PTT Maintenance& Engineering Company Limited	-	72,772	-	2,383,225
- PTT Public Company Limited	-	7,776	-	254,685
	9,214,926	11,968,372	316,445,064	389,865,771

The above transactions were carried out on commercial terms and conditions which is reference from market prices.

Transaction with related parties of PTT Public Company Limited was occurred in coverage of 2 December 2015.

29 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

iii) Management remuneration

Key management includes directors (executives and non-executive). The compensations paid or payable to management for employment services are as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
- Salaries and other short-term employee benefits	5,659,250	5,893,889	194,685,278	192,269,267
- Retirement benefits	40,658	42,653	1,391,433	1,391,432
- Share-based payment	560,066	-	19,961,560	-
	6,259,974	5,936,542	216,038,271	193,660,699

iv) Trade receivables and trade payables

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Trade receivables from related parties:				
- Chevron Group	9,944,216	12,481,986	357,229,044	409,568,919
- PTT Public Company Limited	-	124,118,172	-	4,109,949,866
- Chevron (Thailand) Limited	111,048,769	122,052,155	4,025,939,852	4,041,537,406
- HMC Polymers Company Limited	-	9,897,555	-	327,739,719
- PTT Global Chemical Public Company Limited	-	12,107,943	-	400,932,748
- PTT International Trading PTE., Ltd.	-	62,141,129	-	2,039,024,426
- UBE Chemicals (Asia) Public Co., Ltd.	-	332,613	-	11,013,869
	120,992,985	343,131,553	4,383,168,896	11,339,766,953

29 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

iv) Trade receivables and trade payables (Cont'd)

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Trade payables to related parties:				
- Chevron Group	53,448,934	175,245,710	1,937,726,974	5,802,946,242
- PTT Public Company Limited	-	49,401,672	-	1,635,848,097
- Chevron (Thailand) Limited	754,836	37,147,791	27,365,678	1,230,082,219
- B8/32 Partners Ltd.	-	7,728,423	-	255,912,802
- Dhipaya Insurance Public Company Limited	-	87,595	-	2,900,565
- Orange Energy Limited	-	7,728,423	-	255,912,802
- PTT Exploration and Production Public Company Limited	-	1,503,777	-	49,794,857
- PTT Global Chemical Public Company Limited	-	7,768,125	-	257,227,476
- PTT International Trading PTE., Ltd.	-	1,623	-	53,740
- PTTEP International Limited	-	1,648,479	-	54,586,412
- Thai Oleochemicals Co., Ltd.	-	1,150,864	-	38,108,804
- Ubon Bio Ethanol Company Limited	-	174,845	-	5,789,684
	54,203,770	289,587,327	1,965,092,652	9,589,163,700

v) Other receivables and other payables

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Other receivables - related parties:				
- Chevron Group	109,814	221,395	3,944,865	7,264,588
- PTT Public Company Limited	-	259	-	8,560
- PTT Global Chemical Public Company Limited	-	190,009	-	6,291,799
	109,814	411,663	3,944,865	13,564,947
	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Other payables - related parties:				
- Chevron Group	317,192	327,375	11,499,403	10,840,438
- Chevron (Thailand) Limited	45,893	94,883	1,663,781	3,141,883
- PTT Global Chemical Public Company Limited	-	90,843	-	3,008,103
	363,085	513,101	13,163,184	16,990,424

29 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

v) Other receivables and other payables (Cont'd)

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Capital reduction payable:				
- Chevron South Asia Holding Pte., Ltd.	63,198,892	-	2,291,200,000	-
	63,198,892	-	2,291,200,000	-

At the Extraordinary General Meeting of Shareholder held on 7 July 2015, the shareholders approved a reduction in the registered and paid-up capital of the Company by reducing the par value of each share from Baht 10.00 to Baht 6.92. The difference will be returned to the shareholders in the proportion of their shareholding in the Company.

vi) Other liabilities

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Other liabilities - related parties:				
- PTT Global Chemical Public Company Limited	-	354,167	-	11,727,616

30 Share-based payment

On 7 July 2015, the Company has announced newly issued shares of 38,433,200 shares granted to management and employees. Options are conditional on the employees who declare their intention to participate in the program and named in the list of eligible employees announced by the Company on 30 September 2015.

The Company recognises share-based payment expense based on the fair value of the awards granted to management and employees, and an equivalent credit directly to equity. Fair value calculation involves Income Approach method resulting to exercise Baht 9.00 per option. The key information used in model comprises revenue and cost projection including weighted average of capital value.

Total 35,728,800 options were exercisable.

As of 31 December 2015, the Company has no outstanding option and no legal or constructive obligation to repurchase or settle the options in cash.

31 Promotional privilege

The Company has been granted promotional privilege certificate number 9038(2)/2554 by the Board of Investment. Under the privilege, the Company has received exemption from certain taxes and duties as detailed in the certificates including exemption from corporate income tax for net profit from earning promoted revenue.

The privilege on exemption from corporate income tax for net profit has ended on 23 December 2014.

Sales classified by BOI and Non BOI businesses are as follows:

	Unit: US Dollar		Unit: Baht	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
BOI - Promoted activities	-	6,616,384,583	-	215,726,307,716
Non BOI - Promoted activities	-	418,215,565	-	13,599,115,665
	-	7,034,600,148	-	229,325,423,381

AUDITOR FEE

Auditor Fee

In 2015, the shareholders approved the appointment of PricewaterhouseCoopers ABAS Ltd. to serve as auditor for the Company.

The company made total audit payments of Baht 2,909,800 including out of pocket expenses as follows:

Description	Amount (Baht)
Audit fee	2,772,000
Out of pocket expenses	137,800
Total	2,909,800

Non-Audit fee

In addition to the audit fee, the Company also made total payments of Baht 9,000,000 for other services related to our Initial Public Offering as follows:

Description	Amount (Baht)
Service fee	8,750,000
Out of pocket expenses	250,000
Total	9,000,000

GENERAL INFORMATION

Name

Star Petroleum Refining Public Company Limited

Initial

SPRC

Business

Founded in 1992, SPRC is one of the leading petroleum product producers and oil refiners in Thailand and the Asia Pacific region.

SPRC owns and operates a complex refinery with a capacity, as of 31 December 2015, of 165,000 barrels per day of crude oil, which represents 13.2% of the refining capacity in Thailand.

SPRC is strategically located in Map Ta Phut, Thailand's premier petrochemicals hub and our key products consist of LPG, gasoline, jet fuel and diesel.

Our unique configuration and flexibility in production enables us to produce more gasoline compared to other Thai refineries.

Registration number

0107555000155

Address

No.1, I-3B Road, Map Ta Phut,
Muang Rayong, Rayong 21150
Tel: +66 (0) 38 699 000
Fax: +66 (0) 38 699 999

Website

www.sprc.co.th

Listing Date

Trading commencement on 8 December 2015

Capital As of 8 December 2015

Registered Capital

Baht 33,038,453,580.76 comprising common shares
4,774,343,003 shares at Baht 6.92 per share

Paid-up Capital

Baht 30,004,442,705.00 comprising common Shares
4,335,902,125 shares at Baht 6.92 per share

Secondary Market

The Stock Exchange of Thailand (SET)

Investor Relations

Telephone number: +66 (0) 38 699 887

Web site: <http://investor.sprc.co.th>

Email: ir@sprc.co.th

Securities Registrar

Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand

Tel: +66 (0) 2 009 9000

Fax: +66 (0) 2 009 9991

SET Contact Center : +66 (0) 2 009 9999

Website: www.set.or.th/tsd

E-mail: SETContactCenter@set.or.th

External Auditor

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