



2015 ANNUAL REPORT

บริษัท อาร์พีซี จำกัด (มหาชน)
RPCG PUBLIC COMPANY LIMITED

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General Information

Company Name	RPCG Public Company Limited (“Company”)
Type of Business	RPCG acts as the holding company, accompany with its fuel-retailing (former) business with the refined capacity of 17,000 Barrel per Day and one depot for the distribution of High Speed Diesel, 91 RON Gasoline, Gasohol 91, Gasohol 95, Gasohol E85, Chemicals and Fuel Oil including retail marketing
Head Office	86/2 Pure Place Ramkhamhaeng, 3 rd Floor, Ramkhamhaeng Road, Saphansoong, Bangkok 10240
Registered Capital	1,304,664,125 Baht
Ordinary shares	1,304,664,125 Shares
Par value	1 Baht
Paid registered capital	1,304,664,125 Baht
Company Register No.	0107546000202
	Telephone No. 02-372-3600
	Fax No. 02-372-3327
Factory	7/3 Pakorn Songkrohrad Road, Tambol Map-ta-phut, Amphur Muang-Rayong, Rayong Province 21150
	Telephone No. (038) 685-816 -9 Fax No. (038) 685-243
Home page	http://www.rpcthai.com

References

Securities Registration	Thailand Security Depository Co., Ltd.
Address	93 Ratchadapisek Road, Dindaeng, Bangkok 10400
	Telephone No. 02-009-9000 Fax No. 02-009-9991
Auditor (year 2015)	Mrs.Poonnard Paocharoen
	Certified Public Accountant (Thailand) No. 5238
Address	EY Office Limited
	33 rd Floor, Lake Rajada Office Complex 193/136-137
	Rajadapisek Road, Klongtoey, Bangkok 10110
	Telephone No. 02-264-0777 Fax No. 02-264-0790

Message from the Chairman

In 2015, the process of examining the legal dispute in relation to the termination of selling and purchase agreement of condensate residue (“CR”) from PTT Public Company Limited (“PTT”), which was considered a breach of contract, between PTT and the Company has come to an end. However, the decision of the arbitration panel is still pending.

The Company has permanently suspended its oil refinery business, modified its operation, and reorganized its business structure to operate as a holding company. In 2015, the Company has net profit of THB 100 mm which came from two main businesses which are energy business and property development business. The Company believes that the joint venture and joint operation in potential businesses will be the key performance driver in the long run.

In property development business, the Company has increased its holdings in Sammakorn Public Company Limited (“SAMCO”), which develops horizontal and vertical real estate project, to 48.25%. Although the real estate sector was affected by the unstable domestic economic condition, SAMCO was still able to sustain its performance. Moreover, SAMCO has plans to expand and continue to develop more projects. With over 45 years of experience, the Company believes that SAMCO will continue to expand and maintain its business performance.

This year, for the energy business, the world’s petroleum market is bearish which drove the

retail price down. In retail gas station business, the Company operates 51 gas stations throughout Thailand which focus on providing E85 and Gasohol 91 in response to and to promote

renewable energy. The Company plans to develop “Pure” gas station in a new model that combines the gas station and community mall. We have successfully open two branches with this model, in Rangsit Klong 2 and Amata Industrial Estate. This model utilizes our market expertise (in North and Northeast) to enhance the real estate development business in major cities that are expanding.

Furthermore, the oil tank farm and deep-sea port business that the Company holds 30% stake in Thai Public Port Company Limited (“TPP”) also provided a better performance respectively.

On behalf of the Board of Directors, I would like to express sincere gratitude to the shareholders, suppliers, customers, financial institutions, management team, and every employees for your kind supports, companionship, and dedication to help the Company in tough times throughout the year. Please be assured that the Board of Directors and all employees are committed to operate the business with good governance for the shareholders, suppliers, customers, and employees and to turn the business into profitability and generate yields to shareholders as we have done in the past.




Satja Janetumnugul

Chairman of the Board of Directors

Board of Directors

As at December 31, 2015

1. Mr. Satja Janetumnugul	Chairman of the Board of Directors
2. Mr. Supapong Krishnakan	Director
3. Mr. Suwinai Suwanhirunkul	Director
4. Mr. Suthud Khancharoensuk	Director
5. Mr. Prasit Dheeraratbongkot	Independent Director / Chairman of the Audit Committee
6. Mr. Somchai Sirirojvisuth	Independent Director / Member of the Audit Committee
7. Mr. Sobhon Homcheon	Independent Director / Member of the Audit Committee

Management Team

1. Mr. Suwinai Suwanhirunkul	Acting President
2. Mrs. Supanee Tanchaisrinakorn	General Manager-Finance & Administration Function
3. Mr. Wasun Sutrong	General Manager-Manufacturing Function
4. Miss Kallaya Klaithong	General Manager-Business Development Function

Corporate Social Responsibility (CSR)

RPCG Public Company Limited and its affiliates with the board of directors and committee members recognized the corporate governance of the company align with the company's main aim under the good compliance and governance. The company's good compliance and governance is to accomplish the environmental management and employee welfare development as well as the sustainability of adding value and increasing benefit of the organization, affiliates, society, environment and the country.

The company has implemented and created awareness for managing the business to rigorously follow the suit of good practices in corporate governance to its board of directors, committee members and workforces. The practices are directly involved shareholders, clients, partners, competitors, community, and the environment. Furthermore, cherishing the information system, understanding business gift giving etiquette and treating of the confidential information policy are all included.

The company has put its emphasis on the human capital for its employees to be involved in various policies and strategies such as one of the human resources policies in adding skills and values to its workforces. In regard to employment policy, the company has strictly complied with the law as well as follows the standard of the international human rights without discrimination on nationality, gender, age, ethnicity, religion, disability, education, or other traits associated with the working process, including, the individualism and human rights. Additionally, the company has employed people with disabilities by assigning them to appropriate work tasks. Furthermore, the company is strongly against slave labor, illegal immigrant workers, including child labor.

The well-being direction has been one of the main components created specifically for its employees and organization as a whole. The procedure operated through four dimensions: body, mind, social and wisdom altogether in creating "happiness" for the employee and organization development via various activities and policies, i.e. Thai New Year Blessing organized in order to create a strong rapport between the board of directors and the employees, Family Relations Project, RPCG Energy Saving Project in encouraging the new habit for the energy and resources saving. In addition, the company also focused on the health and safety workplace by providing purified drinking water for its employees. Additionally, the company is also continuing its annual health checkup, health insurance and life insurance for the employees.

The continuation of employee development is vital not only for the company, but also the employees. The main goal is to increase the employees' proficiency and competency through the operation in addition to creating a happy workplace environment. The company also regularly holds the new employee orientation to increase the comprehension and appreciation of the company's policies, culture and value in order to improve their skills and abilities to further their career.

The company has always put the emphasis on the importance of the community and public relations to create the bond and understanding, maintain good relationships, including the participation in various activities such as “Lampang Timeless Caravan - Kanlayaniwattana” activity organized by the Tourism Authority of Thailand (TAT). The caravan started from Bangkok through Lampang, Chiang Mai, Kanlayaniwattana and Pai. The traveling routes were assigned via the TAT “12 ‘Discover Thainess’ Campaign” on 22 – 25 January, 2015 to encourage the new tourism routes. Moreover, the main goal for participating in “Once in a Lifetime... Thailand Dream Destinations” was to inspire and reflect a concrete notion of “Thailand Dream Destinations.” The caravan started from the PURE gas station, Rangsit Klong 2, Pure Place, Pathumthani Province and saw total 60 cars and 200 travelers. In addition, the PURE gas station, In Buri branch, Sing Buri Province facilitated the caravan as a rest stop for all travelers to relax during the trip. Furthermore, the company also supported and participated in the “Agricultural South Eastern” during 6 – 15 February, 2015 at Ubon-Ratchathani University, Ubon Ratchathani Province under the concept “Earth, Water, Air, Fire for the grace of His Majesty the King.” The sustainable agriculture project was mainly to enhance and increase the knowledge of all farmers and agriculturists to maintain and sustain their development of agricultural land for their family and community. Moreover, the company also held and supported various important events, festivals, and cultural activities of each region such as Children’s Day, Father’s Day, Religion Days, etc.



Financial Highlights

Financial Ratios	Unit	31 Dec. 2013	31 Dec. 2014	31 Dec. 2015
(Current Ratio)	x	0.46	0.30	0.21
Inventory Turnover Ratio	X	47.26	51.41	40.53
(Average Collection Period)	Day	11	8	7
Net Profit Margin %	%	(4.22)	(7.77)	4.25
Gross Profit Margin	%	6.10	6.99	8.1
Return on Equity	%	(12.35)	(19.75)	7.28
Return on Assets	%	(4.95)	(8.46)	3.16
Net Profit per Share	Baht	(0.24)	(0.20)	0.08
Book Value per Share	Baht	1.98	1.04	1.06
Debt to Equity Ratio	X	1.62	1.38	1.44
Long-term Loan to Equity Ratio	X	0.05	0.05	0.03

Financial Position and Operating Results

(Unit : Million Baht)

Financial Items	31 Dec. 2013	31 Dec. 2014	31 Dec. 2015
Total assets	2,941	3,008	3,332
Total liabilities	1,811	1,735	1,955
Total Shareholders' equity	1,130	1,273	1,377
Revenue from sales	3,308	3,237	2,361
Total revenue	3,456	3,348	2,451
Gross profit	202	226	191
EBITDA	(15)	(132)	188
Profit (loss) for year	(139)	(251)	99
Earnings (loss) per share	(0.24)	(0.20)	0.08

Future Projects

The company vision is clear, and in term of business, it always aims to expand its investment in new and promising opportunities, maintain its sustainability, and increase the remuneration to shareholders. Thus, for one of the company's main goals, the business expansion in various aspects is an essential element to generated revenues and as follows:

1. Energy Investment Project

As one of the experts in petroleum business, the company has strong ambitions and interests in expanding its business in various aspects such as petroleum service stations and the petroleum trading. Furthermore, in December 2013, the company expanded its business by engaging in the rental of its oil depot and port business together with the rental of the port in Ko Sichang, Chon Buri Province.

Admittedly, in conformity with the government policy, the company is keen on investing in various renewable energy projects such as Very Small Power Producer (VSPP) Project, Solar Power Plant Project and other renewable energy projects with the purpose of utilizing the domestic agricultural products and reducing the petroleum imports.

2. Real Estate Projects

The interest in the real estate projects has been invested by the collaboration with Sammakorn Public Company Limited (SAMCO) in establishing Pure Sammakorn Development Co.,Ltd. (PSDC). The partnership between the company and SAMCO was to improve and develop the lands in Bangkok Metropolitan Region in order to create the integrated community centers under the name "Pure Place Mall". The Pure Place malls are exceptionally modern and close to the communities in which its three branches are Rangsit-Klong 2 branch, Ramkhamhaeng branch and Ratchaphruek branch with the continuity planning of the community mall projects expansion in near the future.

Besides the new investment in the community mall projects, the company also interested in expanding to other real estate projects by investing in the common shares of Sammakorn Public Company Limited (SAMCO), the property development company whose main aim is on the development of single-detached housing projects by further developing the SAMCO's previous projects; Sammakorn-Meenburi Project 1, Sammakorn-Meenburi Project 2, Sammakorn-Nimitmai Project, Sammakorn-Rangsit Klong 2 Project, Sammakorn-Rangsit Klong 7 Project, Sammakorn-Ramkhamhaeng Project, Aqua Divina Project, Chaiyapruk-Wongwaen Project and S9 Condominium.

In accompanying between SAMCO, the high potential business partnership, the company has set its vision upon the opportunity for the company to grow, expand and increase its businesses and revenues, in which the development of the real estate projects for the company is indispensable.

Shareholding and Management Structure

As of 19 January 2016, the list of top ten shareholders including related persons as specified in Section 258 of the Securities Act B.E. 2535 is as follows:

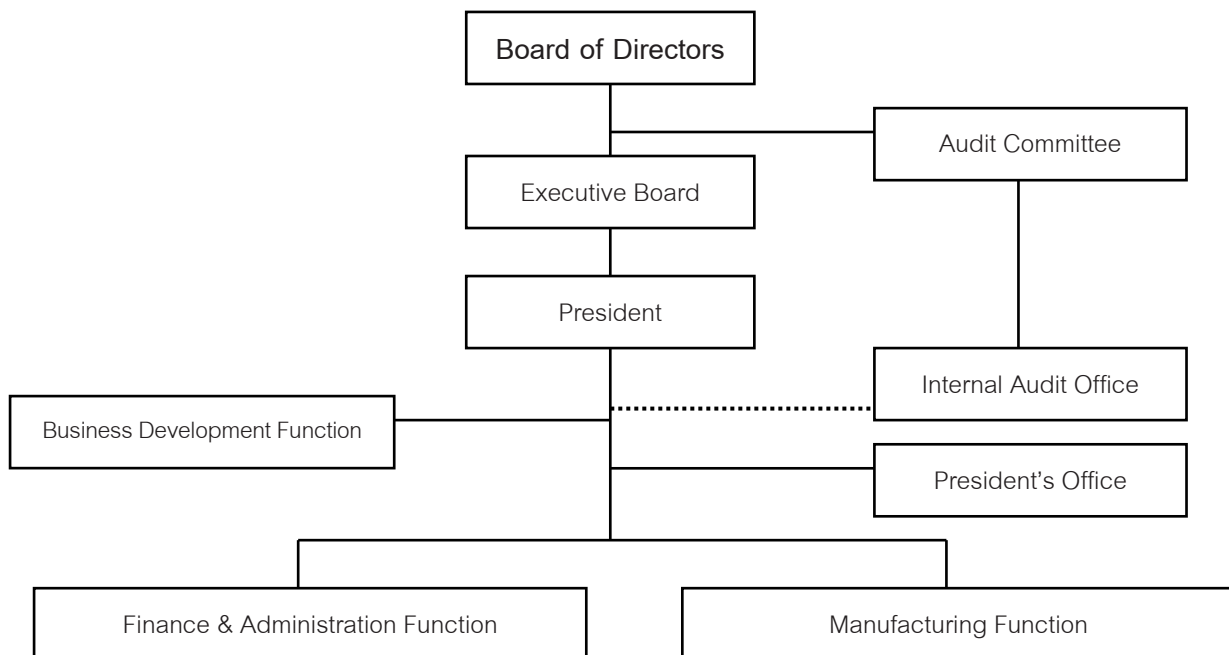
	Names of Shareholders	Number of shares	% ⁽¹⁾
1	Petro-Instruments Corp.	257,227,140	19.72
2	Ms. Montana Janetumnugul	33,981,978	2.60
3	Mr. Tawat Ungsuprasert	32,557,578	2.50
4	Ms. Prinnee Janetumnugul	28,601,578	2.19
5	Mr. Napon Janetumnugul	23,111,400	1.77
6	Mr. Satja Janetumnugul and Spouse	22,734,592	1.74
7	Ms. Pimuma Janetumnugul	21,318,950	1.63
8	Thai NVDR Co., Ltd.	18,895,317	1.45
9	Mrs. Ampai Hankraivilai	17,000,000	1.30
10	Ms. Phecharat Waleelertsap	16,600,000	1.27

Source : List of registered shareholders of RPCG as of 19 January 2016.

Note : ⁽¹⁾ Based on the paid-up capital of 1,304,664,125 shares

Structure of RPCG Public Company Limited

As of 31 December 2015



Remarks: The new structure is currently on process to a Holding Company.

Board of Directors

As of 31 December 2015, the Board of Directors comprises 7 directors as follows:

Name	Position
1. Mr. Satja Janetumnugul	Chairman of the Board
2. Mr. Supapong Krishnakan	Director
3. Mr. Suwinai Suwanhirunkul	Director
4. Mr. Suthud Khancharoensuk	Director
5. Mr. Prasit Dheeraratbongkot	Independent Director / Chairman of the Audit Committee
6. Mr. Somchai Sirojvisuth	Independent Director / Member of the Audit Committee
7. Mr. Sobhon Homcheon	Independent Director / Member of the Audit Committee

Secretary to the Company : Mrs. Supanee Tunchaisrinakorn

The Authorized Signatory

The authorized directors composed of:

1. Mr. Satja Janetumnugul, Mr. Supapong Krishnakan, and Mr. Suwinai Suwanhirunkul; two of these three directors jointly sign and stamped with the Company's seal; or
2. Mr. Satja Janetumnugul, Mr. Supapong Krishnakan, or Mr. Suwinai Suwanhirunkul; one of these three directors jointly sign with Mr. Suthud Khancharoensuk, being two persons and stamped with the Company's seal.

Authority and Responsibilities of the Board of Directors

1. The Board of Directors may appoint any person to conduct the Company's business under the Board of Directors' supervision or may delegate authority to that person within the timeframe deemed appropriate. However, the Board of Directors may revoke or alter that authority anytime. The Board of Directors assigns the Executive Board to conduct business within the scope of authority and responsibility

of the Executive Board. However, the authority of the Executive Board or the delegation of authority thereof to the appointed person(s) will exclude the power to approve transactions that may be in conflict of interests with the Company and its affiliated companies, or as specified in the Securities and Exchange Commission's announcements and regulations, except for transactions that are in accordance with the prescribed policy and criteria previously approved by the Board of Directors.

2. The Board of Directors has the authority to approve and change the authorized signatory director(s).
3. The Board of Directors may approve an interim dividend when the Company has sufficient profits and then reports the decision to the shareholders in the next shareholder meeting.
4. The Board of Directors must comply with laws and the Company's

objectives, Article of Association, as well as the shareholder resolutions. However, in some cases, the Board of Directors must get the shareholders' approvals prior to implementation i.e., activities that need shareholders' approval per law requirement, related party transactions as required by SET's regulation on acquisition or disposal of assets, and those activities as required by related government agencies.

5. The Board of Directors must convene meet at least quarterly and attended by more than half of the Board of Directors members. The Board of Directors' decision is based on majority vote, in which each director has one vote. When the voting is equal, the Chairman of the meeting shall vote for the final decision.
6. The Board of Directors shall arrange for an annual general meeting of shareholders within four months after the end of the Company's fiscal year.
7. A director shall immediately inform the Company once he/she has any conflict of interests in a contract(s) executed by the Company executed or when his/her number of shares or debentures in the Company or affiliates that the director holds has increased or decreased.
8. A director shall not conduct any competing business with the

Company, be a partner in any business partnership, be an unlimited-liability partner in a limited business partnership, or be a director of any private or public company that is operating competitively in similar business to that of the Company. However, the aforesaid requirements will not be in effect if the shareholders are notified of those conditions prior to appointing the said director to the Board of Directors.

Qualification of Independent Directors

1. Shall not hold more than 1% of total shares with voting rights of the company, parent company, subsidiary company, associated company or juristic person that may conflict.
2. Shall neither be the director involving in the management, staff, employee, consultant who receive regular salary, nor a person having control power over the company, parent company, subsidiary company, associated company, subsidiary company in the same level or a juristic person that may conflict.
3. Shall neither be a blood relationship nor relationship from registration in the nature of parent, spouse, brother/sister, child including child's spouse with the executives, major shareholders or controlling person or a person who will be nominated to be the executive or

- the controlling person of the company or subsidiary company.
4. Shall neither be the commercial relationship with the company
 5. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associated company, major shareholder or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company major shareholder or controlling person.
 6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding 2 million baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person.
 7. Shall not be a director who is appointed as a representative of the director of the Company, major shareholders or the shareholders who are the connected person of the company's major shareholders.
 8. Not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.
 9. Not be directors assigned by the Board to make decision in operating business of the Company, the parent subsidiary, affiliate, and subsidiary at the same level or legal entity which may have conflicting interest and not be director of the parent, subsidiary, or subsidiary at the same level specifically.
 10. Having duties in the same manner as prescribed in the announcement of the Securities Exchange of Thailand relating to qualification and scope of duties of the Audit Committee.

The Audit Committee

As of 31 December 2015 the Audit Committee comprises 3 directors as follows:

Name	Position
1. Mr. Prasit Dheeraratbongkot	Chairman of the Audit Committee
2. Mr. Somchai Sirojvisuth	Member of the Audit Committee
3. Mr. Sobhon Homcheon	Member of the Audit Committee

Secretary to the Audit Committee: Mrs. Supanee Tanchaisrinakorn

Authority and Responsibilities of the Audit Committee

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

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

The Nominating and Remuneration Committee

As of 31 December 2015, the Nominating and Remuneration Committee comprises 3 directors as follows:

Name	Position
1. Mr. Prasit Dheeraratbongkot	Chairman of the Committee
2. Mr. Somchai Sirirojvisuth	Member of the Committee
3. Mr. Sobhon Homcheon	Member of the Committee

Authority and Responsibilities of the Nominating and Remuneration Committee

- Propose the remuneration of Directors and President thereof to the Board of Director for consideration and approval
- Nominate Directors and President and propose to the Board of Director for consideration and approval
- Perform other tasks assigned by the Board of Directors

The Management

As of 31 December 2015 the Company's managements are as follows:

Name	Position
1. Mr. Suwinai Suwanhirunkul	Acting President
2. Mrs. Supanee Tanchaisrinakorn	General Manager-Finance & Administration Function
3. Mr. Wasun Sutrong	General Manager - Manufacturing Function
4. Ms. Kallaya Klaithong	General Manager - Business Development Function

Authority and Responsibilities of the President

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

- Oversee and supervise the Company's routine operation
- Oversee the process of recruitment, appointment, promotion, and salary adjustment, based primarily on the pre-approval of the related authority in each department
- Consider and approve the purchase of fixed assets with the amount not exceeding Baht 10 million. The approval must be complied with the Stock Exchange of Thailand's regulation on the acquisition and disposal of assets of the listed companies or

related party transactions or regulations of related authorities.

4. Prepare and propose the Company's policy, business plan, and budget to the Board of Directors for approval and report the progress thereof to the Board of Directors on the quarterly basis.
5. Execute the policy, business plan, and budget, which have been approved by the Board of Directors. The above authority of the President shall not be valid if, in exercising such authority, the President may receive benefits or have potential conflict of interest with the Company.

The Appointment of Directors and Management

The Company sets up the Nominating and Remuneration Committee to be responsible for the appointment of directors and management. In this regard, an individual who is eligible to be appointed as director and management of the Company must possess the qualifications as specified in the Public Company Act B.E. 2535, Section 68 and the Company's requirement, and shall not be disqualified per the SEC announcement dated December 12, 2008 on request for approval and Approval to offer new shares. The appointment process is as follows:

Appointment of the Board of Directors

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

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

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

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

Appointment of the Executive Board

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

Appointment of the Audit Committee

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

Remunerations for the Directors and Management

Financial remuneration

In 2014, the fee for 12 directors totaled Baht 3.82 million, paid for the meeting allowances in congruence with the Company's performance.

The fee for 4 Managements totaled Baht 12.36 million, paid for salary and bonus in congruence with the Company's performance.

In 2015, the fee for 12 directors totaled Baht 1.70 million, paid for the meeting allowances in congruence with the Company's performance.

The fee for 4 Managements totaled Baht 6.12 million, paid for salary and bonus in congruence with the Company's performance.

The details of remuneration for individual directors in 2015 are as follows:

Unit : Baht

Name	Position	Board of Directors	Audit Committee	Nomination & Remuneration Committee
1. Mr.Satja Janetumnugul	Chairman of the Board	235,000	-	-
2. Mr.Suwinai Suwanhirunkul	Director	180,000	-	-
3. Mr.Supapong Krishnakan	Director	170,000	-	-
4. Mr.Suthud Khancharoensuk	Director	170,000	-	-
5. Mr.Prasit Dheeraratbongot ⁽¹⁾	Independent Director Chairman of the Audit Committee Chairman of the Nomination & Remuneration Committee	135,000	65,000	30,000
6. Mr.Somchai Sirojvisuth	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	150,000	50,000	50,000
7. Mr.Sobhon Homcheon ⁽²⁾	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	60,000	30,000	-

Directors who resigned during the year 2015

1. Mr.Arnooparp Charmikorn	Director	70,000	-	-
2. Mr.Bibit Bijaisoratat	Director	70,000	-	-
3. Dr.Ruktai Prurapark	Independent Director	70,000	-	-
4. Mr.Pinit Wuthipand	Independent Director Chairman of the Audit Committee Chairman of the Nomination & Remuneration Committee	65,000	25,000	25,000
5. Mrs.Rachaneekorn Chintakanon	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	65,000	-	-
TOTAL		1,440,000	170,000	85,000

Note: ⁽¹⁾ Appointed as director on February 16, 2015 and Chairman of the Audit Committee on August 11, 2015.

⁽²⁾ Appointed as director on May 26, 2015

Other forms of remuneration

In 2014, the Company's provident fund contribution for 4 Management (excluding Independent Directors) was THB 0.29 million.

In 2015, the Company's provident fund contribution for 4 Management (excluding Independent Directors) was THB 0.21 million.

Corporate Governance

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

1. Right of shareholders

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

aims that the Directors and the employees of all levels hold on to the following values:

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

In 2003, the company registered in the Stock Exchange of Thailand and became a public company. The firm has a policy to send the inviting letters for a meeting and accompanying documents to the shareholders at least 7 days earlier, in order to reach the minimum period determined by the law. Moreover, the company has a policy to treat all the shareholders equally. That is, a shareholder can vote independently to elect the board of directors, partake in resolution making, opining, and enquiring the meeting as per the meeting's agenda and proposed issue. Every shareholder has the right and equity to receive correct, well-rounded, and

updated information, of which he/she can also check for its verity. The company has a policy to provide more alternatives for the shareholders by permitting an independent director to be entrusted by a shareholder, in the event the latter cannot attend the meeting.

2. The equity of the shareholders

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

In the past years, the company's directors and management have been

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

3. The roles of stakeholders

The company is attentive to the right of the beneficiaries in all groups, be they the internal beneficiaries like staffs and the Company's and its subsidiaries' executives, or the external beneficiaries like competitors, creditor, the governmental authority and other related agents. The company actually conducts its operation in compliance with the provisions of law and other relevant regulations in order to maintain the appropriate care of these beneficiaries. In 2014, the Company ensured that all stakeholders were properly treated as follows:

Shareholders:	The Company values the rights of shareholders and rights stipulated by the law, such as the right to attend the shareholders' meetings; the right to vote at the meeting; the right to freely express opinions at the shareholders' meetings; the Company also gives shareholders the right, as the owners of the Company, to make suggested and comments on the Company's affairs to the independent.
Employees:	The Company truly believes that its employees are the most valuable assets and also support employees to improve their knowledge and skill by providing skills trainings, knowledge sharing workshops and leaning opportunities to all employees for their self-development and career growth with the Company. The Employee Performance Assessment system integrates the employees' values with the corporate objective to ensure that the business success is their mutual benefits.
Customers:	The Company is determined to provide customers with maximum benefit in terms of quality and price, to develop and maintain the sustainable relationship with customer, to commitment to the customers.
Partners:	The Company is operates its business by upholds promises and committed to fair and equal treatment of its suppliers and business partners to establish mutual trust.
Competitors:	The Company is legally competing with the competitors by adhering to the business fairness under the trade competition act. , and not take any action that violates the intellectual property or copyright of competitors, not use dishonest methods to discredit a competitor or no trade secret violations.
Creditors:	The Company honestly and strictly adheres to loan agreement, pay attention to the importance of the creditors and strive to keep good relationship with them on the best interest of the Company.
Communities, Social and Environment	The Company perceives the corporate responsibility for the environment in the society and community and for natural resources conservation. The Company supports activities that promote quality of life and create happiness for communities, society and environment.

4. Information Disclosure and Transparency

The Board of Director is responsible for the Company's and its subsidiaries' financial statement and information as appearing in the annual report. They also

oversee the effective internal control system to ensure that the accounting records be thorough, accurate, and adequate to maintain the property, and to be notified of possible

weaknesses to assure that the financial statements are free of material misstatements.

Investor Relations

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

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

5. Responsibilities of the Board of Directors

The company's board of directors is composed of well-versed, experienced directors who settle policies, vision, strategy, goal, mission, business plan, and the firm's budget. They also govern the management to operate the works effectively and efficiently as

per the determined policy, within the boundary of law, the company's provisions, and the resolution of shareholders' meeting, with honesty, responsibility, and prudence; for the utmost economic value of the enterprise and supreme security of the shareholders. Besides, the company is highly attentive to an internal control system, internal auditing, appropriate method of risk management, including a checking system in order to enable the operation to be in compliance with the law, to make the utmost effectiveness and efficiency out of the internal control system. Moreover, the board of directors has considered about the settlement and separation of duty and responsibility between the board of directors, the audit committee, the executive board, and the managing director.

Conflict of interests

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

be complied with the criterion and method notified by the Stock Exchange of Thailand.

Business ethics

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

The board of director's check and balance

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

- Directors who are not the executives – 4 persons.
- Directors who are independent – 4 persons or 40 % of the whole board.

Unification or separation of rank

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

Remuneration for directors and management

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

The Board of Director's meeting

The company has a policy to send the inviting letters for a meeting with accompanying documents to the directors' consideration at least 7 days earlier, in order to reach the minimum period determined by the law. In 2015, the board of directors had 10 meetings, with the written record, and the approved meeting report was kept for the checking by directors and related persons.

The subcommittee

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

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

Name	Position	Meetings in the 2015			
		Board of Director	Audit Committee	Nomination & Remuneration Committee	Shareholders Meeting
		10 Times	5 Times	2 Times	1 Time
1. Mr.Satja Janetumnugul	Chairman of the Board	9/10	-	-	1/1
2. Mr.Suwinai Suwanhirunkul	Director Acting President	10/10	-	-	1/1
3. Mr.Supapong Krishnakan	Director	9/10	-	-	1/1
4. Mr.Suthud Khancharoensuk	Director	9/10	-	-	1/1
5. Mr.Prasit Dheeraratbongot ⁽¹⁾	Independent Director Chairman of the Audit Committee Chairman of the Nomination & Remuneration Committee	9/10	5/5	2/2	1/1
6. Mr.Somchai Sirojvisuth	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	7/10	4/5	2/2	1/1
7.Mr.Sobhon Homcheon ⁽²⁾	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	6/10	3/5	-	-

Directors who resigned during the year 2015

1. Mr.Arnooparp Charmikorn	Director	2/2	1/1	-	-
2. Mr.Bibit Bijaisoratat	Director	2/2	1/1	1/1	-
3. Dr.Ruktai Prurapark	Independent Director	2/2	-	-	-
4. Mr.Pinit Wuthipand	Independent Director Chairman of the Audit Committee Chairman of the Nomination & Remuneration Committee	1/2	1/1	1/1	-
5. Mrs.Rachaneekorn Chintakanon	Independent Director Member of the Audit Committee Member of the Nomination & Remuneration Committee	1/2	-	-	-

Note: ⁽¹⁾ Appointed as director on February 16, 2015 and Chairman of the Audit Committee on August 11, 2015.

⁽²⁾ Appointed as director on May 26, 2015

Control of the Use of Internal Information

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

Clause 275 of the Securities and the Stock Exchange Act B.E. 2535.

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

Human Resources

1. Human Resources

As of 31 December 2015, the Company and its subsidiaries had 562 employees, which can be broken down by function as follows:

Organization Structure As of 31 December 2014		Organization Structure As of 31 December 2015	
<u>Function</u>	<u>Quantities</u>	<u>Function</u>	<u>Quantities</u>
- Business & Finance	34	- Business & Finance	17
- Manufacturing	18	- Manufacturing	19
- Business Development	3	- Business Development	2
- Others	3	- Others	2
Total		Total	
538		562	

<u>Subsidiaries</u>		<u>Subsidiaries</u>	
- PTEC	454	- PTEC	498
- SAP	13	- SAP	12
- SPG	13	- SPG	12
Total		Total	
538		562	

Remark - Others are employees who are not under any particular function, such as Office of President.

2. Remuneration

2.1 Financial Remuneration

Total remuneration to the Company's staff including salaries, overtime, fringe benefits, bonuses and provident fund contribution for the year 2014 and 2015 were THB 137.97 million and THB 129.22 million respectively and benefits on termination of employment.

3. Human Resource Development Policy

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

- ♣ Initiatives.
- ♣ Accountability.
- ♣ Synergy
- ♣ Sustainable.

Internal Control System

According to the Board meeting no. 1/2016 held on February 16, 2016, the Audit Committee concluded that the Board of Directors and the Executives have paid a continuous and considerable attention to the internal control system. They have directed

their efforts to formulate the internal control system that is sufficient and appropriate with the Company's business operation. In this regard, proper attentiveness is geared toward asset maintenance, error and damage minimization, financial management, risk management, operation inspection, as well as efforts to promote compliance to existing legal requirements, along with rules and regulations. These measures are to achieve maximum job efficiency, and build up confidence in the Company's business capability to achieve its determined goals and heighten up its added values.

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

1. Organization and Environment

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

2. Risk management

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

3. Controlling of the Management

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

4. Information Technology and Communication System

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

5. Monitoring System

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

Company's background and major development

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

Since early 2012, the Company's oil refinery has been shut down as PTT Company Limited had broken the Condensate Selling Agreement, which is the Company's main raw material. This was considered as a breach of contract between PTT and the Company. The Company, thus, filed a prosecution after this. Currently, the case is still in the process of arbitration. The Company needed to cease the oil refinery operation indefinitely because the Company had lost the main revenue business and there were many operating expenses.

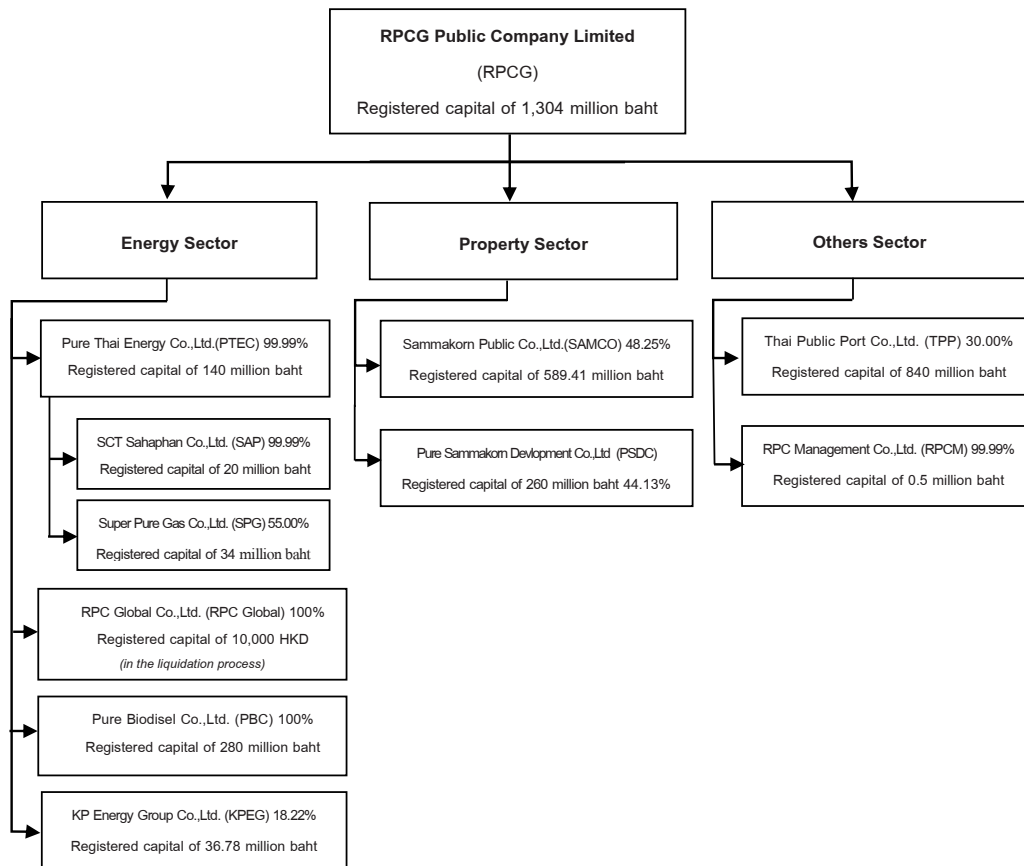
The Company has improved business operation and restructure the business to suit the Holding Company environment, which main revenues came from energy business.

Summary of the Company's history and major developments in the past 3 years

- 2013
- In May, the Company purchase the share of RPC Management Company Limited which increase Company's holding from 70% to 100%.
 - In September, the Board of Directors approved to allocate the newly issued shares of 273 million shares in a private placement.
 - In November, the Board of Directors approved to increase capital by issuing 502 million newly issued shares to be allocated to existing shareholder at the proportion of their shareholding (Right Offering).
 - In December, the Company invested in Thai Public Port Company Limited, which engages in deep-sea port and oil tank farm business at Si Chang Island, Chonburi province, at 30% of registered capital at a total investment of THB 900 million.
- 2014
- In January, the Company has registered the name change from Rayong Purifier Public Company Limited to RPCG Public Company Limited with the Department of Business Development, Ministry of Commerce
 - In February, the Company has registered the increase of its paid-up capital and the issued and paid-up capital of 1,304 million shares.
 - In April, the Company is a shareholder of TPP at amount 31,500,000 shares in proportion of 30%. Thus, TPP is an associate company of the Company.

- 2015
- In March, the Board resolved and approved the Company has restructuring investment and operation formation from oil refinery operation to Holding Company. The Company's business is divided into 2 business groups consisting of energy sector and property sector.
 - The Company purchased the share of Sammakorn Public Company Limited ("SAMCO") which increased Company's holding from 25.25% to 48.25%.
 - In April, the discontinued oil refinery in Rayong Province permanently, due to total plant shutdown for the unknown period of time since PTT stopped delivering raw material to the Company from February 2012 onwards. PTT action is in breach of clause 15.5 of the Agreement that clearly stipulates that while the matter is under the arbitration proceeding and the cessation of the operation since of the year 2012.
 - In May, the Board resolved and approved to dissolution and liquidation of RPC Golbal Co., Ltd., is a subsidiary which the Company hold 100% shares.
Approved the disposition of its refinery, machine, and oil tank at Rayong province to LAO Refinery Co., Ltd., which is not considered a related party according to the SEC Act and the notification of the Capital Market Advisory Board Re: Rules of Entering into Related Party Transaction TorJor. 21/2555, at the net value of Baht 185 million.
 - In July, the resolutions of the company's board of directors' meeting No. 6/2015 held on July 15, 2015, the Company sold its shareholdings 199,996 shares in the SCT Sahaphan Co., Ltd. "SAP" is a subsidiary company, equivalent to 100% to Pure Thai Energy Co., Ltd. "PTEC" is a subsidiary which held by RPC 100% of shares at the price of Baht 133 per share. It makes SAP become a subsidiary of PTEC.
 - In December, the Company has informed of the relocation of the new headquarter to 86/2 Pure Place Ramkhamhaeng, 3rd floor , Ramkhamhaeng Road, Saphansoong, Bangkok 10240 since 4 January 2016.

As of 31 December 2015, the Company has registered capital of THB 1,304,664,125 and paid-up capital of THB 1,304,664,125. The holding structure in its subsidiaries and associated companies are as follows:



Overview of the Business Operation of the Company and its Subsidiaries

RPCG Public Company Limited (RPC)

Previously, the Company is engaged in the distillation of condensate residue (CR), a by-product from the production process of PTT Global Chemical Public Company Limited (PTTGC) (formerly known as PTT Aromatics and Refining Public Company Limited (PTTAR)), to produce high quality petroleum and petrochemical products, e.g. high-speed diesel B5, fuel oil and other petrochemical

products. RPC's refinery has a maximum capacity of 17,000 barrels per day or 80 million liters per month. Moreover, RPC also procures unleaded gasoline 91, gasohol 91, gasohol 95, high-speed diesel, and E85 from other refineries to satisfy the increased consumers demand. Besides, RPC also operates one oil depot in Rayong Province to expedite the purchasing and delivery process. Since early 2012, the Company's oil refinery has been shut down as PTT Company Limited had broken the Condensate Selling Agreement, which is the Company's main raw

material. The Company needed to cease the oil refinery operation indefinitely because the Company had lost the main revenue business and there were many operating expenses. According to the resolution of AGM 2015, held on April 20, 2015 has approved the discontinued oil refinery in Rayong Province permanent.

The Company has improved business operation and restructure the business to suit the Holding Company environment, which main revenues came from energy business are as follows.

Core Company

1. Pure Thai Energy Company Limited (PTEC)

PTEC is a subsidiary which held by RPC 99.99% of shares, the registered capital of PTEC is 140 million Baht, divided into ordinary shares of 1,400,000 shares at par value of 100 Baht per share. All shares are fully paid-up. PTEC engages in retail distribution business of high-speed diesel, Benzene 91, Gasohol 91, Gasohol 95 (E85) and Gasohol E20 through "PURE" fuel stations. As of 31 December 2015, PTEC now operates 51 PURE fuel stations nationwide, which are categorized into 2 types of operation: 1) Company operated stations (Company Operate: CO), and 2) Franchised stations (Franchise). Moreover, PTEC has developed the plaza services in fuel station; the first plaza is opened in PURE fuel station located at Amata Nakorn, Chonburi Province. The

Company plans to expand gas stations selling gasohol E20 through service stations.

Subsidiaries

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

SCT Sahapan Co.,Ltd. (SAP), is a subsidiary which held by RPC 99.99% of shares, the registered capital of SAP is 20 million Baht at par value of 100 Baht per share which divided into 200,000 shares. The nature of the business is selling equipment, providing construction, repair and maintenance services to petroleum service stations. In July 2015, the Company's Board of Directors meeting held on July 2015 approved a resolution has sold all of the total ordinary shares in SCT Sahaphan Co., Ltd. "SAP" to Pure Thai Energy Co., Ltd. "PTEC". It makes SAP become a subsidiary of PTEC.

2. Super Pure Gas Co., Ltd. (SPG)

SPG is a subsidiary company which is 55% owned by Pure Thai Energy Co.,Ltd. (PTEC). The registered capital of SPG is 34 million Baht. The nature of the business is selling LPG and NPG, as at 31 December 2015 the total of 4 gas stations.

3. Pure Bio-diesel Limited (PBC)

PBC is a subsidiary which is held 99.99% by RPC. The registered capital of PBC is 280 million Baht, at par value of 100 Baht per share which divided into 2,800,000 shares. The objectives of PBC are: 1) to produce bio-diesel (B100) from domestic palm oil which its

production capacity of 300,000 liters per day or 100,000 tons per year for blending B100 into diesel fuel, referred to as Diesel B3 and Diesel B5 which are the renewable energies according to the government's policy, and (2) to produce glycerin with production capacity of 10,000 tons per year, for usage as a raw materials in cosmetics and medical supplies. PBC obtains a BOI Promotion Certificate by which it receives an 8-year corporate income tax exemption. Present, PBC has stopped the production for indefinite period since February 2012.

4. RPC Management Co., Ltd. (RPCM)

RPCM is a subsidiary which is held 99.99% by RPC. The registered capital of RPCM is 500,000 Baht, divided into 5,000 ordinary shares at par value of 100 Baht per share, and all shares are fully paid up. RPCM engages in the business as an oil wholesale trader for trading all kinds of fuel products with major and minor dealers in nationwide such as, high-speed diesel, Benzene 91, Gasohol 95, and fuel oil. RPCM has stopped all trading transactions. In 2015 RPCM changed its the business operation to supporting the systems management service.

5. RPC Global Company Limited (RPC Global) (in the liquidation process)

RPC Global is a subsidiary registered in Hong Kong that the Company hold 100% stake. Its registered capital is HKD 10,000 and it engages in oil trading business. In May 2015, the meeting of the Company's Board of

Directors has approved the resolution to liquidate and in the liquidation process.

Associated Companies

1. Sammakorn Public Company Limited (SAMCO)

SAMCO is an associated company which is held 48.25% by the Company. The registered capital of SAMCO is 589.41 million Baht which divided into ordinary shares of 589.41 shares at par value of 1 Baht per share. SAMCO engages in property development business with major focus in single-detached house projects and Condominium in Bangkok and metropolitan. SAMCO is actively involved in the property developed continuously from the past of 9 projects such as Sammakorn-Minburi 1, Sammakorn-Minburi 2, Sammakorn-Nimit-Mai, Sammakorn-Rangsit Khlong 2, Sammakorn-Rangsit Khlong 7, Sammakorn-Ramkhamhaeng, Aqua Divina, Chaiyaphruk-Wong Waen and S9 Condominium.

2. Pure Sammakorn Development Co.,Ltd. (PSDC)

PSDC is a joint venture between the Company, which holds 44.13%, and Sammakorn Public Company Limited ("SAMCO"), which holds 55.87%. The registered capital of PSDC is 260 million Baht, divided into 2.6 million of ordinary shares at par value of 100 Baht per share, and all shares are fully paid up. PSDC engages in the business of land development for rent, for example, department stores, office building, etc. as of 31 December 2015 PSDC has developed and managed of 3 shopping malls.

3. Thai Public Port Co., Ltd. (TPP)

TPP is an associated company which is held 30.00% by the Company. The registered capital of TPP is 840 million Baht, which divided into ordinary shares of 105 million shares at par value of 8 Baht per share. TPP engages in the rental of oil depot and port business in Si-Chang Island, Chonburi province.

4. KP Energy Group Company Limited (KPEG)

KPEG is an associated company that the Company hold 18.22% stake. Its registered capital is THB 36.78 million and engages in a Very Small Power Producer (VSPP) as of 31 December 2015, which supplies electricity to the Provincial Electricity Authority.

Revenue Structure

The revenue structure of the Company and its subsidiaries as of 31 December 2015 are as follows:

Sales revenue of the Company and its Subsidiaries

Products	2013		2014		2015	
	Million Liter	%	Million Liter	%	Million Liter	%
Domestic						
High-Speed Diesel	1,997.27	58.61	1,804.85	54.52	1,383.85	57.18
Benzene 91, 95	21.32	0.63	0.33	0.01	-	-
Gasohol	1,233.93	36.21	1,377.34	41.61	933.03	38.55
Other Petroleum Products	55.69	1.63	54.39	1.64	43.86	1.81
Total Domestic Sale Values	3,308.21	97.09	3,236.91	97.79	2,360.74	97.55
Income of Transportation and other products	99.31	2.91	73.27	2.21	59.41	2.45
Grand Total	3,407.52	100.00	3,310.18	100.00	2,420.15	100.00

Sales volumes of the Company and its subsidiary firms

Products	2013		2014		2015	
	Million Liter	%	Million Liter	%	Million Liter	%
Domestic						
High-Speed Diesel	70.96	63.50	64.76	57.48	59.97	59.45
Benzene 91, 95	0.51	0.46	0.01	0.01	-	-
Gasohol	38.19	34.17	45.00	39.94	38.16	37.83
Other Petroleum Products	2.09	1.87	2.89	2.57	2.74	2.72
Total Domestic Sale Volumes	111.75	100.00	112.66	100.00	100.87	100.00
Grand Sale Volumes	111.75	100.00	112.66	100.00	100.87	100.00

Risk Factors

In requirements for effective risk management, the company acknowledges the significant risk factors which may affect its business. In addition, by aligning the policies and the operation, the company considers the proper risk administration and internal control by focusing on the guidelines for risk management and the evaluations for systematic risk management.

Besides the following risk factors, the company originates its risk evaluation process on the current global status. Nevertheless, at this moment some other risks might not yet be mentioned due to the uncontrollable external sources which might affect the company in the future.

1. Risks from fluctuation in crude oil prices

The company deals directly with oil refineries and various crude oil sellers, thus, the possibility of the fluctuation in crude oil prices are according to the following factors;

- Global economic and politic unrest, specifically, the members of Middle East countries; the main producers of natural gas and crude oil
- Global and regional level of demand and supply for crude oil
- Government regulations; national level and global level
- Weather condition

Due to the fact that all mentioned factors are caused by the uncontrollable external sources, and the selling price depends on the fluctuation in crude oil prices. The effect on financial status and the operation results might also affect the selling quantity and the value of the inventories.

Nevertheless, the company manages the situation in the positive manner by utilizing great skills from the experienced group of employees regularly analyzes the situation and keeps close attention to the crude oil prices. In addition, the specializations in managing and acquiring crude oil in fair deals as well as the good management in price positioning in the market are achieved excellently. Furthermore, the main purpose of the crude oil inventories are assigned specifically for trading purpose for each part of the country, and the arbitrate trading in form of large quantity of crude oil inventories are not the policy of the company. Furthermore, the company does not have a significant effect on the fluctuation in crude oil prices due to the majority of consumers are regular buyers who purchase daily.

2. Risks from government intervention in market prices

The possibility caused by the government intervention in national crude oil price structure, especially, during the peak of the fluctuation in crude oil prices and petroleum price in global market. The intervention from the government may affect the operations, financial statuses and company operating results.

Although, the company measures that there are some risk from government intervention, but market prices may not have the effect on the company. The reason behind this is the intervention policy is only applied temporary. The government shall adjust the price to consumers and vendors for the petroleum retail price to stay at the same purchasing rate from the refinery or other suppliers including the marketing expenditures. In addition, when the tax rate, marketing expenditures and other contributed capital are unchanged the petroleum retail price will be adjusted to stay at the same rate at the refinery in order to aid the consumers and vendors during the increase of petroleum price in the global market.

3. Risks from man-made disasters and natural disasters

As the company involvement is mainly in the petroleum business, specifically, its subsidiaries as petroleum service stations all around the country. Therefore, the probability of various types of disasters is high. Although, the natural disasters such as conflagration, flood, and etc are unavoidable and unpreventable, the company is well aware and well prepared for any circumstances in order to prevent the cause loss of lives and damage to properties and businesses.

The company acknowledges the prevention for these types of risk by applying for the all risks insurance which focuses primary on the production assets which can be filed the claim when the accidents or disasters occurred.

Furthermore, the company also recognizes the importance of the emergency training for its employees by conducting the training regularly in order to be prepared for the unexpected disasters as a contingency plan.

Risks from lawsuit cases

This risks arise from the dispute of the black case index no. 114/2552, the dispute of the black case index no. 100/2554, the dispute of the black case index no. 78/2555 of The Thai Arbitration Institute, the civil case of black case index no. 3162/2553 of the Civil Court and the labor case of the black case index no. ror.yor. 303-338/2555 which the event occurred from PTT Public Company Limited (PTT) notified to terminate the Condensate Residue Purchase Agreement (CR) and completely stopped to supply the Condensate Residue (CR) as raw materials, this dispute is processed for consideration of The Thai Arbitration Institute. And the civil case filed to the Court is processed in court hearing procedure, the judgment and the result of lawsuit case would not have been predictable, depending on justice procedure in the future.

Risks of the future business

The risks of future business has arisen from PTT Public Company Limited (PTT) who is the only one supplier in distribution of raw materials, failed to perform the obligations under the Agreement without default in performances by Company. The Purchase Agreement is made on a long-term basis with no predetermined end date, and does not specify the period of termination (Evergreen Basis).

This issues caused Company filed the case to Arbitration and Civil Court, respectively. During the arbitration hearing, PTT Public Company Limited (PTT) stopped to supply the raw materials to the Company since the date February 1, 2012 onwards, which it is considered in default under Clause 15.5 specified that even if the dispute between the parties has not been resolved, PTT Public Company Limited (PTT) as the party, has obligated to perform its obligations under the Agreement until the final arbitration award will be made by the Arbitrators.

These issues have caused the Company to stop its production for the indefinite period and lost the main income.

To compensate for loss of the main income, the Company is preparing feasibility studies of any projects, whether fuel business and other businesses. At present, the Company invested in Very Small Power Producer, the renewable energy business and has invested in real estate project.

Related Transaction

Related transactions of RPCG Public Company Limited and its subsidiaries with the connected persons in 2014 and 2015 are as follows:

Related transactions with Petro-Instruments Co., Ltd. ("PICO")

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2014	2015
The Company services management	<ul style="list-style-type: none"> Mr.Satja Janetumnugul, Director and holding 1.74% and Mr.Suthud Khancharoensuk, Director and holding 0.00008%, are directors of PICO and holding 22% 	0.20	0.25
The Company services in rental vehicles		-	0.25

Related transactions with Pure Sammakorn Development Co., Ltd.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2014	2015
Interest Income	<ul style="list-style-type: none"> The Company hold shares 44.13% and Mr.Satja Janetumnugul Director is a director of Sammakorn PCL., and Sammakorn PCL., which hold shares 55.83% 	0.27	0.12
Pure Thai Energy Co., Ltd. (subsidiary) sells fuel		0.14	0.09
Pure Thai Energy Co., Ltd. (subsidiary) pay for land lease and other expenses		0.78	0.84

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

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2014	2015
The Company received management fees	<ul style="list-style-type: none"> Mr.Satja Janetumnugul Director, is a Director of Sammakorn PCL. and the Company was major shareholder of Sammakorn PCL. holding 48.25%. 	3.60	3.60
Dividend Income		10.42	22.33
Pure Thai Energy Co., Ltd. (subsidiary) sells fuel		0.72	0.56
Pure Thai Energy Co., Ltd. (subsidiary) pays for joint venture		0.60	0.55

Related transactions with KP Energy Group Co., Ltd.

Type of Transaction	Type of Connection	Amount (Million Baht)	
		2014	2015
Interest Income	<ul style="list-style-type: none"> The Company hold shares 18.22% 	0.24	-

Management Discussion Analysis and Business Performance

	31 Dec. 2015		31 Dec. 2014		Increase / Decrease	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenues	2,361	96	3,237	97	(876)	(27)
Total revenue	2,451	100	3,348	100	(897)	(27)
Cost of Sales	2,170	89	3,011	90	(841)	(28)
Selling & Administrative expenses	335	14	389	12	(54)	(14)
Loss on impairment of investments	139	6	5	0	134	2,680
Share of profit (loss) from investments in associates	354	14	7	0	347	4,957
Profit (loss) for the year	100	4	(251)	(7)	351	(140)

Sales Revenue

For the year 2015 RPCG Public Company (the “Company”) have total revenue of THB 2,451 million decreased THB 897 million or equivalent to a 27% from the previous year. The Company generates its core revenue through sales of gasoline product via “PURE”. Sales revenue equals THB 2,361 million, decreased THB 876 million or equivalent to a 27%. As the situation of the world crude oil market is extremely declined since the early 2015, the oil price has dropped from 60 USD/barrel to 35 USD/barrel resulting in the domestic oil price has decreased as well.

Cost of Sales and Expenses

For the year 2015, the Cost of Sales of THB 2,170 million, decreased THB 841 million or equivalent to a 28% from the same last year. Depend on income from decrease of Oil Prices.

In 2015, the Company selling and administrative expenses of THB 335 million decreased from THB 54 million or equivalent to 14%, comparing to the previous year. The decrease was due to selling and administrative expense, consulting fee and administrative expense.

Net Profit (Loss)

In 2015, the Company has net profit of THB 100 million, an increase of THB 351 million or a 140% increase from the Company has recognized the profit sharing from the investment in Sammakorn Public Company Limited of THB 354 million and the Company has loss from the devaluation of the investment in Thai Public Port Company Limited of THB 139 million. Moreover, the decrease was due to selling and administrative expense.

Statement of Board of Directors' Opinion on Financial Statement

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

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

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

The Board of Directors perceived that the Company's overall internal control system is in the acceptable and reliable level as appearing in the financial statement of the Company and its subsidiaries as of 31 December 2015.



Mr. Satja Janetumnugul

Chairman of the Board of Directors

The Audit Committee Report

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

For the accounting period of 2015, the Committee has performed its duties independently. The Committee met five times during the year with the management, external auditor, and internal auditor and the Committee also met with the external auditors without the presence of the Company's management to consider the system of internal controls and the 2015 external audit plan of the Company and its subsidiaries as appropriate to discuss the following issues:

1. Financial Statement and accounting practice according to the International Accounting Standards: The Committee reviewed RPCG Public Company Limited's (the "Company") quarterly and yearly financial statements for the accounting period of 2015 with management and external auditor. The Committee reviewed the opinion of the external auditor on the Company's financial statements and the disclosure of essential information and concurred that the financial statements were prepared according to the compliance with the International Financial Reporting Standards (IFRS) and that the disclosure of essential information was adequate.

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

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

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

5. Appointment of the external auditors and their remuneration: The Committee considered that the performance, the reputation, the scope of work, and the independency of the external auditors of the previous year to be appropriate. For the year 2016, the Committee recommended that the Board propose to the Shareholders, the appointment of the auditors from EY Office Limited to serve as the Company's external auditor for the year 2016.

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

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

Please be informed accordingly.

On behalf of the Audit Committee



(Mr. Prasit Dheeraratbongkot)

Chairman of the Audit Committee

RPCG Public Company Limited

RPCG Public Company Limited

Audit report and consolidated financial statements

31 December 2015

Independent Auditor's Report

To the Shareholders of RPCG Public Company Limited

I have audited the accompanying consolidated financial statements of RPCG Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of RPCG Public Company Limited for the same period.

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 judgement, 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 position of RPCG Public Company Limited and its subsidiaries and of RPCG Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of Matters

I draw attention to the following notes to the financial statements.

- a) As discussed in Notes 1.2 and 37.5 a) to the financial statements, since the year 2009 the Company has been involved in a significant commercial dispute and outstanding litigation with its major raw material supplier, who stopped delivering raw materials to the Company in February 2012. This forced the Company to cease production, since it has been unable to find new suppliers of these raw materials, while some of its subsidiaries that operate in a related business have also had to cease operations. On 16 February 2015, the Company's Board of Directors meeting passed a resolution to propose the permanent discontinuance of the refinery business at Rayong province for approval by the 2015 Annual General Meeting of the shareholders. The Group has therefore suffered consistent operating losses in the years since the cessation of production in 2012. Even though some significant uncertainties that may impact on the ability of the Group to continue as going concern have currently eased as a result of the management plan discussed in Note 1.2 to the financial statements, the Group has suffered operating losses and as at 31 December 2015 its current liabilities exceeded its current assets by Baht 1,518 million (2014: Baht 1,184 million). Current liabilities include liabilities under the commercial dispute and outstanding litigation with its major raw material supplier, discussed above. These factors would raise substantial doubt regarding the ability of the Group to continue as going concern, should the outcome of the litigation not be in favour of the Company. However, there remains uncertainty regarding the outcomes of the commercial dispute and outstanding litigation, which cannot be concluded at this time and depend on future judicial proceedings.

- b) As discussed in Note 15 to the financial statements, during the year 1997 Chonburi Province (plaintiff) sued a total of 8 unrelated companies and persons (defendants), charging that they had wrongly encroached on state land, exploded rock, and destroyed the natural environment, and claiming damages. During the year 2005, Chonburi Provincial Court issued a judgement ordering the defendants to jointly indemnify the damages, and revoking the title deeds held by the defendants, including the title deed to a plot of land owned by an associated company and used as the site of a dock and terminal project. Later, in July 2010, the Court of Appeals amended the judgement, whereby the title deeds held by the defendants, including the title deed to a plot of land owned by the associated company would not be revoked, since such an order exceeded the scope of the lawsuit. However, at present, the case is under consideration of the Supreme Court. The outcome of the dispute cannot be determined and depends on future judicial proceedings.

My opinion is not qualified in respect of these matters.



Poonard Paucharoen

Certified Public Accountant (Thailand) No. 5238

EY Office Limited

Bangkok: 16 February 2016

RPCG Public Company Limited and its subsidiaries
Statement of financial position

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	6	44,473,133	131,724,098	8,829,976	106,747,568
Current investments	7	133,179,001	194,738,280	105,926,336	162,081,781
Trade and other receivables	8, 9	40,698,416	54,066,044	3,395,569	10,385,553
Inventories	10	47,943,306	59,111,960	2,775,507	2,779,623
Short-term loans to related parties	9	-	8,000,000	80,000,000	257,188,439
Current portion of long-term loans to unrelated parties	12	931,266	548,059	-	-
Other current assets	13	62,397,621	59,278,666	6,930,756	5,184,530
		<u>329,622,743</u>	<u>507,467,107</u>	<u>207,858,144</u>	<u>544,367,494</u>
Non-current assets held for sale	32	66,986,015	-	66,986,015	-
Total current assets		<u>396,608,758</u>	<u>507,467,107</u>	<u>274,844,159</u>	<u>544,367,494</u>
Non-current assets					
Pledged deposits at banks	14	232,663,892	257,859,927	152,800,000	102,800,000
Long-term loan to related party	9	-	-	-	-
Long-term loans to unrelated parties	12	-	5,144,883	-	4,563,617
Investments in associates	15	2,020,863,307	1,413,802,846	1,664,095,292	1,400,885,404
Investments in subsidiaries	16	-	-	420,728,862	443,313,952
Other long-term investment	17	-	-	-	-
Property, plant and equipment	18	634,554,480	770,395,880	235,520,769	323,657,889
Intangible assets	19	3,235,947	5,452,267	1,307,410	3,061,438
Deferred tax assets	31	4,489,213	4,602,198	-	-
Other non-current assets	20	39,796,994	43,391,554	27,819,443	29,808,054
Total non-current assets		<u>2,935,603,833</u>	<u>2,500,649,555</u>	<u>2,502,271,776</u>	<u>2,308,090,354</u>
Total assets		<u><u>3,332,212,591</u></u>	<u><u>3,008,116,662</u></u>	<u><u>2,777,115,935</u></u>	<u><u>2,852,457,848</u></u>

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

RPCG Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	9, 22	1,658,207,482	1,674,204,543	1,527,341,612	1,523,059,852
Short-term loans from unrelated parties	23	201,190,000	1,690,000	200,000,000	-
Current portion of liabilities					
under finance leases	18	735,487	1,268,809	555,510	577,348
Income tax payable		1,222,423	147,740	-	-
Other current liabilities	25	13,464,937	13,991,449	366,032	374,362
		<u>1,874,820,329</u>	<u>1,691,302,541</u>	<u>1,728,263,154</u>	<u>1,524,011,562</u>
Liabilities directly associated with the					
non-current assets held for sale	32	40,000,000	-	40,000,000	-
Total current liabilities		<u>1,914,820,329</u>	<u>1,691,302,541</u>	<u>1,768,263,154</u>	<u>1,524,011,562</u>
Non-current liabilities					
Liabilities under finance leases	18	1,496,325	2,231,812	1,451,291	2,006,801
Deferred tax liabilities	31	29,091,857	29,091,857	21,676,535	21,676,535
Provision for long-term employee benefits	24	9,499,168	11,612,438	2,693,969	2,755,019
Provision for decommissioning costs		338,773	341,620	-	-
Total non-current liabilities		<u>40,426,123</u>	<u>43,277,727</u>	<u>25,821,795</u>	<u>26,438,355</u>
Total liabilities		<u>1,955,246,452</u>	<u>1,734,580,268</u>	<u>1,794,084,949</u>	<u>1,550,449,917</u>

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

RPCG Public Company Limited and its subsidiaries
Statement of financial position (continued)

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Shareholders' equity					
Share capital	26				
Registered					
1,304,664,125 ordinary shares of Baht 1 each		1,304,664,125	1,304,664,125	1,304,664,125	1,304,664,125
Issued and paid-up					
1,304,664,125 ordinary shares of Baht 1 each		1,304,664,125	1,304,664,125	1,304,664,125	1,304,664,125
Premium on ordinary shares		335,966,599	335,966,599	335,966,599	335,966,599
Retained earnings					
Appropriated					
Statutory reserve - the Company	27	80,304,817	80,304,817	80,304,817	80,304,817
- the subsidiaries	27	-	1,500,000	-	-
Unappropriated (deficit)		(475,337,068)	(581,072,938)	(824,610,694)	(505,633,749)
Other components of shareholders' equity		116,367,428	116,367,428	86,706,139	86,706,139
Equity attributable to owners of the Company		1,361,965,901	1,257,730,031	983,030,986	1,302,007,931
Non-controlling interests of the subsidiaries		15,000,238	15,806,363	-	-
Total shareholders' equity		1,376,966,139	1,273,536,394	983,030,986	1,302,007,931
Total liabilities and shareholders' equity		3,332,212,591	3,008,116,662	2,777,115,935	2,852,457,848
		0	0	0	0

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

RPCG Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Continuing operation					
Revenues					
Sales		2,360,752,388	3,236,907,896	-	-
Service income		59,407,603	73,271,844	-	-
Other income	29	30,893,398	38,153,206	50,693,709	49,134,557
Total revenues		2,451,053,389	3,348,332,946	50,693,709	49,134,557
Expenses					
Cost of sales		2,169,606,678	3,010,581,474	-	-
Cost of services		38,388,182	48,666,420	-	-
Selling expenses		68,171,785	92,293,826	-	-
Administrative expenses		261,280,469	293,237,750	77,289,027	119,518,761
Loss on impairment of investments in associates, investments in subsidiaries and other long-term investments		139,000,000	5,481,621	150,271,487	5,675,621
Bad debts and allowance for doubtful debts		6,298,586	4,083,955	124,409,728	3,700,000
Total expenses		2,682,745,700	3,454,345,046	351,970,242	128,894,382
Loss before share of profit from investments in associates, finance cost and income tax expenses					
Share of profit from investments in associates	15	354,178,493	7,134,548	-	-
Profit (loss) before finance cost and income tax expenses		122,486,182	(98,877,552)	(301,276,533)	(79,759,825)
Finance cost		(7,772,406)	(2,002,600)	(6,841,129)	(289,103)
Profit (loss) before tax income		114,713,776	(100,880,152)	(308,117,662)	(80,048,928)
Tax income (expenses)	31	(3,297,454)	2,350,124	-	5,505,658
Profit (loss) for the year from continuing operation		111,416,322	(98,530,028)	(308,117,662)	(74,543,270)
Discontinued operation					
Loss for the year from discontinued operation	32	-12,004,633	-152,583,944	-12,004,633	-152,583,944
Profit (loss) for the year		99,411,689	-251,113,972	-320,122,295	-227,127,214
Profit (loss) attributable to:					
Equity holders of the Company		100,217,814	(251,500,225)	(320,122,295)	(227,127,214)
Non-controlling interests of the subsidiaries		(806,125)	386,253		
		<u>99,411,689</u>	<u>(251,113,972)</u>		
		0	0		
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company	33	0.08	(0.20)	(0.25)	(0.19)
Weighted average number of ordinary shares (shares)		<u>1,304,664,125</u>	<u>1,227,676,568</u>	<u>1,304,664,125</u>	<u>1,227,676,568</u>

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

RPCG Public Company Limited and its subsidiaries
Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Profit (loss) for the year		99,411,689	(251,113,972)	(320,122,295)	(227,127,214)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Loss on impairment of revalued building and equipment	28	-	(132,278,567)	-	(132,278,567)
Less: Income tax effect	31	-	26,455,713	-	26,455,713
		-	(105,822,854)	-	(105,822,854)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		-	(105,822,854)	-	(105,822,854)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain	24	4,736,232	-	1,145,350	-
Less: Income tax effect	31	(718,176)	-	-	-
		4,018,056	-	1,145,350	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		4,018,056	-	1,145,350	-
Other comprehensive income for the year		4,018,056	(105,822,854)	1,145,350	(105,822,854)
Total comprehensive income for the year		103,429,745	(356,936,826)	(318,976,945)	(332,950,068)
Total comprehensive income attributable to:					
Equity holders of the Company		104,235,870	(357,323,079)	(318,976,945)	(332,950,068)
Non-controlling interests of the subsidiaries		(806,125)	386,253		
		103,429,745	(356,936,826)		

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

RPCG Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit (loss) before tax from continuing operation	114,713,776	-100,880,152	-308,117,662	-80,048,928
Loss before tax from discontinued operation	-12,004,633	-152,583,944	-12,004,633	-152,583,944
Profit (loss) before tax	102,709,143	(253,464,096)	(320,122,295)	(232,632,872)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	65,217,400	120,068,243	11,198,328	63,972,982
Bad debts and allowance for doubtful debts	6,298,586	4,083,955	124,409,728	3,700,000
Reduction of cost of inventories to net realisable value	1,812,115	74,466	-	-
Gains on sales of current investments	(2,216,401)	(4,209,752)	(1,887,035)	(4,130,137)
Gains on the change in value of current investments	(1,123,839)	(645,691)	(926,336)	(751,407)
Gains on sales of equipment	(12,978)	(653,566)	(11,663)	(653,392)
Loss on impairment of building and equipment	26,550,157	96,945,028	12,750,157	96,945,028
Provisions for long-term employee benefits	2,622,962	2,645,340	1,084,300	1,207,676
Provision for decommissioning costs	(2,847)	27,137	-	-
Loss (gain) on return of capital by subsidiaries	-	-	29,902,629	(7,092,851)
Loss on impairment of investments in associates, investments in subsidiaries and other long-term investments	139,000,000	5,481,621	120,368,858	5,675,621
Gain on sale of investment in subsidiary	-	-	(5,118,699)	-
Loss on recognising investment retained in former associate at book value	-	-	-	2,560,779
Dividend income from associate and subsidiary	-	-	(22,327,920)	(11,768,616)
Interest income	(6,758,286)	(13,514,812)	(6,926,597)	(12,803,016)
Interest expense	6,978,079	1,091,550	6,811,028	247,003
Share of profit from investments in associates	(354,178,493)	(7,134,548)	-	-
Loss from operating activities before changes in operating assets and liabilities	(13,104,402)	(49,205,125)	(50,795,517)	(95,523,202)
Operating assets (increase) decrease				
Trade and other receivables	10,063,326	32,573,972	6,098,145	(4,321,830)
Inventories	9,356,539	(1,188,628)	4,116	22,031
Other current assets	(3,118,955)	(40,817,737)	(1,746,226)	(1,308,453)
Other non-current assets	1,850,664	1,254,872	1,987,830	17,193
Operating liabilities increase (decrease)				
Trade and other payables	(22,016,663)	(43,686,749)	(1,745,637)	(3,753,495)
Other current liabilities	(526,512)	(3,139,426)	(8,330)	(683,473)
Cash flows used in operating activities	(17,496,003)	(104,208,821)	(46,205,619)	(105,551,229)
Cash paid for interest expense	(958,477)	(1,095,014)	(783,631)	(247,003)
Cash received from income tax refunded	2,549,991	7,320,151	524,482	1,141,381
Cash paid for income tax	(3,634,057)	(3,658,291)	(523,701)	(376,819)
Net cash flows used in operating activities	(19,538,546)	(101,641,975)	(46,988,469)	(105,033,670)

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

RPCG Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Decrease (increase) in pledged deposits at banks	25,196,035	8,253,357	(50,000,000)	7,200,000
Interest received	8,622,619	14,504,594	7,455,764	13,792,798
Dividend received from associate and subsidiary	22,327,920	10,419,696	22,327,920	11,768,616
Cash paid for purchases of current investments	(630,410,000)	(1,680,281,995)	(564,000,000)	(1,651,999,999)
Proceeds from sales of current investments	695,309,519	1,678,728,018	622,968,816	1,622,454,792
Net cash paid for acquisitions of investments in associates	(414,209,888)	(700,112,499)	(414,209,888)	(700,112,499)
Cash receipts from return of capital by subsidiaries	-	-	1,832,834	44,302,552
Proceeds from sales of investments in subsidiaries	-	-	26,599,468	-
Decrease (increase) in short-term loans to related parties	8,000,000	(8,000,000)	58,000,000	(7,200,000)
Increase in short-term loans to unrelated parties	(395,000)	-	(395,000)	-
Decrease (increase) in long-term loans to unrelated parties	298,059	(646,869)	100,000	(1,163,617)
Proceeds from sales of equipment	683,316	2,178,307	11,850	1,248,451
Acquisitions of building and equipment	(21,282,485)	(22,793,847)	(1,043,539)	(6,028,182)
Acquisitions of intangible assets	(83,705)	(181,330)	-	-
Advances received from selling of machinery and equipment	40,000,000	-	40,000,000	-
Net cash flows used in investing activities	(265,943,610)	(697,932,568)	(250,351,775)	(665,737,088)
Cash flows from financing activities				
Increase in short-term loans from unrelated parties	199,500,000	-	200,000,000	-
Repayment of liabilities under finance leases	(1,268,809)	(2,920,797)	(577,348)	(1,518,833)
Proceeds from increase in share capital	-	501,793,896	-	501,793,896
Dividend paid	-	(1,666,737)	-	(1,666,737)
Net cash flows from financing activities	198,231,191	497,206,362	199,422,652	498,608,326
Net decrease in cash and cash equivalents	(87,250,965)	(302,368,181)	(97,917,592)	(272,162,432)
Cash and cash equivalents at beginning of year	131,724,098	434,092,279	106,747,568	378,910,000
Cash and cash equivalents at end of year	44,473,133	131,724,098	8,829,976	106,747,568
Supplemental cash flows information:				
Non-cash transactions				
Acquisitions of vehicles by finance leases	-	2,869,512	-	2,869,512
Amortisation of revaluation surplus on assets	-	22,022,631	-	22,022,631
Loss on impairment of revalued building and equipment	-	(105,822,854)	-	(105,822,854)
Transfer deposit for shares purchase to investments in associates account	-	200,000,000	-	200,000,000
Transfer of loans to related parties from short-term to long-term	-	4,500,000	-	4,500,000
Transfer of loans to unrelated parties from short-term to long-term	-	3,400,000	-	3,400,000
Transfer of building, building improvement, machinery and equipment to non-current assets held for sale	71,441,507	-	71,441,507	-

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

RPCG Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company					Other components of shareholders' equity				
	Issued and paid-up share capital	Premium on ordinary shares	Appropriated - The Company	Retained earnings - The subsidiaries	Unappropriated (deficit)	Revaluation surplus on assets	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2014	802,870,229	335,966,599	80,304,817	4,100,000	(352,528,607)	244,212,913	244,212,913	1,114,925,951	15,420,110	1,130,346,061
Loss for the year	-	-	-	-	(251,500,225)	-	-	(251,500,225)	386,253	(251,113,972)
Other comprehensive income for the year	-	-	-	-	-	(105,822,854)	(105,822,854)	(105,822,854)	-	(105,822,854)
Total comprehensive income for the year	-	-	-	-	(251,500,225)	(105,822,854)	(105,822,854)	(357,323,079)	386,253	(356,936,826)
Increase share capital (Note 26)	501,793,896	-	-	-	-	-	-	501,793,896	-	501,793,896
Dividend paid (Note 36)	-	-	-	(1,666,737)	-	-	-	(1,666,737)	-	(1,666,737)
Reversal of statutory reserve from liquidation of subsidiaries	-	-	-	(2,600,000)	2,600,000	-	-	-	-	-
Amortisation of revaluation surplus on assets (Note 28)	-	-	-	22,022,631	(22,022,631)	(22,022,631)	(22,022,631)	-	-	-
Balance as at 31 December 2014	1,304,664,125	335,966,599	80,304,817	1,500,000	(581,072,938)	116,367,428	116,367,428	1,257,730,031	15,806,363	1,273,536,394
Balance as at 1 January 2015	1,304,664,125	335,966,599	80,304,817	1,500,000	(581,072,938)	116,367,428	116,367,428	1,257,730,031	15,806,363	1,273,536,394
Profit (loss) for the year	-	-	-	-	100,217,814	-	-	100,217,814	(806,125)	99,411,689
Other comprehensive income for the year	-	-	-	-	4,018,056	-	-	4,018,056	-	4,018,056
Total comprehensive income for the year	-	-	-	-	104,235,870	-	-	104,235,870	(806,125)	103,429,745
Reversal of statutory reserve from liquidation of subsidiaries	-	-	-	(1,500,000)	1,500,000	-	-	-	-	-
Balance as at 31 December 2015	1,304,664,125	335,966,599	80,304,817	-	(475,337,068)	116,367,428	116,367,428	1,361,965,901	15,000,238	1,376,966,139
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-

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

RPCG Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2015

(Unit: Baht)

	Separate financial statements									
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Revaluation surplus on assets	Other components of shareholders' equity		Total components of shareholders' equity	Total shareholders' equity	
			Appropriated - statutory reserve	Unappropriated (deficit)		shareholders' equity	shareholders' equity			
Balance as at 1 January 2014	802,870,229	335,966,599	80,304,817	(298,862,429)	214,551,624	214,551,624	214,551,624	1,134,830,840		
Loss for the year	-	-	-	(227,127,214)	-	-	-	(227,127,214)		
Other comprehensive income for the year	-	-	-	-	(105,822,854)	(105,822,854)	(105,822,854)	(105,822,854)		
Total comprehensive income for the year	-	-	-	(227,127,214)	(105,822,854)	(105,822,854)	(105,822,854)	(332,950,068)		
Increase share capital (Note 26)	501,793,896	-	-	-	-	-	-	501,793,896		
Dividend paid (Note 36)	-	-	-	(1,666,737)	-	-	-	(1,666,737)		
Amortisation of revaluation surplus on assets (Note 28)	-	-	-	22,022,631	(22,022,631)	(22,022,631)	(22,022,631)	-		
Balance as at 31 December 2014	1,304,664,125	335,966,599	80,304,817	(505,633,749)	86,706,139	86,706,139	86,706,139	1,302,007,931		
Balance as at 1 January 2015	1,304,664,125	335,966,599	80,304,817	(505,633,749)	86,706,139	86,706,139	86,706,139	1,302,007,931		
Loss for the year	-	-	-	(320,122,295)	-	-	-	(320,122,295)		
Other comprehensive income for the year	-	-	-	1,145,350	-	-	-	1,145,350		
Total comprehensive income for the year	-	-	-	(318,976,945)	-	-	-	(318,976,945)		
Balance as at 31 December 2015	1,304,664,125	335,966,599	80,304,817	(824,610,694)	86,706,139	86,706,139	86,706,139	983,030,986		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		

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

RPCG Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2015

1. General information

1.1 Corporate information

RPCG Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the trading of fuel oil, investment and holding company business. On 4 January 2016, the Company registered to change its address of the Company’s office, which is the head office, with the Ministry of Commerce from located at 14th floor, Shinawatra Tower 3, 1010 Viphavadi Rangsit Road, Khwang Chatuchak, Khet Chatuchak, Bangkok to 86/2 Pure Place Community Mall Ramkhamhaeng, 3rd floor, Ramkhamhaeng Road, Saphan Sung, Bangkok. The Company’s branch, which is the plant, is located at 7/3 Pakorn Songkrohrad Road, Map-ta-phut, Muang Rayong, Rayong.

The Company’s major shareholder is Petro-Instruments Co., Ltd., which as at 31 December 2015 and 2014 held 19.72% of the issued and paid-up capital of the Company.

As a consequence of the impact of cessation of the delivery of raw materials to the Company in February 2012, the Company had laid off employees and paid compensation in accordance with Labour Law, in order to downsize its business and reduce costs. In addition, Pure Biodiesel Co., Ltd. (“PBC”) shut down its plant since it had no orders from its customers and lacked liquidity to operate its business, while Jaturatis Transport Co., Ltd. (“JTC”), SCT Petroleum Co., Ltd. (“SCT”) and its 6 subsidiaries ceased providing service and trading. PBC, JTC and SCT had laid off their employees while paying compensation in accordance with Labour Law.

The meeting of the Company’s Board of Directors held on 9 August 2013 approved a resolution to dissolve and liquidate the following subsidiaries 1) SCT Petroleum Co., Ltd. 2) Pure Intertrade Co., Ltd. 3) Tossatis Logistics Co., Ltd. 4) Jatuchak Oil Co., Ltd. 5) Pure Silica Mining Co., Ltd. 6) RPC Management Co., Ltd. and 7) Jaturatis Transport Co., Ltd. within 2013. On 30 September 2013, the following subsidiaries 1) SCT Petroleum Co., Ltd. 2) Pure Intertrade Co., Ltd. 3) Tossatis Logistics Co., Ltd. 4) Jatuchak Oil Co., Ltd. and 5) Pure Silica Mining Co., Ltd. registered their dissolution with the Ministry of Commerce, with the registrar accepting the registration on 30 September 2013. The meeting of the Company’s Board of Directors held on 12 November 2013 passed a resolution approving a delay in the dissolution and

liquidation of RPC Management Co., Ltd. and Jaturatis Transport Co., Ltd. in order to use these companies in the operation of business.

Consequently, the meeting of the Company's Board of Directors held on 13 August 2014 approved the confirmation of a resolution to dissolve and liquidate Jaturatis Transport Co., Ltd. which registered its dissolution with the Ministry of Commerce, with the registrar accepting the registration on 29 December 2014.

In July 2014, Jatuchak Oil Co., Ltd. and Pure Silica Mining Co., Ltd. registered their liquidations. The Company has received cash proceeds from the subsidiaries in the third quarter of 2014.

During the year 2015, SCT Petroleum Co., Ltd., Jaturatis Transport Co., Ltd., Pure Intertrade Co., Ltd. and Tossatis Logistics Co., Ltd. registered its liquidation. The Company has received cash proceeds from the subsidiaries during the year 2015.

1.2 Fundamental accounting assumptions

As discussed in Note 37.5 a) to the financial statements, since the year 2009 the Company has been involved in a significant commercial dispute and outstanding litigation with its major raw material supplier, who stopped delivering raw materials to the Company in February 2012. This forced the Company to cease production, since it has been unable to find new suppliers of these raw materials, while some of its subsidiaries that operate in a related business have also had to cease operations. On 20 April 2015, the 2015 Annual General Meeting of the shareholders approved a resolution to permanently discontinue the refinery business in Rayong province. The Group has therefore suffered consistent operating losses in the years since the cessation of production in 2012. Even though some significant uncertainties that may impact on the ability of the Group to continue as going concern have currently eased as a result of the management plan, the Group has suffered operating losses and as at 31 December 2015 its current liabilities exceeded its current assets by Baht 1,518 million (2014: Baht 1,184 million). Current liabilities include liabilities under the commercial dispute and outstanding litigation with its major raw material supplier, discussed above. These factors would raise substantial doubt regarding the ability of the Group to continue as going concern, should the outcome of the litigation not be in favour of the Company. However, there remains uncertainty regarding the outcomes of the commercial dispute and outstanding litigation, which cannot be concluded at this time and depend on future judicial proceedings.

These factors would raise substantial doubt regarding the ability of the Group to continue as going concern. However, the Company's management has plans to

improve the operations by restructuring the organisation in order to operate investment and holding company business. They believe that they will be able to resolve the issues. The Company's investment plans are as below.

- a) During the year 2014, the Company purchased Baht 900 million of the ordinary shares of Thai Public Port Co., Ltd., which is principally engaged in the rental of oil depot and port business.
- b) The Company's Board of Directors meeting held on 16 February 2015 approved a resolution to purchase 135,564,380 ordinary shares (representing 23.00% of shares held) of Sammakorn Plc. (SAMCO), an associated company, from the existing shareholders at Baht 3.05 per share, or for a total cost of Baht 413 million. The Company used its working capital and loans to finance the investment. The Company purchased the shares in March 2015, and as a result the Company's shareholding in SAMCO increased from 25.25% to 48.25%. SAMCO is principally engaged in the real estate development.

In addition, the Company is seeking business partners and other new business opportunities. For these reasons, the financial statements have been prepared on the going concern basis.

2. Basis of preparation

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

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

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

- 2.2 **Basis of consolidation**

- a) The consolidated financial statements include the financial statements of RPCG Public Company Limited ("the Company") and the following subsidiaries (hereinafter called "the Group").

Company's name	Nature of business	Place of incorporation	Percentage of shareholding	
			2015	2014
			%	%
Pure Biodiesel Co., Ltd.*	Manufacture and distribution of biodiesel (B100) and crude glycerin	Thailand	100	100
Pure Thai Energy Co., Ltd. and its subsidiaries	Trading of fuel oil and gas	Thailand	100	100
SCT Petroleum Co., Ltd.	Registered its liquidation	Thailand	-	100
SCT Sahaphan Co. Ltd.	Distribution and maintenance of gas station equipment	Thailand	-	100
Jaturatis Transport Co., Ltd.	Registered its liquidation	Thailand	-	100
Pure Intertrade Co., Ltd.	Registered its liquidation	Thailand	-	100
RPC Management Co., Ltd.*	Trading of fuel oil	Thailand	100	100
Tossatis Logistics Co., Ltd.	Registered its liquidation	Thailand	-	100
RPC Global Co., Ltd.	Trading of fuel oil and petrochemical products and investment	Hong Kong	100	100

* Business suspended as at 31 December 2015

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

a) Financial reporting standards that became effective in the current year

The Group has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, some of these standards involve changes to key principles, which are summarised below.

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Group already recognises actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgment when reviewing whether the Group has control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Group's financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Group.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Group's financial statements.

b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and

accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Revenues from construction services

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

Revenues from rental and service

Revenues from rental and service are recognised on a straight-line basis over the lease term.

Management fee income

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

Interest income

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

Dividends

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

4.2 Cash and cash equivalents

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

4.3 Trade receivables

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

4.4 Inventories

Inventories are valued at the lower of average cost and net realisable value.

4.5 Investments

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

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

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

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in the income statement.

4.6 Property, plant and equipment and depreciation

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

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

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

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of

“Revaluation surplus on assets” in other components of shareholders' equity. However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.

- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in the income statement. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in respect of the same asset in “Revaluation surplus on assets” in other components of shareholders' equity.

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

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

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

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

4.7 Borrowing costs

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

4.8 Intangible assets and amortisation

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

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

The useful lives of computer software are 5 and 10 years.

4.9 Related party transactions

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

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

4.10 Long-term leases

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

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the

consolidated financial statements are measured using the functional currency of that entity.

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

Gains and losses on exchange are included in determining income.

4.12 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

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

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's

assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Group elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, retrospectively as though the Group initially recorded these employee benefit expenses.

4.14 Provisions

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

4.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.16 Non-current assets held for sales

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale when the Company receives economic benefits through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

In determining allowance for impairment of non-current assets held for sale, the management needs to make judgment in estimating the losses that will be incurred on the sale of the asset, taking into account net realisable value, selling method, and the condition of the non-current assets held for sale, as well as the level of demand in the market for the non-current assets held for sale, among other factors.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

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

Leases

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

Allowance for doubtful debts

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

Impairment of investments

In determining an allowance for impairment of investments in subsidiaries, investments in associates and other long-term investments, the management needs to prepare projections of the cash flows expected to be generated by the investments in the future, and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Allowance for impairment of non-current assets held for sale

In determining allowance for impairment of non-current assets held for sale, the management needs to make judgement in estimating the losses that will be incurred on the sale of the asset, taking into account net realisable value, selling method, and the condition of the non-current assets held for sale, as well as the level of demand in the market for the non-current assets held for sale, among other factors.

Property, plant and equipment and depreciation

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

The Group measures land, factory buildings, machinery and factory equipment at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the depreciated replacement cost approach for factory buildings, machinery and factory equipment. The valuation involves certain assumptions and estimates as described in Note 18 to the financial statements.

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

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

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

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Cash	10,823	13,751	90	452
Bank deposits	33,650	117,973	8,740	106,296
Total	44,473	131,724	8,830	106,748

As at 31 December 2015, bank deposits in savings accounts and fixed accounts carried interests between 0.262% and 1.065% per annum (2014: 0.375% and 2.65% per annum).

7. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	2015		2014	
	Cost	Fair value	Cost	Fair value
Deposits in fixed-term bank accounts				
Maturing within six-month	15,000	15,000	3,000	3,000
Total deposits in fixed-term bank accounts	15,000	15,000	3,000	3,000
Investment units in mutual funds				
Cost	117,055	118,179	191,092	191,738
Add: Unrealised gain	1,124	-	646	-
Investment units in mutual fund - net	118,179	118,179	191,738	191,738
Total current investments - net	133,179	133,179	194,738	194,738

(Unit: Thousand Baht)

	Separate financial statements			
	2015		2014	
	Cost	Fair value	Cost	Fair value
Deposits in fixed-term bank accounts				
Maturing within six-month	10,000	10,000	-	-
Total deposits in fixed-term bank accounts	10,000	10,000	-	-
Investment units in mutual funds				
Cost	95,000	95,926	161,331	162,082
Add: Unrealised gain	926	-	751	-
Investment units in mutual fund - net	95,926	95,926	162,082	162,082
Total current investments - net	105,926	105,926	162,082	162,082

As at 31 December 2015, bank deposits in fixed accounts carried interests between 2.60% and 3.20% per annum (2014: at a rate of 1.35% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due				
Not over 3 months	89	64	-	-
Total trade receivables - related parties	89	64	-	-
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due				
Not over 3 months	29,330	36,937	-	-
3 - 6 months	9	490	-	-
6 - 12 months	5	3,178	-	-
Over 12 months	10,836	8,947	-	617
Total	40,180	49,552	-	617
Less: Allowance for doubtful debts	(9,812)	(9,819)	-	(617)
Total trade receivables - unrelated parties, net	30,368	39,733	-	-
Total trade receivables - net	30,457	39,797	-	-

Other receivables

Advances to related parties	642	4,338	2,644	8,487
Accrued income	7,870	6,812	743	1,804
Others	6,671	7,638	9	95
Total	15,183	18,788	3,396	10,386
Less: Allowance for doubtful debts	(4,942)	(4,519)	-	-
Total other receivables - net	10,241	14,269	3,396	10,386
Total trade and other receivables, net	40,698	54,066	3,396	10,386

9. Related party transactions

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

Name	Relationship
Pure Biodiesel Co., Ltd.	Subsidiary
Pure Thai Energy Co., Ltd. ("PTEC")	Subsidiary
RPC Management Co., Ltd.	Subsidiary
RPC Global Co., Ltd.	Subsidiary
Super Pure Gas Co., Ltd.	Subsidiary of PTEC
SCT Sahaphan Co., Ltd.	Subsidiary of PTEC
Pure Sammakorn Development Co., Ltd.	Associate
Sammakorn Plc.	Associate
Thai Public Port Co., Ltd.	Associate
Petro-Instruments Co., Ltd.	19.72% of shares held in the Company
KP Energy Group Co., Ltd.	Common directors

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Transactions with subsidiaries				
(Eliminated from the consolidated financial statements)				
Dividend income	-	-	-	1,349
Management fee income	-	-	4,305	4,837
Interest income	-	-	3,660	5,510
Other income - other services	-	-	2,654	2,223
Other expenses	-	-	18	5
Transactions with associates				
Sales	638	861	-	-
Dividend income	22,328	10,419	22,328	10,419
Management fee income	3,600	3,600	3,600	3,600
Interest income	114	509	114	509
Land rental expense	836	753	-	-
Other expenses	618	30	-	-
Transactions with related parties				
Management fee income	250	200	250	200
Other expenses	247	865	247	264

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

Transactions	Transfer pricing policy
Sales	The selling price is set out based on the market price.
Dividend income	As declared
Management fee income	Contract price and at actual costs.
Interest income	3.50% - 5.00% per annum
Other income	Contract price
	Guarantee fee at a rate of 1% per annum
Land rental expense	Contract price
Other expense	Contract price

Significant agreements with related parties

Management and administration agreements

In January 2015, the Company entered into management and administration agreements with two subsidiaries to provide consultation relating to human resources, administration, information technology, law and coordination with the government. The service fees were stipulated in the agreements, which were for a period of 1 year, ended in December 2015.

Consultation agreements

In 2015, the Company entered into consultation agreements with two related companies to provide consultation relating to management, business development, accounting and finance and information technology. The service fees were stipulated in the agreements, which terminated in December 2015.

Guarantee agreements

The Company entered into the agreements with various subsidiaries to guarantee bank credit facilities of subsidiaries amounting to Baht 80 million (2014: Baht 80 million). The guarantees are effective for as long as the underlying obligations have not been discharged by the subsidiaries. The Company charges a guarantee fee at a rate of 1% per annum.

As at 31 December 2015 and 2014, the balances of the accounts between the Group and those related parties are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Trade and other receivables - related parties (Note 8)				
<i>Trade receivables - related parties</i>				
Associates	89	64	-	-
Total trade receivables - related parties	89	64	-	-
<i>Other receivables - related parties</i>				
Subsidiaries	-	-	2,002	4,149
Associates	642	4,049	642	4,049
Related companies (common directors)	-	289	-	289
Total other receivables - related parties	642	4,338	2,644	8,487

Short-term loans to related parties

Subsidiaries	-	-	399,188	449,188
Associates	-	8,000	-	8,000
Total short-term loans to related parties	-	8,000	399,188	457,188
Less: Allowance for doubtful debts	-	-	(319,188)	(200,000)
Total short-term loans to related parties, net	-	8,000	80,000	257,188

Long-term loans to related parties

Related company (common directors)	4,500	4,500	4,500	4,500
Less: Allowance for doubtful debts	(4,500)	(4,500)	(4,500)	(4,500)
Total long-term loans to related party, net	-	-	-	-

Other payables - related parties (Note 22)

Associates	51	51	-	-
Related companies (common directors)	23	-	23	-
Total other payables - related parties	74	51	23	-

Loans to related parties

During the year ended 31 December 2015, movements of loans to related parties were follows.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 31 December 2014	Increase during the year	Decrease during the year	Balance as at 31 December 2015
Short-term loans				
Pure Sammakorn				
Development Co., Ltd.	8,000	3,000	(11,000)	-
Total	8,000	3,000	(11,000)	-
Long-term loan				
KP Energy Group Co., Ltd.	4,500	-	-	4,500
Less: Allowance for doubtful debts	(4,500)	-	-	(4,500)
Net	-	-	-	-

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2014	Increase during the year	Decrease during the year	Balance as at 31 December 2015
Short-term loans				
Pure Biodiesel Co., Ltd.	319,188	-	-	319,188
Pure Thai Energy Co., Ltd.	130,000	1,085,000	(1,135,000)	80,000
Pure Sammakorn Development Co., Ltd.	8,000	3,000	(11,000)	-
Total	457,188	1,088,000	(1,146,000)	399,188
Less: Allowance for doubtful debts	(200,000)	(119,188)	-	(319,188)
Net	257,188	968,812	(1,146,000)	80,000
Long-term loan				
KP Energy Group Co., Ltd.	4,500	-	-	4,500
Less: Allowance for doubtful debts	(4,500)	-	-	(4,500)
Net	-	-	-	-

As at 31 December 2015, short-term loans to subsidiaries totaling Baht 399 million (2014: Baht 449 million) are in the form of unsecured promissory notes with maturities of 6 - 10 months, carrying interest at rate of 3.50% per annum (2014: 3.50% per annum).

In May 2015, Pure Biodiesel Co., Ltd. has mortgaged land, buildings and oil depots with a total book value as at 31 December 2015 of Baht 116 million, as collateral to secure short-term loans received from the Company.

As at 31 December 2015, the Company set aside allowance for doubtful debts for the loans to Pure Biodiesel Co., Ltd. for the whole amount (2014: Baht 200 million), as the Company expects that the assets of the subsidiary will not be sufficient to repay the loans. On 1 October 2013, the Company ceased recognising the interest income on the loans to this subsidiary.

As at 31 December 2014, short-term loans to Pure Sammakorn Development Co., Ltd. (PSDC) are unsecured loans totaling Baht 8 million with maturities of 12 months, carrying interest at a rate of 3.50% per annum. The principal and interest were to be repaid in full within May 2015. During the year 2015, PSDC repaid the whole balance of short-term loans.

The short-term loan to KP Energy Group Co., Ltd. (KPEG) was unsecured loan amounting to Baht 4.5 million with maturity of 1 year, carrying interest at a rate of 5% per annum, with principal and interest to be repaid in full within December 2014. During the year 2014, KPEG requested an extension of the term of the loan to 31 December 2016, and the Company therefore reclassified the loan as a long-term loan. As at 31 December 2015 and 2014, the Company set aside allowance for doubtful debts for the full amount as the Company expects that the assets of KPEG will not be sufficient to repay the loan. On 1 January 2015, the Company ceased recognising the interest income on the loan to this company.

Management benefit expenses

During the years ended 31 December 2015 and 2014, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Short-term employee benefits	13,010	21,686	8,039	16,471
Post-employment benefits	786	734	649	608
Total	13,796	22,420	8,688	17,079

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2015	2014	2015	2014	2015	2014
Finished goods	55,128	64,485	(9,961)	(8,149)	45,167	56,336
Supplies	2,776	2,776	-	-	2,776	2,776
Total	57,904	67,261	(9,961)	(8,149)	47,943	59,112

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2015	2014	2015	2014	2015	2014
Finished goods	7,055	7,059	(7,055)	(7,055)	-	4
Supplies	2,776	2,776	-	-	2,776	2,776
Total	9,831	9,835	(7,055)	(7,055)	2,776	2,780

During the year 2015, the Group reduced cost of inventories by Baht 1.91 million (2014: Baht 0.12 million) (the Company only: 2014: nil), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 0.10 million (2014: Baht 0.04 million) (the Company only: 2014: nil), and reduced the amount of inventories recognised as expenses during the year.

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

On 14 January 2006, the Company entered into a Petroleum Product Business Joint Venture Agreement with T.C.S. Oil Co., Ltd. ("TCS") for the purpose of the joint oil business in Cambodia. The agreement is effective for a period of 15 years, expiring in 2020. The Company is obliged to provide fuel and a Baht 35 million loan to TCS. The loan is subject to fixed interest rate at 5% per annum and payable on a monthly basis. The repayment of loan principal is stipulated in the agreement. The Company will receive share of profit from the operating results of TCS, as specified in the agreement, upon receipt of full loan repayment. The Company ceased accrual of interest income from 1 January 2010. As at 31 December 2015, the Company has written-off such loan as TCS was unable to commence its operations as originally planned, and the Company expects that the assets of TCS will not be sufficient to repay the loan.

12. Long-term loans to unrelated parties

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Long-term loans to unrelated parties	5,395	5,693	4,464	4,564
Less: Allowance for doubtful debts	(4,464)	-	(4,464)	-
Long-term loans to unrelated parties, net	931	5,693	-	4,564
Less: Current portion	(931)	(548)	-	-
Non-current portion	-	5,145	-	4,564

13. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deposits for inventory purchases	40,000	40,000	-	-
Value added tax refundable	4,068	3,395	4,068	3,395
Prepaid expenses	12,610	12,620	819	1,766
Others	5,720	3,264	2,044	24
Total	62,398	59,279	6,931	5,185

14. Pledged deposits at banks

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

15. Investments in associates

15.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Consolidated financial statements		Separate financial statements	
			2015	2014	2015	2014	Carrying amounts based on equity method		Carrying amounts based on cost method	
			(%)	(%)			2015	2014	2015	2014
Thai Public Port Co., Ltd.	Rental of oil depot and port business	Thailand	30.00	30.00	900,112	900,112	887,897	880,886	900,112	900,112
Pure Sammakorn Development Co., Ltd.	Real estate rental and service	Thailand	44.13	44.13	129,181	129,181	127,395	125,523	129,181	129,181
Sammakorn Plc.	Real estate development	Thailand	48.25	25.25	785,802	371,592	1,144,571	407,394	785,802	371,592
Total investments in associates							2,159,863	1,413,803	1,815,095	1,400,885
Less: Allowance for impairment							(139,000)	-	(151,000)	-
Investments in associates, net							2,020,863	1,413,803	1,664,095	1,400,885

Sammakorn Plc.

The Company's Board of Directors meeting held on 16 February 2015 approved a resolution to purchase 135,564,380 ordinary shares (representing 23.00% of shares held) of Sammakorn Plc. (SAMCO), an associated company, from the existing shareholders at Baht 3.05 per share, or for a total cost of Baht 413 million. The Company used its working capital and loans to finance the investment. The Company purchased the shares in March 2015, and as a result the Company's shareholding in SAMCO increased from 25.25% to 48.25%. SAMCO is principally engaged in the real estate development.

Details of the net assets acquired and goodwill are provided below.

(Unit: Thousand Baht)

Assets

Project development costs	424,103
Land held for development	332,604
Investment properties	272,735
Other assets	61,009
Total assets	1,090,451

(Unit: Thousand Baht)

Liabilities

Long-term loans	188,268
Deferred tax liabilities	40,631
Other liabilities	159,425
Total liabilities	<u>388,324</u>
Fair value of net assets acquired	702,127
Negative goodwill	<u>(287,917)</u>
Purchase consideration transferred (cash paid)	<u>414,210</u>

The Company recognised the excess of the net fair value of the identifiable assets and liabilities over the cost of the investment (negative goodwill), amounting to Baht 288 million as share of profit from investment in the income statement.

Thai Public Port Co., Ltd.

During the year 1997, Chonburi Province (plaintiff) sued a total of 8 unrelated companies and persons (defendants), charging that they had wrongly encroached on state land, exploded rock, and destroyed the natural environment, and claiming damages. Thai Public Port Co., Ltd. (TPP) is not a party in such lawsuit. During the year 2005, Chonburi Provincial Court issued a judgment ordering the defendants to jointly indemnify the damages, and revoking the title deeds held by the defendants, including the title deed to a plot of land owned by the associated company and used as the site of a dock and terminal project. Later, in July 2010, the Court of Appeals amended the judgment, whereby the title deeds held by the defendants, including the title deed to a plot of land owned by the associated company would not be revoked, since such an order exceeded the scope of the lawsuit. However, at present, the case is under consideration of the Supreme Court. The outcome of the dispute cannot be determined and depends on future judicial proceedings.

The Company and its legal advisor view that since TPP is not a party in such lawsuit, TPP should not be bound by the judgment of the Chonburi Provincial Court. The judgment of the Court of First Instance, ordering the revocation of the land title deeds, also exceeded the scope of the lawsuit, in which the plaintiff only demanded damages from the defendants.

During the year 1998, TPP filed an application for a concession to operate on state land, located between TPP's land and the coast (port area), totaling 103 rai. In 2007, the Cabinet approved the concession for a period of 50 years. However, at present it is in the process of preparing the concession contract and issuing the concession to TPP. The working group has passed a resolution to wait for the judgement of the above land case.

15.2 Share of comprehensive income and dividend received

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

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in associates during the years		Share of other comprehensive income from investments in associates during the years		Dividend received during the years	
	2015	2014	2015	2014	2015	2014
Thai Public Port Co., Ltd.	7,011	(19,226)	-	-	-	-
Pure Sammakorn Development Co., Ltd.	1,872	2,631	-	-	-	-
Sammakorn Plc.	345,295	25,854	-	-	22,328	10,419
KP Energy Group Co., Ltd.	-	(2,124)	-	-	-	-
Total	354,178	7,135	-	-	22,328	10,419

Share of profit from investment in Sammakorn Plc. amounting to Baht 345 million, included the excess of the net fair value of the identifiable assets and liabilities over the cost of the investment, amounting to Baht 288 million.

15.3 Fair value of investment in listed associate

As at 31 December 2015, fair value of investment in Sammakorn Plc., an associate that is listed company on the Stock Exchange of Thailand, was Baht 1,018 million (2014: Baht 429 million).

15.4 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	Pure Sammakorn					
	Thai Public Port Co., Ltd.		Development Co., Ltd.		Sammakorn Plc.	
	2015	2014	2015	2014	2015	2014
Current assets	151	42	16	16	1,476	1,339
Non-current assets	1,563	1,650	467	501	2,272	1,485
Current liabilities	(35)	(15)	(90)	(77)	(915)	(577)
Non-current liabilities	(120)	(139)	(193)	(243)	(459)	(635)
Net assets	1,559	1,538	200	197	2,374	1,612
Shareholding percentage (%)	30.00	30.00	44.13	44.13	48.25	25.25
Share of net assets	468	461	88	87	1,145	407
Goodwill	420	420	39	39	-	-
Carrying amounts of associates based on equity method	888	881	127	126	1,145	407
Less: Allowance for impairment	(139)	-	-	-	-	-
Carrying amounts of associates based on equity method, net	749	881	127	126	1,145	407

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December					
	Pure Sammakorn					
	Thai Public Port Co., Ltd.		Development Co., Ltd.		Sammakorn Plc.	
	2015	2014	2015	2014	2015	2014
Revenue	236	73	153	156	1,509	1,150
Profit (loss)	25	(64)	4	6	122	102
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	25	(64)	4	6	122	102

16. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost	
	2015	2014	2015	2014	2015	2014
			%	%		
Pure Biodiesel Co., Ltd. *	280,000	280,000	100	100	279,999	279,999
Pure Thai Energy Co., Ltd. and its subsidiaries	140,000	140,000	100	100	140,000	140,000
SCT Petroleum Co., Ltd.	-	1,000	-	100	-	1,000
SCT Sahaphan Co., Ltd.	-	20,000	-	100	-	21,481
Jaturatis Transport Co., Ltd.	-	30,000	-	100	-	30,402
Pure Intertrade Co., Ltd.	-	50	-	100	-	204
RPC Management Co., Ltd. *	500	500	100	100	956	956
Tossatis Logistics Co., Ltd.	-	50	-	100	-	129
RPC Global Co., Ltd.	41	41	100	100	124	124
Total investments in subsidiaries					421,079	474,295
Less: Allowance for impairment					(350)	(30,981)
Investments in subsidiaries - net					<u>420,729</u>	<u>443,314</u>

* Business suspended as at 31 December 2015

The meeting of the Company's Board of Directors held on 9 August 2013 approved the resolution to dissolve and liquidate the following subsidiaries 1) SCT Petroleum Co., Ltd. 2) Pure Intertrade Co., Ltd. 3) Tossatis Logistics Co., Ltd. 4) Jatuchak Oil Co., Ltd. 5) Pure Silica Mining Co., Ltd. 6) RPC Management Co., Ltd. and 7) Jaturatis Transport Co., Ltd. within 2013. On 30 September 2013, the following subsidiaries 1) SCT Petroleum Co., Ltd. 2) Pure Intertrade Co., Ltd. 3) Tossatis Logistics Co., Ltd. 4) Jatuchak Oil Co., Ltd. and 5) Pure Silica Mining Co., Ltd. registered their dissolution with the Ministry of Commerce, with the registrar accepting the registration on 30 September 2013. The meeting of the Company's Board of Directors held on 12 November 2013 passed a resolution approving a delay in the dissolution and liquidation of RPC Management Co., Ltd. and Jaturatis Transport Co., Ltd. in order to use these companies in the operation of business. Consequently, the meeting of the Company's Board of Directors held on 13 August 2014 approved the confirmation of a resolution to dissolve and liquidate Jaturatis Transport Co., Ltd., which registered its dissolution with the Ministry of Commerce, with the registrar accepting the registration on 29 December 2014.

In July 2014, Jatuchak Oil Co., Ltd. and Pure Silica Mining Co., Ltd. registered their liquidations. The Company has received cash proceeds from the subsidiaries amounting to Baht 0.99 million and reversed allowance for impairment of its investments amounting to Baht 0.39 million during the third quarter of 2014.

In May 2015, SCT Petroleum Co., Ltd. registered its liquidation. The Company has received cash proceeds from the subsidiary amounting to Baht 1.11 million and reversed allowance for impairment of its investments amounting to Baht 0.04 million during the second quarter of 2015.

In September 2015, Jaturatis Transport Co., Ltd., Pure Intertrade Co., Ltd. and Tossatis Logistics Co., Ltd. registered their liquidation. The Company has received cash proceeds from the subsidiaries totaling Baht 0.72 million and reversed allowance for impairment of its investments totaling Baht 30.59 million during the third quarter of 2015.

During the year 2015, the Company had no dividend received from its subsidiaries (2014: Baht 1.35 million).

The meeting of the Company's Board of Directors held on 14 May 2015 approved a resolution to dissolve and liquidate RPC Global Co., Ltd., a 100%-held subsidiary of the Company.

16.1 Pure Biodiesel Co., Ltd.

In early 2012, Pure Biodiesel Co., Ltd. ("PBC") shut down its plant since it had no orders from its customers and lacked liquidity to operate its business. PBC had laid off its employees while paying compensation in accordance with Labour Law. In 2015 and 2014, PBC had no revenue from sales and services.

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

16.2 SCT Sahaphan Co., Ltd.

The Company's Board of Directors meeting held on 15 July 2015, approved the sale of 199,996 shares SCT Sahaphan Co., Ltd. (100% of total shares) to Pure Thai Energy Co., Ltd., at a net book value price of Baht 133, or a total of Baht 26,599,468. The Company sold and received for the investment in August 2015.

17. Other long-term investment

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Consolidated financial statements / Separate financial statements	
			Cost					
			2015	2014	2015	2014	2015	2014
					(%)	(%)		
KP Energy Group Co., Ltd.	Production and distribution of electricity	Thai	36,780	36,780	18.22	18.22	5,482	5,482
Less: Allowance for impairment							(5,482)	(5,482)
Other long-term investment - net							-	-

18. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Operating assets	96,732	100,600	15,369	18,737
Ceased using assets	680,911	1,002,615	245,844	534,144
Total property, plant and equipment	777,643	1,103,215	261,213	552,881
Less: Allowance for impairment	(143,089)	(332,819)	(25,692)	(229,223)
Property, plant and equipment - net	634,554	770,396	235,521	323,658

(Unit: Thousand Baht)

		Consolidated financial statements						Total
		Revaluation basis	Cost basis					
		Land	Office buildings and office building improvements	Gas station equipment	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	
Operating assets								
Cost/revalued amount								
1 January 2014		7,350	160,118	66,177	83,604	27,216	168	344,633
Additions		-	-	60	69	3,176	22,358	25,663
Disposals		-	(8,181)	(673)	(1,654)	(6,326)	-	(16,834)
Transfers		-	2,703	302	1,962	2,846	(13,805)	(5,992)
31 December 2014		7,350	154,640	65,866	83,981	26,912	8,721	347,470
Additions		-	-	42	140	306	20,795	21,283
Disposals		-	(5,591)	(1,949)	(6,418)	(2,150)	-	(16,108)
Transfers		-	10,262	2,648	2,392	1,722	(17,024)	-
Transfer to non-current assets held for sale		-	(131)	-	(3,123)	-	-	(3,254)
31 December 2015		7,350	159,180	66,607	76,972	26,790	12,492	349,391
Accumulated depreciation								
1 January 2014		-	104,651	34,197	74,402	21,818	-	235,068
Depreciation for the year		-	18,027	1,641	4,184	3,288	-	27,140
Depreciation on disposals		-	(8,181)	(622)	(1,471)	(5,064)	-	(15,338)
31 December 2014		-	114,497	35,216	77,115	20,042	-	246,870
Depreciation for the year		-	17,969	618	3,472	2,399	-	24,458
Depreciation on disposals		-	(5,197)	(1,785)	(6,349)	(2,151)	-	(15,482)
Transfer to non-current assets held for sale		-	(109)	-	(3,078)	-	-	(3,187)
31 December 2015		-	127,160	34,049	71,160	20,290	-	252,659
Allowance for impairment loss								
1 January 2015		-	-	-	-	-	-	-
Increase during the year		-	5,808	-	38	-	-	5,846
31 December 2015		-	5,808	-	38	-	-	5,846

(Unit: Thousand Baht)

		Consolidated financial statements					
Revaluation basis		Cost basis					
		Office buildings and office building improvements	Gas station equipment	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net book value							
	31 December 2014	7,350	40,143	30,650	6,866	6,870	8,721
	31 December 2015	7,350	26,212	32,558	5,774	6,500	12,492
Depreciation for the years							
	2014 (Baht 1 million included in manufacturing cost and cost of services, and the balance in administrative expenses)						27,140
	2015 (Baht 1 million included in manufacturing cost and cost of services, and the balance in administrative expenses)						24,458

(Unit: Thousand Baht)

	Consolidated financial statements			
	Revaluation basis			
		Factory buildings and factory building	Machinery and factory equipment	Total
	Land	improvements		
Ceased using assets				
Revalued amount				
1 January 2014	279,394	176,412	1,508,048	1,963,854
Disposals	-	(771)	-	(771)
Transfers	-	127	5,865	5,992
31 December 2014	279,394	175,768	1,513,913	1,969,075
Transfer to non-current assets held for sale	-	-	(956,088)	(956,088)
31 December 2015	279,394	175,768	557,825	1,012,987
Accumulated depreciation				
1 January 2014	-	94,130	782,541	876,671
Depreciation for the year	-	6,351	84,180	90,531
Depreciation on disposals	-	(742)	-	(742)
31 December 2014	-	99,739	866,721	966,460
Depreciation for the year	-	4,738	33,767	38,505
Transfer to non-current assets held for sale	-	-	(672,889)	(672,889)
31 December 2015	-	104,477	227,599	332,076
Allowance for impairment loss				
1 January 2014	-	886	102,710	103,596
Increase during the year	-	17,301	211,922	229,223
31 December 2014	-	18,187	314,632	332,819
Increase during the year	-	2,459	13,790	16,249
Transfer to non-current assets held for sale	-	-	(211,825)	(211,825)
31 December 2015	-	20,646	116,597	137,243
Net book value				
31 December 2014	279,394	57,842	332,560	669,796
31 December 2015	279,394	50,645	213,629	543,668
Depreciation for the years				
2014 (included in administrative expenses)				90,531
2015 (included in administrative expenses)				38,505

(Unit: Thousand Baht)

	Separate financial statements				
	Cost basis				
	Office buildings and office building improvements	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Operating assets					
Cost					
1 January 2014	44,489	29,282	17,560	-	91,331
Additions	-	38	2,870	5,989	8,897
Disposals	-	(339)	(4,025)	-	(4,364)
Transfers	(127)	124	-	(5,989)	(5,992)
31 December 2014	44,362	29,105	16,405	-	89,872
Additions	-	18	-	1,025	1,043
Disposals	-	(392)	(1,524)	-	(1,916)
Transfer to non-current assets held for sale	(131)	(3,123)	-	-	(3,254)
31 December 2015	44,231	25,608	14,881	1,025	85,745
Accumulated depreciation					
1 January 2014	27,216	27,922	14,071	-	69,209
Depreciation for the year	3,049	741	1,904	-	5,694
Depreciation on disposals	-	(334)	(3,434)	-	(3,768)
31 December 2014	30,265	28,329	12,541	-	71,135
Depreciation for the year	2,990	342	1,012	-	4,344
Depreciation on disposals	-	(392)	(1,524)	-	(1,916)
Transfer to non-current assets held for sale	(109)	(3,078)	-	-	(3,187)
31 December 2015	33,146	25,201	12,029	-	70,376
Allowance for impairment loss					
1 January 2015	-	-	-	-	-
Increase during the year	5,808	38	-	-	5,846
31 December 2015	5,808	38	-	-	5,846
Net book value					
31 December 2014	14,097	776	3,864	-	18,737
31 December 2015	5,277	369	2,852	1,025	9,523
Depreciation for the years					
2014 (included in administrative expenses)					5,694
2015 (included in administrative expenses)					4,344

(Unit: Thousand Baht)

	Separate financial statements				
	Revaluation basis				
	Land	Factory buildings and factory building		Machinery and factory equipment	Total
		improvements			
Ceased using assets					
Revalued amount					
1 January 2014	214,152	107,967	954,601	1,276,720	
Transfers	-	127	5,865	5,992	
31 December 2014	214,152	108,094	960,466	1,282,712	
Transfers	-	-	(956,088)	(956,088)	
31 December 2015	214,152	108,094	4,378	326,624	
Accumulated depreciation					
1 January 2014	-	73,049	619,129	692,178	
Depreciation for the year	-	2,446	53,944	56,390	
31 December 2014	-	75,495	673,073	748,568	
Depreciation for the year	-	1,069	4,032	5,101	
Transfer to non-current assets held for sale	-	-	(672,889)	(672,889)	
31 December 2015	-	76,564	4,216	80,780	
Allowance for impairment loss					
1 January 2014	-	-	-	-	
Increase during the year	-	17,301	211,922	229,223	
31 December 2014	-	17,301	211,922	229,223	
Increase (decrease) during the year	-	2,459	(11)	2,448	
Transfer to non-current assets held for sale	-	-	(211,825)	(211,825)	
31 December 2015	-	19,760	86	19,846	
Net book value					
31 December 2014	214,152	15,298	75,471	304,921	
31 December 2015	214,152	11,770	76	225,998	
Depreciation for the years					
2014 (included in administrative expenses)				56,390	
2015 (included in administrative expenses)				5,101	

During 2013, the Group arranged for an independent professional valuer to appraise the value of certain assets on an asset-by-asset basis. The revaluation was concluded on 31 December 2013 and the basis of the revaluation was as follows.

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

Key assumptions used in the valuation are summarised below.

	Consolidated financial statements	Separate financial statements	Result to fair value where as an increase in assumption value
Price per Rai (Thousand Baht)	6,400	6,400	Increase in fair value
Useful lives (years)			
Factory buildings and factory buildings improvements	15 - 40	15 - 40	Increase in fair value
Machinery and equipment	10 - 25	10 - 20	Increase in fair value

Had the land, factory buildings, machinery and factory equipment been carried in the financial statements on a historical cost basis, their net book values as of 31 December 2015 and 2014 would have been as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Land	141,286	141,286	105,770	105,770
Factory buildings and improvements	50,645	57,842	11,770	15,298
Machinery and factory equipment	213,629	332,560	76	75,471

During the years 2015 and 2014, the management of the Group estimated the recoverable amounts of the property, plant and equipment. The basis of the revaluation was as follows.

- a) Land was revalued using the market approach.
- b) Factory buildings, machinery and factory equipment were revalued using the fair value less cost to sell approach.

Key assumptions used in the valuation are summarised below.

	Consolidated financial statements	Separate financial statements
Price per Rai (Thousand Baht)	6,600	6,600
Cost to sell (%)	10	10

The reappraised values of the property, plant and equipment were Baht 22 million (2014: Baht 229 million) lower than their net book values as presented in the consolidated financial statements (separate financial statements: Baht 9 million, 2014: Baht 229 million). The Group recognised the loss on impairment of assets in the income statement for the same amount (2014: The Group recorded Baht 132 million of the loss on impairment of revalued assets as a deduction against the revaluation surplus on assets recorded in consolidated equity (separate financial statements: Baht 132 million) and recognised the remaining loss of Baht 97 million in the consolidated income statement (separate financial statements: Baht 97 million)).

As at 31 December 2015, the Group had vehicles with net book values of Baht 2 million (2014: Baht 3 million) and in the separate financial statements of Baht 2 million (2014: Baht 3 million), which were acquired under finance lease agreements.

The Company has mortgaged land with a total book value as at 31 December 2015 of Baht 211 million (2014: nil), as collateral to secure loan amounting to Baht 200 million, as discussed in Note 23 to the financial statements.

A subsidiary has mortgaged land, buildings and oil depots with a total book value as at 31 December 2015 of Baht 118 million, as collateral to secure short-term loans received from the Company, as discussed in Note 9 to the financial statements.

As at 31 December 2015, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to Baht 174 million (2014: Baht 147 million) in the consolidated financial statements and Baht 74 million (2014: Baht 62 million) in the separate financial statements.

19. Intangible assets

The net book values of intangible assets which are computer software as at 31 December 2015 and 2014 are presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
Cost	25,272	26,814	20,010	21,584
Less: Accumulated amortisation	(22,036)	(21,362)	(18,703)	(18,523)
Net book value	<u>3,236</u>	<u>5,452</u>	<u>1,307</u>	<u>3,061</u>

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
Net book value at beginning of year	5,452	7,668	3,061	4,949
Additions	84	181	-	-
Disposals	(28)	-	-	-
Amortisation	(2,272)	(2,397)	(1,754)	(1,888)
Net book value at end of year	<u>3,236</u>	<u>5,452</u>	<u>1,307</u>	<u>3,061</u>

Amortisation for the year was included in administrative expenses.

20. Other non-current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
The compensation for loss	26,711	26,711	26,711	26,711
Land and gas station leasehold rights	2,082	2,575	-	-
Prepaid corporate income tax	6,025	7,769	899	900
Prepaid expenses	2,610	1,915	-	-
Deposits	2,318	3,079	160	1,255
Others	51	1,343	49	942
Total	<u>39,797</u>	<u>43,392</u>	<u>27,819</u>	<u>29,808</u>

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

21. Credit facilities from financial institutions

The Group has overdraft and short-term loan facilities from various banks. Details of the facilities are as follows.

		(Unit: Million Baht)	
		Credit facilities which are not drawn down	
Secured by		2015	2014
The Company	Pledge of fixed deposits of the Company	70	70
SCT Sahaphan Co., Ltd. ("SAP")	Pledge of SAP's fixed deposits and guaranteed by the Company	11	11
Pure Thai Energy Co., Ltd. ("PTEC")	Pledge of the Company's and PTEC's fixed deposits and guaranteed by the Company	70	20

22. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2015	2014	2015	2014
Trade payables - unrelated parties		1,633,531	1,647,235	1,518,109	1,518,109
Other payables - related parties		74	51	23	-
Other payables - unrelated parties		13,460	15,308	2,583	4,168
Accrued expenses		10,290	9,798	6,627	783
Retention payables		852	1,813	-	-
Total		<u>1,658,207</u>	<u>1,674,205</u>	<u>1,527,342</u>	<u>1,523,060</u>

23. Short-term loans from unrelated parties

As at 31 December 2015, these represented promissory notes which the Group issued to another individual. The loans carried interest at rates of 1.55% - 4.00% per annum (2014: 2.00% per annum) and are repayable within 6 - 12 months. The Company has mortgaged land with a total book value of Baht 211 million as collateral to secure loan amounting to Baht 200 million.

24. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2015 and 2014, which represents compensation payable to employees after they retire from the company, was as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Provisions for long-term employee benefits at beginning of year	11,612	8,967	2,755	1,547
Current service cost	2,176	2,301	974	1,146
Interest cost	447	344	110	62
Actuarial loss (gain) arising from				
- Financial assumptions changes	1,138	-	357	-
- Experience adjustments	(5,874)	-	(1,502)	-
Provisions for long-term employee benefits at end of year	9,499	11,612	2,694	2,755

Long-term employee benefit expenses included in administrative expenses in the income statements for the years ended 31 December 2015 and 2014 consist of the following.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current service cost	2,176	2,301	974	1,146
Interest cost	447	344	110	62
Total	2,623	2,645	1,084	1,208

The Group expects to pay Baht 0.6 million of long-term employee benefits during the next year (Separate financial statements: nil) (2014: nil, separate financial statements: nil).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 13 years (Separate financial statements: 13 years) (2014: 12 years, separate financial statements: 12 years).

Key actuarial assumptions used for the valuation are as follows.

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
	(% per annum)		(% per annum)	
Discount rate	3.00	4.00	3.00	4.00
Future salary increase rate	5.00	5.00	5.00	5.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	Rate increase	Rate decrease	Rate increase	Rate decrease
Increase or decrease 0.5% in discount rate	(648)	706	(185)	200
Increase or decrease 1% in future salary increase rate	1,537	(1,313)	436	(378)

25. Other current liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Value added tax payable	1,042	1,067	-	-
Advances received from customers	10,347	10,793	-	-
Others	2,076	2,131	366	374
Total	13,465	13,991	366	374

26. Share capital

The Extraordinary General Meeting of the shareholders No.1/2013 held on 19 December 2013 approved a resolution to increase the Company's registered capital from Baht 802.87 million (802.87 million ordinary shares of Baht 1 each) to Baht 1,304.66 million (1,304.66 million ordinary shares of Baht 1 each) through the issue of 501,793,896 additional ordinary shares, with a par value of Baht 1 each, and allocate these to the existing shareholders pro rata to their shareholding (rights offering) in a ratio of 1 new share for every 1.60 existing shares, at a price of Baht 1 per share, or a total of Baht 501,793,896. The Company registered the increase of its registered share capital with the Ministry of Commerce on 2 January 2014.

27. Statutory reserve

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

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

28. Revaluation surplus

This represents surplus arising from revaluation of land, factory buildings, machinery and factory equipment. The surplus is amortised to retained earnings on a straight-line basis over the remaining useful lives of the related assets. Movements in the revaluation surplus account, net of income tax, during the years ended 31 December 2015 and 2014 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Balance - beginning of year	116,367	244,213	86,706	214,552
Less: Amortised during the year	-	(22,023)	-	(22,023)
Less: Impaired during the year	-	(105,823)	-	(105,823)
Balance - end of year	<u>116,367</u>	<u>116,367</u>	<u>86,706</u>	<u>86,706</u>

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

29. Other income

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Management fee income	14,682	14,110	8,155	8,767
Dividend income	-	-	22,328	11,769
Gain on sales of equipment and intangible assets	13	653	12	653
Gain on sale and return of capital by subsidiaries	-	-	5,118	7,093
Interest income	6,758	13,515	6,927	12,803
Other income	9,440	9,875	8,154	8,050
Total	30,893	38,153	50,694	49,135

30. Expenses by nature

Significant expenses classified by nature are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Salaries, wages and other employee benefits	130,907	142,543	32,022	40,690
Long-term employee benefits	2,623	2,645	1,084	1,208
Depreciation and amortisation	65,217	120,068	11,198	63,973
Changes in finished goods	9,357	(1,215)	4	(4)
Cost of merchandise inventories and services	2,181,416	3,032,416	-	-
Loss on impairment of investments in associates, investments in subsidiaries and other long-term investments (reversal)	139,000	5,482	150,271	5,676
Loss on impairment of building and equipment	26,550	96,945	12,750	96,945
Bad debts and allowance for doubtful debts	6,299	4,084	124,410	3,700

31. Income tax

Tax expenses (income) for the years ended 31 December 2015 and 2014 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current income tax:				
Current income tax charge	3,184	493	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	113	(2,843)	-	(5,506)
Tax expenses (income) reported in the income statement	<u>3,297</u>	<u>(2,350)</u>	<u>-</u>	<u>(5,506)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax relating to loss on impairment of revalued building and equipment	-	(26,456)	-	(26,456)
Deferred tax relating to actuarial gain	718	-	718	-
Total	<u>718</u>	<u>(26,456)</u>	<u>718</u>	<u>(26,456)</u>

The reconciliation between accounting profit (loss) and tax expenses (income) is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Accounting profit (loss) before tax				
From continuing operation	114,714	(100,880)	(308,118)	(80,049)
From discontinued operation	(12,004)	(152,584)	(12,004)	(152,584)
Total accounting profit (loss) before tax	<u>102,710</u>	<u>(253,464)</u>	<u>(320,122)</u>	<u>(232,633)</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	20,542	(50,693)	(64,024)	(46,527)
Deferred tax assets which were not recognised during the year as future taxable profits may not be sufficient	27,668	29,137	41,868	19,813
Effects of non-deductible expenses				
- Allowance for impairment of investments in associates and subsidiaries	27,800	1,609	24,074	1,648
- Other non-deductible expenses	337	19,817	88	19,595
Effects of:				
- Income not subject to tax	(4,466)	(2,084)	(4,466)	(2,354)
- Others	2,252	1,291	2,460	2,319
Effect of elimination entries on the consolidated financial statements	<u>(70,836)</u>	<u>(1,427)</u>	<u>-</u>	<u>-</u>
Tax expenses (income) reported in the income statement	<u>3,297</u>	<u>(2,350)</u>	<u>-</u>	<u>(5,506)</u>

The components of deferred tax assets and deferred tax liabilities are as follows.

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Deferred tax assets				
Allowance for doubtful debts	2,863	2,619	-	-
Allowance for diminution in value of inventories	247	219	-	-
Provision for long-term employee benefits	1,361	1,771	-	-
Others	18	(7)	-	-
Total	<u>4,489</u>	<u>4,602</u>	<u>-</u>	<u>-</u>

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2015	2014	2015	2014
Deferred tax liabilities				
Revaluation surplus on assets	29,092	29,092	21,677	21,677
Total	29,092	29,092	21,677	21,677

As at 31 December 2015 there are deductible temporary differences and unused tax losses totaling Baht 1,092 million (2014: Baht 852 million) per the consolidated financial statements and Baht 721 million (2014: Baht 513 million) per the separate financial statements. No deferred tax assets have been recognised on these amounts as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses. The unused tax losses amounting to Baht 584 million per the consolidated financial statements and Baht 318 million per the separate financial statements will expire by 2020.

32. Non-current assets held for sale and discontinued operation

As discussed in Note 1.2 to the financial statements, the 2015 Annual General Meeting of the shareholders held on 20 April 2015 approved a resolution to permanently discontinue the refinery business in Rayong province. On 30 April 2015, the Company entered into a purchase and sale agreement for the refinery, machinery and oil depot with an unrelated overseas company (buyer) whereby it will sell the refinery, machinery and various equipment at a net price of Baht 185 million (net of a subsidy for decommissioning costs of Baht 15 million). The buyer agrees to pay purchase price in six installments within a period of six months from the agreement date (by 30 September 2015). As at 31 December 2015, the Company received advances from sale of the assets amounting to Baht 40 million. However, the buyer is required to settle the outstanding amount immediately upon completion of the decommissioning and movement of assets in accordance with the agreement. The sale of the Company's key machinery and equipment has been approved by the meeting of Company's Board of Directors held on 14 May 2015. The Company therefore presented building, building improvement, machinery and equipment, which have net book values as at transfer date amounting to Baht 71 million as non-current assets held for sale. The Company is in the process of negotiating and collecting the debt. However, there are still other buyers interested in purchasing the assets and the Company therefore continue to classify them as non-current assets held for sale.

As at 31 December 2015, the Company classified the operating results of such operating segment as discontinued operation. Details of discontinued operations for the years ended 31 December 2015 and 2014 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements	
	2015	2014
Revenues	-	-
Expenses		
Administrative expenses	12,004	152,584
Total expenses	12,004	152,584
Loss for the year from discontinued operation	<u>(12,004)</u>	<u>(152,584)</u>

(Unit: Baht)

Earnings per share:

Loss per share for the year from discontinued operation	<u>(0.01)</u>	<u>(0.12)</u>
	(Unit: Thousand shares)	
Weighted average number of ordinary shares	<u>1,304,664</u>	<u>1,227,677</u>

The net cash flows incurred by discontinued operation for 2015 and 2014 are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements	
	2015	2014
Operating activities	-	-
Investing activities	40,000	-
Financing activities	-	-
Net cash flows from discontinued operation	<u>40,000</u>	<u>-</u>

33. Basic earnings per share

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

34. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows.

- 1) Energy segment: Fuel and gas retailing through a network of gas stations, manufacture and distribution of biodiesel, distribution and maintenance of gas station equipment and rental of oil depot and port business.
- 2) Real estate segment: Real estate development for sale and for rent.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The Group operates in Thailand only. As a result, all the revenues as reflected in these financial statements pertain exclusively to this geographical reportable segment.

For the years 2015 and 2014, the Group has no major customer with revenue of 10% or more of an entity's revenues.

The following tables present revenues and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2015 and 2014.

(Unit: Million Baht)

	For the years ended 31 December							
	Energy segment		Real estate segment		Adjustments and eliminations		Consolidated financial statements	
	2015	2014	2015	2014	2015	2014	2015	2014
Revenues from external customers	2,420	3,310	-	-	-	-	2,420	3,310
Inter-segment revenues	9	6	-	-	(9)	(6)	-	-
Interest income	10	19	-	-	(3)	(5)	7	14
Other income	66	68	-	-	(42)	(44)	24	24
Total revenues	2,505	3,403	-	-	(54)	(55)	2,451	3,348
Cost of sales and services	2,208	3,060	-	-	-	(1)	2,208	3,059
Reduction of cost of inventories to net realisable value	2	-	-	-	-	-	2	-
Depreciation and amortisation	70	126	-	-	(6)	(6)	64	120
Selling expenses	68	92	-	-	-	-	68	92
Administrative expenses	335	244	-	-	(154)	(14)	181	230
Loss on impairment of building and equipment	27	97	-	-	-	-	27	97
	150	5	-	-	(11)	-	139	5
Loss on impairment of investments in associates, investments in subsidiaries and other long-term investments	125	4	-	-	(119)	-	6	4
Bad debts and allowance for doubtful debts	2,985	3,628	-	-	(290)	(21)	2,695	3,607
Total expenses								
Loss before share of profit (loss) from investments in associates, finance cost and income tax expenses	(480)	(225)	-	-	236	(34)	(244)	(259)
Share of profit (loss) from investments in associates	7	(19)	347	26	-	-	354	7
Finance cost	(24)	(19)	-	-	16	17	(8)	(2)
Tax income (expenses)	(3)	3	-	-	-	-	(3)	3
Profit (loss) for the year	(500)	(260)	347	26	252	(17)	99	(251)

35. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company or its subsidiaries and employees contributed to the fund monthly at the rates of 5% - 10% of basic salary. The fund, which is managed by Aberdeen Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to Baht 3 million (2014: Baht 3 million) were recognised as expenses.

36. Dividends

During the year 2014, the Company recorded an additional interim dividend payment for 2012 of Baht 1.67 million (1.77 million shares at Baht 0.94 per share) for a shareholder who was in the process of registering as a shareholder in accordance with the process of Thailand Securities Depository Co., Ltd. as at the book closing date of 28 May 2012, and to whom the Company had yet to pay the dividend. The interim dividend for 2012 was approved by the Extraordinary General Meeting of the shareholders on 10 May 2012. The Company paid the dividend to such shareholder in May 2014.

37. Commitments and contingent liabilities

37.1 Capital commitments

As at 31 December 2015, capital commitments of a subsidiary totaling Baht 2 million were in respect of the renovation of office and gas stations (2014: Baht 0.28 million).

37.2 Operating lease and service agreement commitments

The Group entered into several operating lease and service agreements in respect of the leases of land, building, oil depots, gas stations, vehicles and equipment. The terms of the agreements are generally between 1 and 20 years.

Future minimum payments required under these agreements were as follows.

(Unit: Million Baht)

Payable within	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
In up to 1 year	26	21	7	9
In over 1 and up to 5 years	69	54	-	-
In over 5 years	81	71	-	-

37.3 Long-term purchase and sale commitments

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

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

37.4 Guarantees

- a) As at 31 December 2015, there were outstanding bank guarantees of Baht 155 million (2014: Baht 205 million) issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 150 million (2014: Baht 200 million) to guarantee payments due to a creditor and Baht 5 million (2014: Baht 5 million) to guarantee electricity use, among others.
- b) The Company has guaranteed bank credit facilities of subsidiaries amounting to Baht 80 million (2014: Baht 80 million).

37.5 Litigation and commercial dispute

- a) On 8 August 1995, the Company entered into a purchase agreement with PTT Public Company Limited (“PTT”) to purchase condensate residue raw materials that are produced by PTT Global Chemical Public Company Limited (“PTTGC”) in a quantity and at a price stipulated in the agreement. The agreement is on an evergreen basis, meaning that there is no specified termination date, and after the primary period of 15 years ends in 2012 it automatically renews for a second period. The agreement stipulated that the Company had to provide a bank guarantee of a certain amount as security against payment for goods purchased. The security will be returned to the Company upon either parties agree to expire the agreement or PTT defaults the agreement.

On 30 September 2009, PTT sent a letter informing the Company of the cancellation of the condensate residue raw materials purchase agreement, and requesting termination of the agreement upon completion of the 15-year term (Primary period) in 2012 even though the Company did not breach the agreement and the cancellation was contrary to the purpose of the agreement. The Company and the Company's legal advisor are of the opinion that the agreement cannot be terminated since it is a long-term reciprocal agreement, and it stipulates the requirement that the Company invest in the construction of a plant to refine condensate residue of a specification that would be sourced only from PTT, and not to resell the raw materials in the same condition they are received from PTT. The agreement therefore includes a stipulation that the agreement is made on an evergreen basis, meaning that there is no specified termination date and the agreement will automatically remain in force upon completion of the first 15-year term (Primary period) and the following periods. In addition, the agreement can only be terminated with the consent of both counterparties or in the event that either party breaches the agreement. The Company has not breached any conditions of the agreement. On this basis, the Company is confident that the agreement cannot be terminated, while PTT has a different opinion. The Company has held discussions with PTT in order to seek a resolution that would be fair to both parties, but no resolution could be found. Consequently, to maintain the rights of the shareholders guaranteed and protected by law, the Company used the judicial process to make a final determination on the matter, and submitted a petition to the Arbitration Office on 3 December 2009. On 27 August 2010, the Company lodged a lawsuit against PTT and PTTGC with the Civil Court, demanding PTT and PTTGC comply with the agreement with no specified termination date. Alternatively, if forcing PTT and PTTGC to comply with the agreement is impossible for any reason, then PTT and PTTGC should pay compensation to the Company totaling Baht 13,805,648,806.91. Consequently, the Company submitted a petition to amend the amount of the claim, to request additional compensation, totaling Baht 29,368,397,797.76. The Arbitration Office allowed the request. A presiding arbitrator has now been appointed to the commercial dispute which is under formal arbitration proceedings and the Civil Court has ordered the ongoing litigation be temporarily struck off in order to await the decision of the Arbitration Office. The outcomes of the arbitration and litigation cannot be determined at this stage and depend on the future judicial process.

Subsequently, on 30 November 2011, during the formal arbitration proceedings, the Company received a raw material delivery plan from PTT, which is part of the normal business cooperation process between the Company and PTT, and found that such plan specified that raw materials would only be delivered until January 2012. PTT has stopped delivering raw materials to the Company since February 2012 in breach of clause 15.5 of the agreement, which specifies that PTT should comply with the agreement until a final arbitration judgement is made. This has forced the Company to cease production since it had no supply of its main raw materials from PTT.

Subsequently, the Company submitted a request to cancel its demand to force PTT to comply with the agreement. On 5 July 2012, the Arbitration Office allowed the Company to cancel such issue.

The above dispute between the Company and PTT caused the Company to exercise its right to submit claims for compensation of not less than Baht 29,000 million to the Arbitration Office (Black dispute No.114/2552) and the Civil Court (Black case No. 3162/2553) due to PTT's breach of agreement, and the Company exercising its rights to undertake court action and arbitration in order to pursue these claims. The Company has exercised lien over the last payment for condensate residue, amounting to Baht 1,518 million (net of bank guarantee) as part of the compensation it is claiming from PTT.

In June 2012, the Company was informed by the Dispute Office, Office of the Court of Justice that PTT had submitted the dispute to the Arbitration Office as Dispute Black Case No. 78/2555, requesting the Company to pay principal together with interest totaling Baht 1,555 million to PTT. At present, the Company submitted statements of dispute and the commercial dispute is under formal arbitration proceedings.

- b) In 2012, the Company was a defendant in labor lawsuits before Sector 2 Labor Court, brought by employees making claims for compensation on the grounds of unfair dismissal. The dismissals were consequence of PTT Public Company Limited stopping delivery of raw materials from February 2012, forcing the Company to cease production indefinitely. The claims for unfair dismissal total Baht 84 million. In July 2013, the Court ordered the Company to pay damages totaling Baht 1.9 million. The Company appealed the judgement of Sector 2 Labor Court to the Supreme Court in September 2013. On 7 May 2015, the Supreme Court overturned the order of the Court of First Instance and ordered that the case be dismissed, which was the final judgment.

- c) In May 2011, Thai Public Port Co., Ltd., (“TPP”) an associated company, was sued in a civil case brought by a shareholder, who petitioned the court to cancel the registration of the capital reduction and capital increase carried out by the associated company during the year 2003. In August 2011, the Civil Court dismissed the case, and in July 2012, the Appeal Court upheld the judgment of the Civil Court. At present, this case is under consideration by the Supreme Court.

In March 2014, the Directors of TPP were sued by another shareholder of TPP, who petitioned the court to cancel the letter confirming payment of share price and maintenance of share price dated 30 July 2003, the copy of the share register at the time of the Baht 30 million increase in share capital in 2003, and the memorandum of understanding regarding amendment of the debt restructuring agreement dated 7 October 2003. In May 2015, the Court of First Instance dismissed the case. At present, this case is under consideration by the Appeal Court.

In April 2015, the Directors of TPP, TPP and the Company were sued by another shareholder of TPP, who petitioned the court to nullify the request for the limited company registration (Form BOJ 1), the copy of shareholders’ list, including the supporting documents for the increase in share capital of TPP during the years 2003 and 2014, and the memorandum of understanding regarding amendment of the debt restructuring agreement in 2003, and to seek a court order to reinstate the shareholding that was originally based on a list of shareholders in April 2002. In April 2015, the Court of First Instance dismissed the case. At present, this case is under consideration of the Appeal Court.

38. Fair value hierarchy

As at 31 December 2015, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments				
Investment units in mutual funds	133	-	-	133
Property plant and equipment	-	-	551	551
Non-current assets held for sale	-	-	67	67

(Unit: Million Baht)

	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments				
Investment units in mutual funds	106	-	-	106
Property plant and equipment	-	-	226	226
Non-current assets held for sale	-	-	67	67

39. Financial instruments

39.1 Financial risk management

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

Credit risk

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

Interest rate risk

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

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

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2015

	Fixed interest rates		Floating		Total	Effective interest rate (% p.a.)
	Within 1 year	1-5 years	interest rate	Non-interest bearing		
Financial assets						
Cash and cash equivalents	-	-	33	11	44	0.262 - 1.065
Current investments	-	-	15	118	133	2.60 - 3.20
Trade and other receivables	-	-	-	41	41	-
Pledged deposits at banks	233	-	-	-	233	0.875 - 2.95
Long-term loans to unrelated parties	1	-	-	-	1	5.00
	<u>234</u>	<u>-</u>	<u>48</u>	<u>170</u>	<u>452</u>	
Financial liabilities						
Trade and other payables	-	-	-	1,658	1,658	-
Short-term loans from unrelated parties	201	-	-	-	201	1.55 - 4.00
Liabilities under finance leases	1	2	-	-	3	5.85 - 6.78
	<u>202</u>	<u>2</u>	<u>-</u>	<u>1,658</u>	<u>1,862</u>	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2014

	Fixed interest rates		Floating		Total	Effective interest rate (% p.a.)
	Within 1 year	1-5 years	interest rate	Non-interest bearing		
Financial assets						
Cash and cash equivalents	-	-	118	14	132	0.375 - 2.65
Current investments	-	-	3	192	195	1.35
Trade and other receivables	-	-	-	54	54	-
Short-term loans to related parties	8	-	-	-	8	3.50
Pledged deposits at banks	258	-	-	-	258	1.125 - 2.90
Long-term loans to unrelated parties	1	4	-	-	5	5.00 - 7.00
	<u>267</u>	<u>4</u>	<u>121</u>	<u>260</u>	<u>652</u>	
Financial liabilities						
Trade and other payables	-	-	-	1,674	1,674	-
Short-term loans from unrelated parties	2	-	-	-	2	2.00
Liabilities under finance leases	1	2	-	-	3	5.85 - 6.78
	<u>3</u>	<u>2</u>	<u>-</u>	<u>1,674</u>	<u>1,679</u>	

39.2 Fair values of financial instruments

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

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

40. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 1.44:1 (2014: 1.38:1) and the Company's was 1.83:1 (2014: 1.19:1).

41. Approval of financial statements

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

Management and Connected Person Description

As of 31 December 2015

Name-Surname Position	Age	Education / Training	Shareholding in the Company (%) ^{(1),(2)}	Relationship	Working Experience Last 5 years		
					During	Position	Company
1) Mr. Satja Janetumnugul ▪ Chairman of the Board (Director with Authorized Signature)	61	- B.Engineering, King Mongkut's University of Technology Thonburi Thai Institute of Directors Association (IOD) - DAP: Directors Accreditation Program 20/2004	22,734,592 shares / 1.74%	-	1995-Present 2015-Present 2012-Present 2001-Present 2001-Present 2012-Present 2012-Present 1998-Present 2006-2010 2003-2013 2003-2013 2002-2013 2002-2013 2007-2009,2014 2001-2014 1995-2013	Director / Chairman of the Board Director Director Director Director Director Director Chairman of the Board Director Director Director Director Director Director Director Director	RPCG Public Company Limited Thai Public Port Co., Ltd. Sammakorn Public Company Ltd. Pure Thai Energy Co., Ltd. RPC Management Co., Ltd. SCT Sahaphan Co, Ltd. Super Pure Gas Co., Ltd. Petro-Instruments Co., Ltd. Pure Sammakorn Development Co., Ltd. Pure Silica Mining Co., Ltd. Jatuchak Oil Co., Ltd. Pure Intertrade Co., Ltd. Tossatis Logistics Co., Ltd. Pure Bio-Diesel Co., Ltd. Jaturatis Transport Co., Ltd. SCT Petroleum Co., Ltd.

Name-Surname Position	Age	Education / Training	Shareholding in the Company (%) ^{(1),(2)}	Relationship	Working Experience Last 5 years		
					During	Position	Company
2) Mr. Supapong Krishnakan ▪ Director (Director with Authorized Signature)	59	<ul style="list-style-type: none"> - M.S. in Chemical Engineering & Process Control Computer University of California, Davis, California, USA - M.S.c. Economics / Advance Engineering & Economics California State Polytechnic University, Pomona, California, USA - B.S. in Chemical Engineering, Chulalongkorn University, Bangkok, Thailand <p>Thai Institute of Directors Association (IOD) - DAP: Directors Accreditation Program 15/2004</p>	4,791,092 shares / 0.37%	-	1995-Present 2008-Present 1998-Present 2014-2015 2006-2014 2008-2013 2008-2013 2008-2013 2008-2013 2008-2013 2008-2014 2008-2013 2012-2014 2007-2009,2014	Director Director Director Director Director Director Director Director Director Director Director Director Director Director Director	RPCG Public Company Limited RPC Management Co., Ltd. Honest and Efficient Co., Ltd. Thai Public Port Co., Ltd. Pure Sammakom Development Co., Ltd. Pure Silica Mining Co., Ltd. Jatuchak Oil Co., Ltd. Pure Intertrade Co., Ltd. Tossatis Logistics Co., Ltd. Pure Thai Energy Co., Ltd. Jaturatis Transport Co., Ltd. SCT Petroleum Co., Ltd. SCT Sahaphan Co, Ltd. Pure Bio-Diesel Co., Ltd.

Name-Surname Position	Age	Education / Training	Shareholding in the Company (%) ^{(1),(2)}	Relationship	Working Experience Last 5 years		
					During	Position	Company
3) Mr. Suwinai Suwanhirunkul ▪ Director (Director with Authorized Signature)	60	- MBA Burapha University - B.Sc. (Chemical Engineering) Chulalongkorn University Thai Institute of Directors Association (IOD) - DCP: Directors Certification Program 39/2004 - Finance for Non-Finance Directors 2003	-	-	1996-Present 2007-Present 2006-2014 2005-2014 2012-2013 2012-2013 2012-2013 2012-2013 2008-2014 2012-2014 2008-2014 2012-2013	Director Director Director Director Director Director Director Director Director Director Director Director	RPCG Public Company Limited Pure Bio-Diesel Co., Ltd. Pure Sammakorn Development Co.,Ltd. Jaturatis Transport Co., Ltd. Pure Silica Mining Co., Ltd. Jatuchak Oil Co., Ltd. Pure Intertrade Co., Ltd. Tossatis Logistics Co., Ltd RPC Management Co., Ltd. SCT Sahaphan Co, Ltd. Pure Thai Energy Co., Ltd. SCT Petroleum Co., Ltd
4) Mr. Suthud Khancharoensuk ▪ Director (Director with Authorized Signature)	57	- MBA : Thammasat University - B.Sc., Chulalongkorn University Thai Institute of Directors Association (IOD) - DAP:Directors Accreditation Program15/2004 - Board Performance Evaluation 2/2007	10,833,356 shares / 0.830%	-	1996-Present 1991-Present 2012-2013 2012-2013 2012-2013 2012-2013 2012-2014 2007-2014 2012-2014 2012-2014 2012-2014	Director Director Director Director Director Director Director Director Director Director Director	RPCG Public Company Limited Petro-Instruments Co., Ltd. SCT Petroleum Co., Ltd Pure Silica Mining Co., Ltd. Jatuchak Oil Co., Ltd. Tossatis Logistics Co., Ltd RPC Management Co., Ltd. Pure Thai Energy Co., Ltd. SCT Sahaphan Co, Ltd. Jaturatis Transport Co., Ltd. Pure Bio-Diesel Co., Ltd.

Name-Surname Position	Age	Education / Training	Shareholding in the Company (%) ^{(1),(2)}	Relationship	Working Experience Last 5 years		
					During	Position	Company
7) Mr.Sobhon Homcheon <ul style="list-style-type: none"> ▪ Independent Director ▪ Member Audit Committee ▪ Member of the Nomination and Remuneration Committee 	70	- 1972 MBA University of Detroit, USA - Bachelor of Accountancy, Thammasat University Thai Institute of Directors Association (IOD) - DCP: Director Certification Program 215/2016 (in process of the training)	-	-	2015+Present 2009+Present	Independent Director / Member of the Audit Committee /Member of the Nomination & Remuneration Committee Independent Human Resources Consultant	RPCG Public Company Limited KTIS Public Company Limited
8) Mrs.Supannee Tanchaisriakom <ul style="list-style-type: none"> ▪ General Manager – Finance & Administration Function ▪ Company Secretary 	49	- MBA, Finance, Ramkhamhaeng University - Bachelor of Accounting, Ramkhamhaeng University Thai Listed Companies Associated - Fundamental Practice for Corporate Secretary (FPCS) 18/2008	-	-	2013+Present 2014+Present	GM-Finance & Administration Function Director	RPCG Public Company Limited Pure Sannakorn Development Co., Ltd.
9) Mr.Wasun Sutrong <ul style="list-style-type: none"> ▪ General Manager – Manufacturing Function 	46	- Bachelor's of Industrial of Technology in Material Handling Technology, King Mongkut's Industrial of Technology, North Bangkok	41,519 shares / 0.003 %	-	2014+Present 2014+Present 2014+Present 2007+Present	GM-Finance & Administration Function Director Director Director GM-Manufacturing Function Director GM-Construction Management Function	RPCG Public Company Limited Pure Bio-Diesel Co., Ltd. Sannakorn Public Company Limited

Name-Surname Position	Age	Education / Training	Shareholding in the Company (%) ^{(1),(2)}	Relationship	Working Experience Last 5 years		
					During	Position	Company
10) Miss Kallaya Klaithong ▪ General Manager – Business Development Function	47	- Master of Engineering, Chulalongkorn University - Bachelor of Science (Chemical Engineering) Chulalongkorn University)	-	-	2012-Present	GM-Business Development Function	RPCG Public Company Limited
					2015-Present	Director	Thai Public Port Co., Ltd.
					2010-2012	Managing Director	SCT Petroleum Co., Ltd
					2008-2010	GM-Commercial Function	Rayong Purifier Public Co., Ltd.
					2008-2012	Director	SCT Petroleum Co., Ltd
					2008-2014	Director	Pure Intertrade Co., Ltd.
					2008-2012	Director	Pure Silica Mining Co., Ltd.
					2008-2012	Director	Jatuchak Oil Co., Ltd.
					2008-2012	Director	Tossatis Logistics Co., Ltd
					2008-2012	Director	RPC Management Co., Ltd.

Note:

- (1) Including share portion of spouse and children who are under 20 years old.
 (2) Share portion as January 19, 2016 with Par Value 1.00 Baht per Share. The registered and paid up is 1,304,664,125 Baht as of December 31, 2015.

บริษัท อาร์พีซีจี จำกัด (มหาชน) RPCG PUBLIC COMPANY LIMITED

86/2 อาคารเพียวเพลสรามคำแหง ชั้น 3 ถนนรามคำแหง แขวงสะพานสูง

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