

ANNUAL REPORT 2017

PTG, THE NATION'S LEADING FULL-SERVICE ENERGY COMPANY
PTG ENERGY PUBLIC COMPANY LIMITED



GO FOR *max*



2017

POWER OF NETWORKS



ANNUAL
REPORT

2017

POWER OF
NETWORKS

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Message from the Chairman



Dear Valued Shareholders,

2017 has been an interesting and remarkable year, and meanwhile has been a challenging year for PTG. Those of you who have travelled across Thailand might have seen the increasing number of PTG service stations. With this, we are the only oil company in Thailand that has the highest rate of expansion of service stations in order to provide comprehensive services to customers. In the previous year, there were 1,696 oil and gas service stations altogether. Also, we have been looking at food and beverage business, convenience store and alliance network of over 300 branches that had been incorporated in our service stations to complete our range of service provision.

In occasion of PTG's 30-year anniversary in 2018, we are still determined to deliver above-expectation services, create advancement and continuously improve the organization in order to achieve excellence in operating performance and sustainable management.

Enhancement of Organizational Value

The previous year marked the official venture into the non-oil business. In this regard, the Board of Directors emphasizes on the investment in potential businesses that can increase organizational value for shareholders' benefits in the long run, as well as help minimize risks of solely operating the core business. With this, the Company decided to proceed with joint investment efforts with companies that have strength in various groups of business, with key projects as follows:

1. One-stop service and maintenance center for trucks under the brand 'PRO TRUCK', which is the first one in Thailand, and is considered another service provided to PTG's main customer group.
2. A comprehensive service and maintenance center for automobiles under the brand 'AUTOBACS'; a leading Japanese brand. Customers will not only benefit from quality service provided by professionals, PTG can also expand its customer base to automobile users and capitalize the benefits of PT Max card.
3. Food and beverage business under the brand Coffee World, Cream & Fudge, to increase competency in the food and beverage business expansion in potential areas, both in Thailand and overseas. This is also considered a way of expanding customer base.
4. Waste management system for electricity generation to support the government's policy in managing environmental problems, and to increase revenue and facilitate stable cash flow.

Customer service is a value embedded in our DNA. Thus, we are constantly trying to create new things all the time in order to meet customers' needs and maximum satisfaction. Furthermore, the Board of Directors is confident in creating good returns for shareholders by investing in potential projects that encourage future growth. The Board is also well aware of the importance of maintaining strong financial ratios, which is the reason why we take every investment decision extremely carefully, with an awareness of the organization's and stakeholders' maximum benefits.

Past Operating Performance

In February 2017, the Company's credit rating was enhanced to BBB+ from BBB in 2016 by Tris Rating Co., Ltd., reflecting our strong and stable financial position. In addition, continuously growing sales volume illustrates recognition and acceptance of PT brand. However, the impact of flooding and low agricultural crops' prices, the agricultural sector, which is the foundation of the Thai economy, has to take a considerable of time to recover. Despite this, we have managed to increase sales volume to exceed that of the industrial sector, whereby the sales volume grows to 3,377 million liters, or increasing by 18% from the previous year. The total revenue stood at 84,625 million Baht, increasing by 31% from the previous year. The low marketing margin of the industrial sector in 1H17 has resulted in the EBITDA performance of 3,067 million Baht, increasing by 12% from the previous year. The net profit stood at 913 million Baht, decreasing by 15% from the previous year. In this regard, challenges faced throughout 2017 have urged us to adjust our strategic direction and identify new methods to handle the shifting scenarios. From my perspective, we have been able to effectively execute activities as planned.

Corporate Governance, Social and Environmental Responsibility

The Board of Directors is firmly determined to operate the business with transparency, under good governance. In this regard, we are pleased to announce that we are now rated 'excellent' in the corporate governance assessment from the Corporate Governance Report of Thai Listed Companies 2017, conducted by the Thai Institute of Directors (IOD). Moreover, the Company was also awarded the 'Excellent Code of Conduct 2017' prize from the Thai Chamber of Commerce, demonstrating the Company's determination in operating the business with transparency and ethics towards partners, with responsibility towards the society and the environment. Speaking of which, the Board will execute best efforts to ensure that the Company practices the prescribed standard.

Future Operational Outlook

The Company will be expanding the business according to the strategic plan in order to achieve the vision of becoming the country's leader in the comprehensive energy business. We will still be investing in potential projects that can be developed further and can utilize available assets to strengthen the organization's foundation. The focus will also be on projects that help manage costs and risks involving revenue structure in order to increase shareholders' value on a sustainable manner.

Will and Determination

This year is the second year that Khun Pitak Ratchakitprakarn, Chief Executive Officer and President, received the Best CEO Award. This particular award is reflective of determination, devotion and adherence to the corporate governance in managing the organization. The award is our pride as it not only is the outcome of the management's intensive efforts, it is also from staff members' hard work delivered to all stakeholders. Furthermore, PTG delivered happiness to customers via PT Service Volunteer activity, with over 300 volunteers from the headquarters working hands-on to provide service to customers in PTG service stations in Bangkok and vicinity in the third quarter, displaying strong organizational culture and sacrifice for the organization.

Myself, on behalf of the Board of Directors, would like to express gratitude towards the management team and all staff members for your efforts, determination and service excellence, leading to tangible development of the Company. I would like to thank shareholders, customers, business partners, alliances, financial institutions, government offices and all groups of stakeholders for your support and trust, allowing the Company to achieve continuous success. I hereby promise to capitalize my experiences, perform my duties with care and professionalism to generate growth for the Company and to sustainably develop the Thai society.

Police General



(Soontorn SaiKwan)

Chairman of the Board of Directors
PTG Energy Public Company Limited

Report of the Audit Committee

Dear Valued Shareholders,

PTG Energy PCL's Audit Committee is comprised of 3 qualified independent directors, who possess attributes as prescribed in the criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). There is one Chairman of the Audit Committee, with knowledge and experiences in accounting to verify the reliability of the statement of financial position.

In 2017, the Audit Committee held a total of 12 meetings, with full attendance of the Audit Committee members. The meeting attendance details are shown below.

Name of Audit Committee Members	The Number of Meetings Attended/ The Number of Meetings Held
Mr. Supote Pittayapongpat	12 /12
Assoc. Prof. Dr. Wanchai Rattanawong	12 /12
Dr. Vuthichai Duangratana	12 /12

The Audit Committee's key operational highlights in 2017 can be summarized as follows:

1. Verification of Financial Reports

The Audit Committee had reviewed the quarterly and 2016 statement of financial position of PTG Energy PCL and the consolidated statement of financial position of PTG Energy PCL and subsidiaries, and inquired key points to the auditor and the management team to ensure that the financial statements and the disclosure of remarks are correct, complete, adequate, reliable and timely. In this regard, there was one meeting held between the Audit Committee and the auditors without the attendance of the management team.

2. Verification of Related-Party Transactions and Transactions Prone to Conflicts of Interest

The Audit Committee had reviewed related-party transactions and transactions that might involve conflicts of interest to ensure that such transactions are

transparent, reasonable and are in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

3. Verification of Internal Control System and Internal Audit

The Committee had reviewed the internal control system from the report produced by the Internal Audit Division, and the adequacy of the internal control system in accordance with the concept of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to ensure that the Company has an appropriate and adequate internal control system in place to achieve operational goals, objectives, follow legal regulations in an effective manner.

4. Supervision of the Internal Audit Division

The Audit Committee had considered the review results of the Internal Audit Division's charter, verified the operating performance of the Internal Audit Division, approved of the annual audit plan, and supervised the work execution of the Internal Audit Division to ensure that it is independent and has effective system in place. In 2017, one meeting was held between the Audit Committee and the Internal Audit team leader without the attendance of the management team.

5. Verification of Legal Compliance and Relevant Regulations

The Audit Committee had ensured the Company's compliance to the laws and the Stock Exchange of Thailand's regulations and other laws relevant to the Company's business. Meetings were held with the management team, the executive team of relevant divisions, as well as with the Chief Executive Officer and President, to ensure that the Company has an appropriate management policy to prevent operations from violating the laws and relevant regulations.

6. Verification of Corporate Governance Performance

The Audit Committee had verified and encouraged good governance supervision procedures on a continuous basis, as well as offered opinions to the management, so that the Company's business operations are executed under the code of conduct, with consideration of all stakeholders.

7. Verification of Risk Management Activities

The Audit Committee regularly reviewed the risk management reports together with the management, with consideration of different aspects of risk factors, chances of occurrence and impact. Opinions regarding risk management were offered, with the incorporation of appropriate risk prevention protocols.

8. Verification of Anti-Corruption Protocols

The Audit Committee ensured that the Company has procedures and channels in place for whistle blowing or complaint filing, systematic ways of practice when clues or complaints are received, as well as the protection of whistle blowers of the persons filing complaints. Besides, the Audit Committee advocated the membership of the Collective Coalition Against Corruption of the Thai Private Sector (CAC), by way of prescribing the Company's policy and ways of practice against corruption, while having the verification process to ensure that the operations are suitable for the business scenarios.

9. Selection, Appointment and Identification of the Auditor's Remuneration Package in 2018

The Audit Committee assessed the performance of the auditor in the previous year and evaluated the independence of the auditor. In 2018, the Audit Committee agreed to propose Pricewaterhouse Coopers ABAS Ltd. to serve as the Company's auditor, with the service fees amounting to 5,494,000 Baht.

or transactions that are prone to conflicts of interests. Moreover, the preparation of financial statements is in accordance with the generally accepted accounting principles (GAAP) and the operations are aligned with relevant laws and regulations.

On behalf of the Audit Committee



(Mr. Supote Pittayapongpat)
Chairman of the Audit Committee
PTG Energy Public Company Limited

In summary, the Audit Committee had been performing its roles and responsibilities as specified in the Audit Committee's charter and reported the operating performance to the Board of Directors' meeting for acknowledgement. In 2017, the Audit Committee reported the operating performance to the Board of Directors' meetings in 3 occasions, whereby the Audit Committee is of the view that the Company has an adequate and appropriate internal control system, with disclosure of related-party transactions

Report of the Enterprise Risk Management Committee

Dear Valued Shareholders

PTG Energy PCL is well aware of and places great emphasis on risk management under the principle of good governance, with consideration of vision, mission, objectives and organizational strategies, which all form the basis of risk management protocols according to the international standard that are applicable organization-wide. It is encouraged that risk management activities are part of everyday operations, leading to the creation of value-added features for the Company. There are protocols to monitor the systems and risk management procedures that prevent potential impact on the financial position and the Company's operating performance, as well as competitive ability on the long run in order to build trust in stakeholders in achieving the objectives aspired by the Board of Directors, and in preventing and minimizing potential impact caused by the environment and uncertainty in operating the business.

In order for the operations to align with the mentioned objectives, the Board of Directors have appointed the Risk Management Committee, comprising of 13 top executives and department heads who have knowledge and experiences in risk management. In 2017, the Risk Management Committee had arranged 4 meetings altogether, with key operational highlights as follows:

1. Consider and comment on the draft policies and organizational risk management framework prior to proposing to the Board of Directors for approval, while also assigning the management team to execute the policies as prescribed.
2. Consider and comment on the analyses and identify organizational risks and stakeholders' needs, prescribe the acceptable risk level and risk management plan that is in accordance with the strategies and objectives of the organization.
3. Continuously review and improve the effectiveness and efficiency of the risk management system, with constant follow-up of risk management activities on a quarterly basis.
4. Systematically review recently-incurred risks to ensure they are aligned with the current situation on a continuous basis, as well as verify the risk management report to monitor risks that can have significant impact on the organization.
5. Report the Risk Management Committee's operating performance to the Audit Committee on a quarterly basis.

The Risk Management Committee is fully committed to ensure that the monitoring process and risk management activities are being executed at an acceptable level, and are aligned with the current business scenarios, by way of constant and continuous reviews to ensure that the risk management is incorporated as part of the strategic and business plans, which will have direct impact on the organizational competency to operate effectively and to be able to achieve the targets put forth by the Board of Directors.

(Mr. Pitak Ratchakitprakarn)
Chairman of the Risk Management Committee
PTG Energy Public Company Limited

Report of the Corporate Governance Committee

Dear Valued Shareholders,

PTG Energy Public Company Limited recognizes of the importance operating business with good corporate governance and ethics. This is the Company's policy and mission that the executive, management and employees must continuously follow and comply. The implementation that is explicit, efficient and related to international standard and the Stock Exchange of Thailand policy, which would support the management system to comply with corporate governance that is transparent and verifiable, which would build confidence and reliability to company's stakeholders and leads the company to become sustainable organization.

In order to operate business as guidelines mentioned above, the Board of Directors appointed the Committee of Corporate Governance consisting of both independent directors and non-managements including;

1. Mr. Supote Pitayapongpat
Chairman of the Corporate Governance Committee
2. Assoc. Prof. Dr. Wanchai Rattanawong
Corporate Governance Committee
3. Mr. Krairawee Sirikul
Corporate Governance Committee

Moreover, in 2017, the Corporate Governance Committee held a total of 4 meetings to review and monitor performance on good corporate governance, and the summary is as follows.

The Corporate Governance

1. Rights of Shareholders

- The Company allowed shareholders to propose matters to be included in the agenda for the Annual General Meeting of Shareholders for the year 2017 and to nominate individuals who had qualifications required by the law and comply with good corporate governance to be elected as a director prior to the Annual General Meeting of Shareholders for the year 2017 on the Company's website, www.ptgenergy.co.th, under the section of "Investor Relations" and the topic of "Shareholder Information". The shareholders could propose the agenda and/or individuals who met the qualifications since 10 November 2016 until 31 December 2016.

- Since 23 March 2017 onwards, the Company posted the Notice of Annual General Meeting of Shareholders for the year 2016 with the related documents on the Company's website, [www.ptgenergy.co.th/Investor Relations/Shareholder Information/Annual General Meeting](http://www.ptgenergy.co.th/Investor%20Relations/Shareholder%20Information/Annual%20General%20Meeting). This is to provide shareholders the sufficient time to consider the agenda and related documents for the meeting.
- The Company allowed shareholders to give a proxy to an independent director or any person to attend the meeting on their behalves with the Letter of Authorization provided by the Company along with the notice of the meeting. In 2017, proposed independent directors for the Company were Police General Soontorn Saikwan and Mr. Supote Pitayapongpat.

2. Equal Treatments to Shareholders

- The Company's policy prohibits directors and the management to trade the Company's securities for 1 month before the financial statements was published to the public.
- The Company reported a change in shareholding of directors and the management in the Board of Directors on a quarterly basis.

3. Taking into account, the role of stakeholders.

- The Company adhere to operate the business concerning all stakeholders' interests. PTG has provided a channel for complaints on misconducting by law, unethical financial reporting or deficient internal control. The purpose was for stakeholders to be involved in monitoring the Company's interests more effectively by sending an e-mail to whistleblower@pt.co.th as well as a regular mail to the internal audit.

4. Information Disclosure and Transparency;

- The Company has the policy to disclose information through SET's Electronic Listed Company Information Disclosure (ELCID) together with the Company's website (www.ptgenergy.co.th) for reporting financial and general information complying with the rules of SEC as well as SET. Moreover, there is other information that has an impact on

the Company's security price and the decision making of shareholders, investors and other stakeholders of the Company.

- The Company has determined the roles of investor relations section to communicate with shareholders, investors, analysts, and everyone who may need the Company operating information and activities on a regular basis.
- The Company approved "the policy of information disclosure to the public" and "code of conduct for investor relations officers" complied with good corporate governance, law, and regulation of related government organization in order to achieve equality and justice for all stakeholders. In addition, it will be the best practices of the directors, the management and employees of PTG Energy Group in the future.

5. Responsibilities of the Board of Directors

- The Board of Directors approved several policies such as the policy of giving or receiving gifts, assets, or any other benefits, the policy of anti-corruption, morals and ethics handbook, etc.
- The Company separated power, duties and responsibilities of each committee, the Chairman of the Board of Directors, and Chief Executive Officer and President as well as the explicit policy when taking a position of committee in other companies.
- The Company held the meeting for directors who were non-managements on 25 August 2017 and other 2 meetings for the Board of Directors together with the management on 24 July 2017 and 6 December 2017.

6. Policy on Good Corporate Governance.

- The Board of Directors reviewed the policy of good corporate governance on the Amendment No.7 to be appropriate to the business operations of the Company and to comply with the law which would be defined in each certain period
- The Board of Directors approved a plan for good corporate governance to be used as a tool to enhance the business operation standard to the international standard as well as to build confidence in all stakeholders. Additionally, this is to promote and encourage employees of PTG Energy Group to act upon good corporate governance policy.

7. Anti-Corruption

- The Board of Directors revised the anti-corruption policy on the Amendment No.5. The practical guidelines and requirements of business operation were adjusted to comply with the change of business, regulation, requirement, and law.
- The Company provided the "anti-corruption training program" for employees of PTG Energy Group for 12 times along with the regular participation in the training courses relating to good corporate governance that was organized by external agencies.
- Anti-corruption policy is communicated both inside and outside the Company to enhance the extensive practice of the policy.
- The Company established guidelines for authority decentralization in the management system as well as the authority for decision making and actions in several positions.
- The Company approved a policy for internal transactions among PTG Energy Group and subsidiaries or partners involving in interests or conflicts of interests.

The Operating Result of the Good Corporate Governance Committee for the year 2016

1. The Company was certified to be a member of "Private Sector Collective Action Coalition against Corruption (CAC)" from 10 July 2015 to 10 July 2018.
2. The Company was evaluated on the corporate governance of listed companies in Thailand (CGR) for the year 2017 by Thai Institute of Director (IOD) to be in the level of "Excellent".
3. The Company was evaluated on the quality of the Annual General Meeting of Shareholders for the year 2017 by Thai Investors Association (TIA) with the score of 100%.
4. The Company was awarded the prize of excellent morals from the Thai Chamber of Commerce in 2017 for being a company with good corporate governance according to the chamber standard.



(Mr. Supote Pitayapongpat)

Chairman of the Corporate Governance Committee
PTG Energy Public Company Limited

Report of the Nomination and Remuneration Committee

Dear Valued Shareholders,

The Board of Directors appointed the Nomination and Remuneration Committee selecting 3 directors from non-executive directors and most of them are independent directors to serve as a member of the Nomination and Remuneration Committee. In addition, the Nomination and Remuneration Committee will elect the Chairman of Nomination and Remuneration Committee who must be an independent director, but not be the President of the Company. The Committee consists of;

1. Mr. Vutichai Duangratana
Chairman of Nomination and Remuneration Committee
2. Assoc. Prof. Dr. Wanchai Rattanawong
Member of Nomination and Remuneration Committee
3. Mr. Krairawee Sirikul
Member of Nomination and Remuneration Committee

Note : * Mr. Surasak Songvarakulpan Secretary of Nomination and Remuneration Committee

In the year 2016, the Nomination and Remuneration Committee held four meetings to consider the following details.

1. Consider the qualification of the candidates for Directors, Sub-committees, President and Chief Executive Officer, Managing Director, and any position equivalent to these positions based on knowledge, experiences and expertise relevant to the Company's interests, including time dedication and the attempt to perform the duties of directors, sub-committees, President and Chief Executive Officer, Managing Director, and any other equivalent position.
2. Set the process to recruit of the Company's President and Chief Executive Officer, Board of Directors, and any other equivalent position.
3. Review the appropriateness guideline of all remuneration and other benefits payments based on the general practice of the same industry or the Company's business performance, business size and the expertise and experiences of the Board of Directors, Sub-committees, President and Chief Executive Officer, Managing Director and any other equivalent position.

4. Review the proposal of the management on the remuneration payment policy, the compensation plan and other benefits, in addition to salary of employees in the Company group. Propose the proposal to the Board of Directors for approval.
5. Set the guideline for the performance evaluation of the Board of Directors, Sub-committees, President and Chief Executive Officer, Managing Director, and any other equivalent position to consider for their annual bonus.
6. Open an opportunity for shareholders to nominate qualified persons based on laws to be elected as the Company's director in advance of the Annual General Meeting of Shareholders in 2017 from November 11, 2016 to December 31, 2016.



(Dr. Vutichai Duangratana)
Chairman of Nomination and
Remuneration Committee
PTG Energy Public Company Limited

Report of the Corporate Management Committee

Dear Valued Shareholders,

The Executive Committee was set up for the purpose of assisting the Board of Directors to ensure that the management worked in compliance with the policy and business strategy and to report the performance of the management and other significant information to the Board of Directors consisting of the following persons:

1. Mr. Pongsak Vachirasakpanich
Chairman of the Executive Committee
2. Mr. Pitak Ratchakitprakarn
Member of the Executive Committee
3. Mrs. Chatkaew Gajaseni
Member of the Executive Committee
4. Mr. Rangsun Puangprang
Member of the Executive Committee

Note : * Miss Natthakrita Songnok Secretary of the Executive Committee

In 2017, the Executive Committee conducted 12 meetings to consider the following issues:

1. To consider and scrutinize the business strategy and annual budget to propose to the Board of Directors.
2. To set up the financial policy and the Company's investment direction to ensure the compliance with the Company's policy and to consider and approve the investment criteria.
3. To supervise and monitor the Company's management to ensure the compliance with the policy, business plan and annual budget approved by the Board of Directors and to regularly report to the Board of Directors.
4. To consider and approve the financial related transactions.
5. To approve the financial, accounting and the Company's property issues according to the approval criteria.



(Mr. Pongsak Vachirasakpanich)
Chairman of the Executive Committee
PTG Energy Public Company Limited



The Board of Directors



Mr. Pitak Ratchakitprakarn

Director/

Member of the Executive Committee/

Chairman of the Risk Management Committee/

President & Chief Executive Officer



Police General Soontorn Saikwan
Chairman of the Board of Directors/
Independent Director



Mr. Supote Pitayapongpat
Director/
Independent Director/
Chairman of the Audit Committee/
Chairman of the Corporate Governance Committee



Mr. Pongsak Vachirasakpanich
Director/
Chairman of the Executive Committee



Dr. Vuthichai Duangratana
Director/
Independent Director/
Member of the Audit Committee/
Chairman of the Nomination and Remuneration Committee



Mrs. Chatkaew Gajaseni
Director/
Member of the Executive Committee



Mrs. Jarusrak Nitayanurak
Director



Assoc. Prof. Dr. Wanchai Rattanawong
Director/
Independent Director/
Member of the Audit Committee/
Member of the Corporate Governance Committee/
Member of the Nomination and Remuneration Committee



Mr. Krairawee Sirikul
Director/
Member of the Corporate Governance Committee/
Member of the Nomination and Remuneration Committee



Mr. Rangsun Puangprang
Director/
Member of the Executive Committee/
Member of the Risk Management Committee/
Company Secretary/
Executive Vice President

Financial Highlights

Summary of Financial Position, Income Statement, Cash Flows Statement, and the significant financial ratios of the Company and its subsidiaries for the year ended 31 December 2014 to 2017

Summary of Financial Position, Income Statement, and Cash Flows Statement	2017		2016 ^{/1}		2015		2014	
	THB (mn)	%	THB (mn)	%	THB (mn)	%	THB (mn)	%
Financial Position								
Total assets	17,985	100	12,527	100	7,805	100	6,596	100
Total liabilities	12,867	72	7,937	63	3,804	49	2,997	45
Total shareholders' equity	5,119	28	4,589	37	4,001	51	3,599	55
Income Statement								
Revenue from sales and services	84,625	100	64,591	100	53,678	100	55,124 ^{/2}	100
Gross profit	6,254	7.4	5,232	8.1	3,954	7.4	3,087	5.6
EBITDA	3,067	3.6	2,749	4.3	1,718	3.2	1,291	2.3
Net profit	913	1.1	1,073	1.7	651	1.2	487	0.9
	2017		2016		2015		2014	
Cash Flows Statement								
Cash receipts from operating activities	2,790		3,225		2,079		1,438	
Cash payments in investing activities	(5,698)		(4,768)		(2,071)		(1,473)	
Cash payments in financing activities	3,182		1,887		(28)		(168)	
Net increase (decrease) in cash and cash equivalents	274		344		(20)		(203)	
Beginning balance	637		293		313		516	
Ending balance	911		637		293		313	

Remark : ^{/1} The comparative figures have been reclassified to conform with changes in presentation in the current year.

^{/2} Included petroleum product subsidies of Baht 22.84 million for the national retail oil price reduction announcement by the Energy Policy & Planning Office on August 28th, 2014

The Summary of Significant Financial Ratios of the Company and Its Subsidiaries

Financial Ratios		2017	2016 ^{/1}	2015	2014
Liquidity Ratio					
Current ratio	Times	0.47	0.56	0.65	0.93
Quick ratio	Times	0.23	0.26	0.30	0.41
Cash flows ratio	Times	0.42	0.82	0.80	0.67
Account receivable turnover	Times	623.37	827.59	590.63	481.51
Average collection period	Days	0.59	0.44	0.62	0.75
Inventory turnover	Times	46.45	50.30	46.63	40.85
Inventory days	Days	7.86	7.26	7.83	8.81
Account payable turnover	Times	22.75	25.22	31.86	35.17
Account payable days	Days	16.05	14.47	11.45	10.24
Cash Cycle	Days	(7.60)	(6.77)	(3.01)	(0.79)
Profitability Ratio					
Gross profit margin	%	7.39	8.10	7.37	5.60
Operating profit margin	%	1.48	2.26	1.62	1.20
Other profit margin	%	0.33	0.52	0.30	0.26
Net profit margin	%	1.08	1.66	1.21	0.88
Return on equity	%	18.81	24.99	17.13	14.34
Efficiency Ratio					
Return on assets	%	5.99	10.56	9.04	7.77
Return on fixed assets ^{/2}	%	29.65	37.40	31.19	29.02
Assets turnover	Times	5.55	6.35	7.45	8.82
Financial Ratio					
Debt to equity ratio	Times	2.51	1.73	0.95	0.83
Interest bearing debt to equity ratio	Times	1.58	0.87	0.36	0.30
Interest coverage ratio	Times	17.74	28.69	49.98	33.64
Debt service coverage ratio	Times	0.11	0.32	0.41	0.47
Dividend payout ratio as a percentage of net profit according to the separate financial statements ^{/3}	%	40.84 ^{/5}	87.21 ^{/4}	98.24	80.12
Stock Information					
Earnings per share	Baht per share	0.55	0.64	0.39	0.29
Annual average closing price	Baht per share	22.88	21.97	12.11	4.20
Annual dividend payment	Baht per share	0.17 ^{/5}	0.30 ^{/4}	0.20	0.15

Source : the Company

Remarks : ^{/1} The comparative figures have been reclassified to conform with changes in presentation in the current year.^{/2} Return on fixed assets was calculated from property, plant and equipment, and prepaid leasehold right and land rental.^{/3} Dividend payout ratio as a percentage of net profit according to the separate financial statements was calculated from the total amount of dividends paid out during the operating year.^{/4} Including the interim dividend for 2016 first-half results at the rate of Baht 0.10 per share and the dividend for 2016 second-half results at the rate of Baht 0.20 per share.^{/5} Dividend for 2017 will be proposed to the 2018 Annual General Meeting of Shareholders' approval on 20 April 2018.

General Information and Other Significant Information

Company Information (as of December 31, 2017)

Name and Head Office Address	PTG Energy Public Company Limited (PTG) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389 Homepage : www.ptgenergy.co.th
Registration No.	0107538000703
Type of Business	1. Fuel retailing at petrol stations managed by the Company (COCO petrol stations). 2. Fuel wholesaling to 1) dealers for sales at petrol stations managed by such dealers (DODO petrol stations) 2) Other petrol traders 3) Industrial operators that need fuel in business operations 3. Fuel logistics services
Authorized Capital (Baht)	1,670,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	1,670,000,000
Par Value (Baht/Share)	1
Shareholding (%)	-

Subsidiaries, Associates, Joint Ventures Information (as of December 31, 2017)

Name and Head Office Address	Petroleum Thai Corporation Co., Ltd. (PTC) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105535099511
Type of Business	1. Fuel trader under Section 11 2. Minimart business at petrol stations
Authorized Capital (Baht)	439,980,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	6,000,000
Par Value (Baht/Share)	73.33
Shareholding (%)	99.99

Name and Head Office Address	Pyramid Oil Co., Ltd. (PMO) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105552004590
Type of Business	Fuel trader under Section 10
Authorized Capital (Baht)	1,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	10,000
Par Value (Baht/Share)	100
Shareholding (%)	99.98

Name and Head Office Address	Alpine Oil Co., Ltd. (APO) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105552004522
Type of Business	Fuel trader under Section 10
Authorized Capital (Baht)	1,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	10,000
Par Value (Baht/Share)	100
Shareholding (%)	99.97

Name and Head Office Address	Empire Oil Co., Ltd. (EPO) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105554077471
Type of Business	Fuel trader under Section 10
Authorized Capital (Baht)	1,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	10,000
Par Value (Baht/Share)	100
Shareholding (%)	99.98

Name and Head Office Address	Everest Oil Co., Ltd. (EVO) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105554093280
Type of Business	Fuel trader under Section 10
Authorized Capital (Baht)	1,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	10,000
Par Value (Baht/Share)	100
Shareholding (%)	99.98

Name and Head Office Address	Andes Oil Co., Ltd. (AND) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105554147673
Type of Business	Fuel trader under Section 10
Authorized Capital (Baht)	1,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	10,000
Par Value (Baht/Share)	100
Shareholding (%)	99.97

Name and Head Office Address	Atlas Oil Co., Ltd. (ATL) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105554147681
Type of Business	Fuel trader under Section 10
Authorized Capital (Baht)	1,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	10,000
Par Value (Baht/Share)	100
Shareholding (%)	99.97

Name and Head Office Address	Olympus Oil Co., Ltd. (OLP) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105555130588
Type of Business	Fuel trader under Section 10
Authorized Capital (Baht)	1,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	10,000
Par Value (Baht/Share)	100
Shareholding (%)	99.97

Name and Head Office Address	PTG Green Energy Co., Ltd. (Former name – Pyrenees Oil Co., Ltd.) (PTGGE) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105555130570
Type of Business	Fuel trader under Section 10 Generate and distribute renewable energy
Authorized Capital (Baht)	100,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	1,000,000
Par Value (Baht/Share)	100
Shareholding (%)	99.99

Name and Head Office Address	Punthai Coffee Co., Ltd. (PUN) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105555139534
Type of Business	Coffee shop operation under the name “ Punthai Coffee ”
Authorized Capital (Baht)	300,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	3,000,000
Par Value (Baht/Share)	100
Shareholding (%)	99.99

Name and Head Office Address	PTG Logistics Co., Ltd. (PTGLG) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105558135688
Type of Business	Business of fuel, gas, and goods logistics services, including passenger transportation by land, sea, air both domestically and internationally.
Authorized Capital (Baht)	400,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	4,000,000
Par Value (Baht/Share)	100
Shareholding (%)	99.99

Name and Head Office Address	Empire Service Solution Co., Ltd. (ESS) 27/70 Moo 4, Lat Sawai, Lam Luk Ka, Pathum Thani 12150 Telephone : 0 2024 8663-4, 0 2101 1743 Facsimile : 0 2101 1744
Registration No.	0135559015813
Type of Business	Business of management system, management of equipment and machines, including to provide services regarding programs, instructions and software relating to such business.
Authorized Capital (Baht)	10,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	100,000
Par Value (Baht/Share)	100
Shareholding (%)	60.00

Name and Head Office Address	Innotech Green Energy Co., Ltd. (IGE) 90 CW Tower A 33 rd Floor, Ratchadaphisek Road, Huaykwang, Bangkok 10310 Telephone : 0 2168 3377, 0 2168 3388 Facsimile : 0 2168 3379, 0 2168 3389
Registration No.	0105559190020
Type of Business	Business of manufacturing and distribution of ethanol, biofuel from cassava or starch or starch-related products, ethanol production plants, biogas power plants, biomass power plants and other types of power plants.
Authorized Capital (Baht)	100,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	1,000,000
Par Value (Baht/Share)	100
Shareholding (%)	60.00 (Shares held through PTG Green Energy Co., Ltd.)

Name and Head Office Address	GFA Corporation (Thailand) Co.,Ltd. (GFA) 431 Soi Pradu 1, Charoenkrung Road, Bang Kho Laem, Bang Kho Laem, Bangkok, 10120 Telephone : 0 2688 7350-1, 0 688 7396-98 Facsimile : 0 2688 7361-62
Registration No.	0105540063898
Type of Business	Business of sales of coffee, tea, beverage, and food, production, import, export, agent commission, installation and repair, wholesale and retail distribution both domestic and abroad
Authorized Capital (Baht)	117,408,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	29,352
Par Value (Baht/Share)	4,000
Shareholding (%)	99.99 (Shares held through Punthai Co., Ltd.)

Name and Head Office Address	PPP Green Complex Co., Ltd. (PPP) 321 Moo 5, Tambon Chang Chang, Amphoe Bang Saphan Noi, Prachuabkirikhan 77170 Telephone : 077 277 777
Registration No.	0845556003192
Type of Business	Business of palm oil refinery by producing and distributing crude palm oil which extracted from raw palm, latex concentrate production business, and processed latex business of biomass (Bio-gas) from the waste from the production process of crude palm oil and the latex processing.
Authorized Capital (Baht)	1,600,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	1,600,000
Par Value (Baht/Share)	1,000
Shareholding (%)	40.00

Name and Head Office Address	AMA Marine Public Company Limited (AMA) 33/4 The 9 th Towers, Tower A, 33 rd Floor, Room #TNA02, Rama 9 Road, Huaykwang, HuayKwang, Bangkok 10310 Telephone: 0 2001 2801 Facsimile: 0 2001 2800
Registration No.	0107559000231
Type of Business	Business of transportation liquid products using liquid cargo ships and trucks.
Authorized Capital (Baht)	215,800,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	431,600,000
Par Value (Baht/Share)	0.50
Shareholding (%)	24.00 (Shares held through PTG Logistics Co., Ltd.)

Name and Head Office Address	Sammitr PTG Pro Truck Solution Center Co., Ltd. (PTSC) 39 Moo 12 Petchkasem Road, Tambon Omkoi, Amphoe Krathum Baen, Samut Sakhon 74130 Telephone: 02 420 0027 Facsimile: 02 420 5189
Registration No.	0745560002384
Type of Business	Business of car service and maintenance center for trucks, including construction and design of service centers, procurement, transportation, licensing, advertising, sales, service center management, and other matters relating to such business
Authorized Capital (Baht)	100,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	1,000,000
Par Value (Baht/Share)	100
Shareholding (%)	40.00

Name and Head Office Address	Palangngan Pattana Co., Ltd. (PP5) 62/45 Asia Road, Tambon Ban Phut, Amphoe Hat Yai, Songkhla 90250 Telephone: 074 216 342 Facsimile: 074 217 075
Registration No.	0905558001706
Type of Business	Business of waste management system to generate electricity, waste power plant, solar energy, thermal power, biomass electricity from hydro power, wind power, gas turbine power, renewable gas, other renewable energy, and including the installation of electricity transmission system, which is sent from the production source to the power supply
Authorized Capital (Baht)	300,000,000
Type of Stock	Common
Number of Total Shares Issued and Paid (Shares)	3,000,000
Par Value (Baht/Share)	100
Shareholding (%)	51.00 (Shares held through PTG Green Energy Co., Ltd.)

Name and Head Office Address	Siam Autobacs Co., Ltd. (SIAM AB) 729/170 Bangpongpan, Yannawa, Bangkok 10120 Telephone: 0 2295 0730 Facsimile: 0 2295 0738
Registration No.	0105549059982
Type of Business	Business of car service center and car repair center, including service center design, procurement, transportation, licensing, advertising, sales, service center management, and other matters relating to such business
Authorized Capital (Baht)	169,900,000
Type of Stock	Common and Preferred
Number of Total Shares Issued and Paid (Shares)	16,990,000
Par Value (Baht/Share)	10
Shareholding (%)	38.26

References

Registrar	Thailand Securities Depository Co., Ltd. Contact Address : 93 Ratchadapisek Road, Dindaeng, Bangkok 10400 Telephone : 0 2009 9000 Facsimile : 0 2009 9992 Homepage : www.set.or.th/tsd E-mail : SETContactCenter@set.or.th SET Contact center : 0 2009 9999
Auditor	PricewaterhouseCoopers ABAS Ltd. Contact Address : 179/74-80 Bangkok City Tower 15 th Floor, Sathorn Tai Road, Toongmahamek, Sathorn, Bangkok 10120 Telephone : 0 2344 1000 Facsimile : 0 2286 5050
Legal Consultant	Weerawong, Chinnavat & Partners Ltd. Contact Address : 540 Mercury Tower, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Telephone : 0 2264 8000 Facsimile : 0 2657 2222

Awards of the Year

Best CEO Awards



The Company received “Best CEO Awards” of SET-listed companies for 2 consecutive years from SET, and Money and Banking Magazine in SET Awards 2017. This award is bestowed upon top executives who display outstanding leadership, lead the organization to success, adhere to ethical values in managing the organization, possess vision and strategic capabilities, place focus on investor relations activities and see the importance of the society and businesses that facilitate sustainable viability of the organization.

The Excellent Code of Conduct Project

The Company received the ‘Thai Chamber of Commerce Excellent Code of Conduct 2017’ from the ‘Honorary Announcement of the Excellent Code of Conduct Project of the Thai Chamber of Commerce 2017’ committee (Conducting Good Deeds for Sustainability), reflecting the Company’s adherence to corporate governance, transparency and honesty in operating the business. On this occasion, Prof. Dr. Kasem Wattanachai, the Privy Councilor presented the award and was also the President of the ceremony, with Mr. Kalin Sarasin, Chairman of the Board, the Thai Chamber of Commerce and the Board of Trade of Thailand

jointly congratulating in the event. This particular award was to honor companies that operate with code of conduct and corporate governance in dealing businesses with the Thai Chamber of Commerce, the Board of Trade of Thailand and Provincial Chambers of Commerce all over Thailand, as well as new generation business people. The essence is to put a stop against corruption and to foster an awareness of transparent business operations, in collaboration with network organizations to support, honor and praise organizations or business people that comply with the code of conduct and corporate governance to earn acceptance and trust from the public and to serve as model businesses for other entrepreneurs.





The Company was ranked as a “Excellence” in the Corporate Governance Report of Thai Listed Companies 2017 by the Thai Institute of Directors.



The Company has been granted an approval to join in the membership of the Thai Collective Action Coalition against Corruption (CAC); a private organization that supports listed companies to regulate policies and guidelines in countering against all sorts of corrupt acts.



TIS certificate 9001-2552 (ISO 9001:2008) awarded to companies that have quality management system for the storage and distribution of oil products in the fuel tank under the certificate of ISO certification standards (MASCI).



TIS certificate 17025-2548 (ISO/IEC 17025:2005) is a certificate given to a testing laboratory which can test and/or calibrate. The certificate contained quality management and academic requirement which is the standard that can be applied to all corporate conducting testing or calibrating activity under the certification from Ministry of Industry, Industrial Standard Office.



PTG Energy PCL participated in Thailand Kaizen Award 2017 at Grand Hall, BITEC, Bangna, held by the Technology Promotion Association (Thailand-Japan), with the honor of Mr. Kobchai Sungsitthisawat, Deputy Permanent Secretary of the Ministry of Industry, serving as the President of the ceremony. The Company received Silver Award in the category of Genba Kaizen 'Reduced Time for Suspension Bush Removal' by Mommam Removing Bush team from Transportation Business division. The other Silver Award received was in the category of Kaizen for Office 'Reducing the Chance of Error in Receiving Clear Oil in Web Station System' by Seven Plus team from Information Technology and Accounting and Finance divisions. In this regard, the Company has been receiving awards from submitting Thailand Kaizen achievement for 2 consecutive years.



PTG Energy PCL and Petroleum Thai Corporation Co., Ltd., a subsidiary, received 'Outstanding Premise in Labor Relations and Welfare' award 2017 from the Office of Labor Relations, Department of Labor Protection and Welfare, Ministry of Labor. The award was presented in the Thailand Labor Management Excellence Award 2017 event. It is reflective of the Company's effective labor management and employees' cooperation in teamwork, appropriate and fair sharing of benefits, leading to a good labor relation platform in the organization.

A total of 239 PT service stations received 'Organization with Drug Management System' award as part of the Drug-Free Organization project of the Department of Labor Protection and Welfare. This certificate was presented to organizations that have activities that provide knowledge and understanding in preventing and solving drug problems and extend the activities towards communities surrounding the organization.





Petroleum Thai Corporation Co., Ltd. received 'Outstanding Continuous Support' award from the Safety and Health at Work Promotion Association (Thailand). The award was presented to companies that attended safety training with the Association on a continuous basis, reflecting the Company's attention in work safety for employees.

With regards to safety and environment, PTG Energy PCL received the honorary trophy from being the 'Co-Speaker in Safety Training' from the Oil Industry Environment Safety Group Association (IESG), indicating the Company's cooperation and support in providing safety training for employees operating in the oil industry.



PTG Energy PCL received the 'Safety, Occupational Health and Environment Management in the Organization - Gold Level' certificate from the Department of Labor Protection and Welfare, Nakhon Ratchasima. This is indicative of the Company's attention and cooperation in ensuring safety, health and environment standards in the organization.

PTG Energy PCL's Pak Thongchai Oil Storage Site received the 'Good Labor Practices: GLP in Labor Management' certificate from the Department of Labor Protection and Welfare, Nakhon Ratchasima, indicating that the Company incorporates the labor principle and practices to use in the organization.



Service Station Development Project Award has been granted to 505 service stations by the Department of Internal Trade, Ministry of Commerce, reflecting the Company's standard in quantity measurement as seen from its accurate oil meter and good quality of oil, with impressive service and strict standard in cleanliness and hygiene. This indicates the Company's emphasis on benefits of consumers using PT service stations.

Company Overview

Vision, Mission, Values and Operational Strategies

Throughout the course of the past 30 years, PTG Energy PCL (“the Company” or “PTG”), is fully committed and devoted to become Thailand’s leading comprehensive energy service provider, together with the objective of driving the organization to grow sustainably. The Company operates with the intention of abiding by the principle of good governance, fair treatment of all stakeholders, as well as being responsible for the society and the environment.

Given the continuous effort of continuous improvement of the organization as mentioned, the Company got assessed “Excellent” in the Corporate Governance Report of Thai Listed Companies 2017 conducted by the Thai Institute of Directors (IOD). Besides, the Company received the honorary trophy “Outstanding Code of Conduct 2017” from the Board of Trade of Thailand, which reflects our dedication to operate the business with transparency, ethics towards business partners and continuous display of social responsibility.

Vision

PT to become Thailand’s leading comprehensive energy service provider.

Mission

1. Create maximum satisfaction for partners, employees and end-users.
2. Manage like a professional, continuously integrate services to generate revenue and enhance values for the organization and all business partners.
3. Be responsible for and support activities that are useful to the society and the environment.

Values

1. Customer Service

Display of efforts to listen and understand customers (both internal and external customers), perception of customers’ needs and expectations, with the aim of creating maximum satisfaction as the first priority.

2. Team Work

An understanding of one’s roles and duties as a member of the team, with an involvement in work processes, solving problems, and exchanging experiences and opinions with team members.

3. Integrity & Ethics

An ability to abide by the code of conduct and display of honesty, as well as an advocacy in encouraging team members to strictly abide by the Company’s principles and regulations.

4. Continuous Improvement

An identification of methods to improve and apply work systems, procedures and new steps to replace current systems and processes in order to enhance effectiveness and functionality.

In order to achieve the goal of being Thailand’s leading comprehensive energy service provider, the Company is dedicated to satisfying customers’ needs, potential enhancement to sustainably operate the business, together with the development of the economy, society and the environment, by way of executing the following 6 key strategies (which more details can be found on page 64):

1. Continuous and progressive growth for existing businesses, via the expansion of branches both domestically and internationally.
2. Developing and growing in new businesses.
3. Communicating identity and points of differentiation to create a unique image in the eyes of the public.
4. Development of PTG ecosystem to create experiences in using quality products and services
5. Utilization of technology to analyze work processes and validate precision and conciseness of procedures.
6. Emphasizing on the develop staff members’ and executives’ potential and ensure they are aligned with the vision and sustainable growth.

The Company is of the intention to achieve excellence through rapid responses in management, high flexibility, transparency and verifiability under the principle of good governance. In this regard, the Company has devised clear policies and criteria in order for the Board of Directors, executives and employees to hold as guidelines in operations. Besides, the Company also signed the declaration of intent 'Collective Action Coalition of the Thai Private Sector against Corruption, and developed the anti-corruption policy, with the identification of roles, responsibilities, ways of practice and clear protocols to drive stable and sustainable growth.

The Company's Shareholding Structure (as of December 31, 2017)

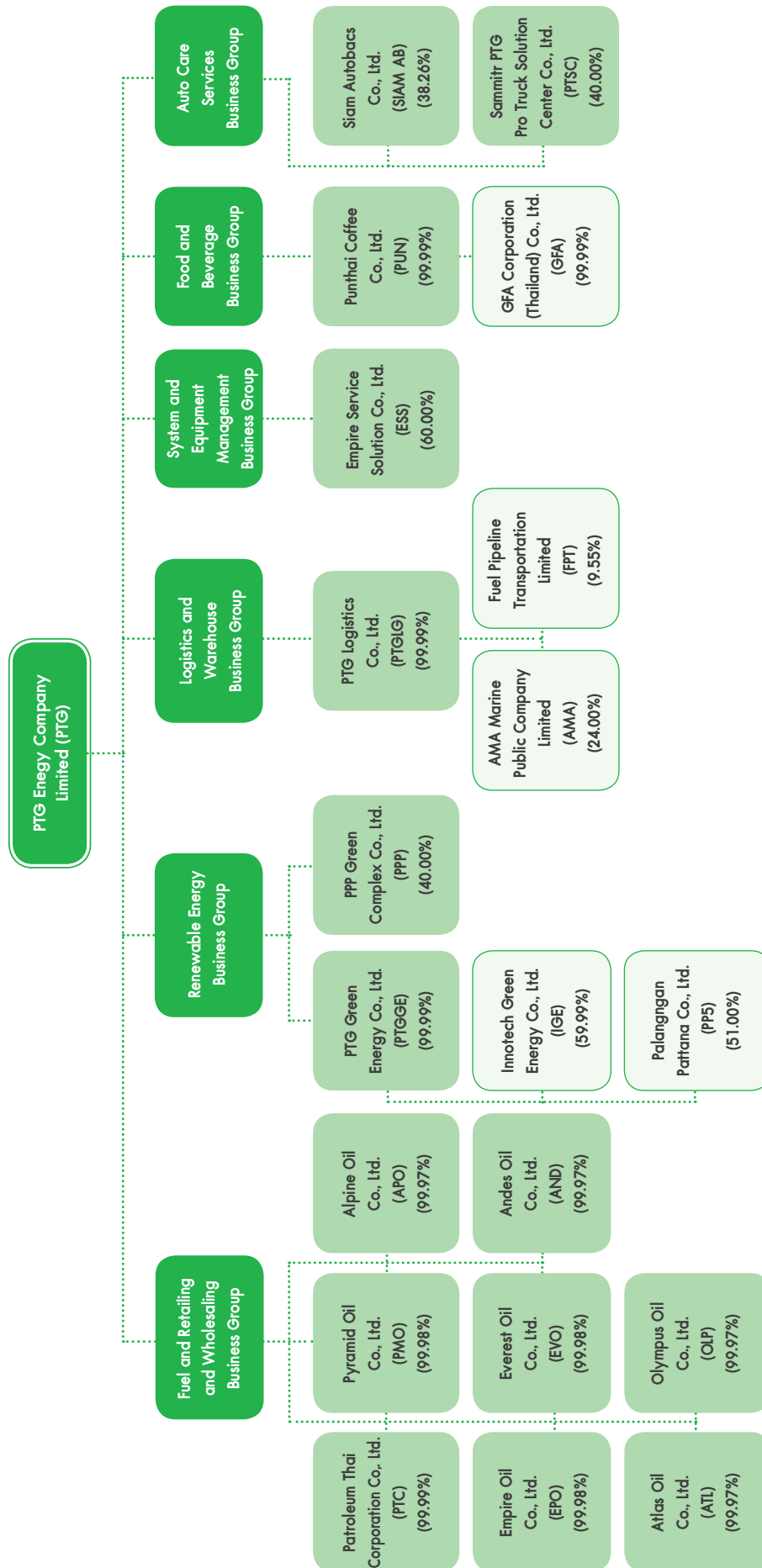
The Company's core business can be categorized into 6 groups as follows:

1. Oil and gas wholesale and retail businesses; the Company's core and original business.
2. Transportation and warehouse businesses; oil transportation business for PT service stations and inventory management.
3. Renewable energy, biodiesel production and palm oil for consumption businesses.
4. Management system business and equipment maintenance business in service stations.
5. Food and beverage business
6. Auto care and maintenance service business for automobiles and commercial trucks.

In this regard, the Company is determined to operate the business with the aim of satisfying consumers' needs in a comprehensive manner.



Organization of PTG Energy Public Company Limited



Nature of Business Operations of the Company and Subsidiaries

Company	Type of Business	Shareholding
Oil and Gas Wholesale and Retail Businesses		
PTG Energy Public Company Limited (PTG)	<ul style="list-style-type: none"> Retail oil service stations under the PT brand with the management of the Company. Wholesale oil to: <ul style="list-style-type: none"> Other oil traders Distributors of oil companies to distribute to gas stations under their own management. Industry operators requiring the oil fuel to run their businesses. Logistics business to transport, load and unload fuel, gas and petroleum product. 	-
Petroleum Thai Corporation Co., Ltd. (PTC)	<ul style="list-style-type: none"> Oil trader under Section 11 and LPG Convenience stores in petrol and LPG stations 	99.99%
Pyramid Oil Co., Ltd. (PMO)	<ul style="list-style-type: none"> Oil trader under Section 10 	99.98%
Alpine Oil Co., Ltd. (APO)	<ul style="list-style-type: none"> Oil trader under Section 10 	99.97%
Empire Oil Co., Ltd. (EPO)	<ul style="list-style-type: none"> Oil trader under Section 10 	99.98%
Everest Oil Co., Ltd. (EVO)	<ul style="list-style-type: none"> Oil trader under Section 10 	99.98%
Andes Oil Co., Ltd. (AND)	<ul style="list-style-type: none"> Oil trader under Section 10 	99.97%
Atlas Oil Co., Ltd. (ATL)	<ul style="list-style-type: none"> Oil trader under Section 10 	99.97%
Olympus Oil Co., Ltd. (OLP)	<ul style="list-style-type: none"> Oil trader under Section 10 	99.97%
Transportation and Warehouse Businesses		
PTG Logistics Co., Ltd. (PTGLG)	<ul style="list-style-type: none"> Logistics business to transport, load and unload fuel, gas and petroleum product as well as other products including passengers by land, sea and air for both domestic and international transportations. 	99.97%
AMA Marine Public Company Limited (AMA)	<ul style="list-style-type: none"> Business of transportation liquid products using liquid cargo ships and trucks. 	24.00%
Fuel Pipeline Transportation Ltd. (FPT)	<ul style="list-style-type: none"> Business of pipeline transportation for jet fuel from Bangchak Refinery to Donmuang, and ground transportation (diesel fuel and gasoline) for car fuel. 	9.55%
Renewable Energy Business		
PTG Green Energy Co., Ltd. (PTGGE)	<ul style="list-style-type: none"> Oil trader under Section 10 Business investment in renewable energy related business such as biomass, waste and solar power plants. 	99.97%
PPP Green Complex Co., Ltd. (PPP)	<ul style="list-style-type: none"> Business of palm oil refinery by producing and distributing crude palm oil which extracted from raw palm, latex concentrate production business, and processed latexbusiness of biomass (Bio-gas) from the waste from the production process of crude palm oil and the latex processing. 	40.00%

Company	Type of Business	Shareholding
Innotech Green Energy Co., Ltd. (IGE)	<ul style="list-style-type: none"> Business of manufacturing and distribution of ethanol, biofuel from cassava or starch or starch-related products, ethanol production plants, biogas power plants, biomass power plants and other types of power plants. 	59.99%
Palangngan Pattana Co., Ltd. (PP5)	<ul style="list-style-type: none"> Business of waste management system to generate electricity, waste power plant, solar energy, thermal power, biomass electricity from hydro power, wind power, gas turbine power, renewable gas, other renewable energy, and including the installation of electricity transmission system, which is sent from the production source to the power supply. 	51.00%
Management System Business and Equipment Maintenance Business		
Empire Service Solution Co., Ltd. (ESS)	<ul style="list-style-type: none"> Business of management system, management of equipment and machines, including to provide services regarding programs, instructions and software relating to such business. 	60.00%
Food and Beverage Business		
Punthai Coffee Co., Ltd. (PUN)	<ul style="list-style-type: none"> Coffee shop under the name of "Punthai Coffee", operate business of sales of coffee, tea, beverages and food. 	99.99%
GFA Corporation (Thailand) Co., Ltd. (GFA)	<ul style="list-style-type: none"> Business of sales of coffee, tea, beverage, and food, production, import, export, agent commission, installation and repair, wholesale and retail distribution both domestic and abroad. 	99.99%
Auto Care and Maintenance Services Business for Automobiles and Commercial Truck		
Siam Autobacs Co., Ltd. (SIAM AB)	<ul style="list-style-type: none"> Business of car service center and car repair center, including service center design, procurement, transportation, licensing, advertising, sales, service center management, and other matters relating to such business. 	38.26%
Sammitr PTG Pro Truck Solution Center Co., Ltd. (PTSC)	<ul style="list-style-type: none"> Business of car service and maintenance center for trucks, including construction and design of service centers, procurement, transportation, licensing, advertising, sales, service center management, and other matters relating to such business. 	40.00%

Key Changes and Development

2017

- The Company agreed on signing the contract of Innotech Green Energy Co., Ltd. (IGE), a subsidiary, and Sapporo Holdings Ltd. on adoption of producing ethanol from cassava pulp technology. This technology induces the production of ethanol from cassava pulp by digesting carbohydrate into glucose, which be fermented to become ethanol. This is a value-added process of cassava waste and an essential feature to improve the standard of ethanol production which enhance sustainable renewable energy in Thailand.



- The Board of Directors had approved of the Company's participation in joint investment with Sammitr Motors Manufacturing PCL to mutually establish Sammitr PTG Pro Truck Solution Center Co., Ltd. ("PRO TRUCK") to operate a comprehensive service and maintenance center for trucks (Truck Service Center), with the registered capital of 100 million Baht. The Company holds 400,000 shares, or equivalent to 40% of the total number of shares. To date, PRO TRUCK is the first and only operator in Thailand that provides comprehensive services. However, there is a plan to expand branches both inside and outside of PT service stations of not less than 100 branches in 2022. Furthermore, PRO TRUCK already launched the first branch at PT service station in See Kew district, Nakhon Ratchasima on November 14, 2017.



- The Board of Directors had approved of PTG Green Energy Co., Ltd. (PTGGE), a subsidiary, to invest in Palangngan Pattana 5 Co., Ltd. ("PP5") together with 3 other shareholders; Ms. Lek Saechao, P&C Group Co., Ltd. ("P&C") and Sbang Sustainable Energy Co., Ltd. ("SBANG") to operate the waste management system for electricity generation business, with the registered capital of 300 million Baht and the total of 3 million shares. The par value is 100 Baht per share, and the Company holds 1,530,000 shares or equivalent to 51.00% of the total number of shares.
- The Board of Directors had approved of Punthai Coffee Co., Ltd., a subsidiary, to purchase common stocks of GFA Corporation (Thailand) Co., Ltd. ("GFA") of 29,530 shares at the rate of 6,985 Baht per share, totaling 205 million Baht, or equivalent to 99.99% of the total number of shares. GFA operates the food and beverage business under the brands Coffee World, Cream & Fudge, New York 5th Av. Deli, Coffee World Restaurant and Thai Chef Express. In this regard, this particular transaction is for the objective of increasing opportunities and capabilities to venture into the food and beverage business in potential areas outside of PT service stations such as leading department stores, community malls, and airports both in Thailand and overseas to deliver diverse products and services to existing customers and to expand coverage of customer base.



- The Board of Directors had approved of the Company's participation in the joint venture agreement with Autobacs Seven Co., Ltd. ("AUTOBACS"), which is registered in Tokyo Stock Market, Japan to invest in Siam Autobacs Co., Ltd. ("SIAM AUTOBACS") to operate the service and maintenance center for automobiles, with the registered capital of 169.90 million Baht, comprising of 15,989,998 shares of common stocks, 1,000,002 shares of preferred stocks, with the par value of 10 Baht per share. The Company holds 6,500,000 shares or equivalent to 38.26% of the total number of shares. Autobacs is the number one brand that provides quality and comprehensive automobile services from Japan, which can also render world-standard quality service to automobile users in Thailand. In this regard, SIAM AUTOBACS planned to expand not less than 200 branches both inside and outside of PT service stations by 2022.



- The Board of Directors had approved of Punthai Coffee Co., Ltd., a subsidiary, to collaborate with College of Innovation Management, Suan Sunandha Rajabhat University on an academic program. The aim is to develop a course and improve a skill of students on customer service and coffee store management to match with the market demand and support the Punthai Coffee target expansion. Besides, there is opportunity for students to engage in internship program which would encourage them to grow in their profession.



- The Company issued and made an offering of debentures amounting to 1,000 million Baht with the validity of 3 years and 700 million Baht with the validity of 5 years in order to prepare for the business expansion plan as part of the Company's strategic direction.

- The Company launched PT Max Reward Application, which is available for use with smart phones and tablets, both in IOS and Android platforms. The objective of launching this application is to enable users to access their service usage information, rewards and news from the Company, so that customers' needs are being met more accurately and comprehensively.



- Mr. Pitak Ratchakitprakarn, Chief Executive Officer and President, PTG Energy PCL, received Best CEO Awards 2017 for the top executive of companies registered in the Stock Exchange of Thailand. This is the second consecutive year that the award was granted, which reflects the vision in directing the strategies, determination, dedication as well as the unique potential in managing the organization, leading to strong and well-established growth.



- The Company received the results from the Corporate Governance Report of Thai Listed Companies 2017 conducted by the Thai Institute of Directors (IOD), whereby the Company got assessed **“Excellent”** in its corporate governance performance.
- The Company received the honorary trophy “Outstanding Code of Conduct 2017” from the Board of Trade of Thailand (Towards Sustainability through Good Conduct), which reflects our dedication to operate the business with the principle of corporate governance, adhering to transparency and honesty.



2016

- The Extraordinary General Meeting of Shareholders No.1/2016; 1. approved PTG Logistics Company Limited, the subsidiary, to purchase shares of Ama Marine Company Limited (“AMA”), the provider of marine and land transportation of liquid, of 518,000 shares (32.01% of the total shares) amounting to THB 621.60 million. 2. approved bond issuance in the amount not exceeding THB 4,000 million or in other currencies with the equivalent amount for the purpose of business operation and expansion.
- The Company issued bonds of THB 1,700 million over 3 years to support the business expansion as per the Company’s goal and strategy
- The Company was approved by the Board of Directors to establish Empire Service Solution Company Limited to provide the service of installation, inspection, repair of fuel dispensers, service stations and all types of equipment. The Company would hold 60,000 shares with the par value of THB 100 per share (60.00% of the total shares)
- There was the restructuring of shareholders in Ratchakitprakan family by transferring some shares to Ratchakit Holding Company Limited to support the long-term business governance of the family. After the share transfer, Ratchakit Holding Company Limited held 25.12% of the total shares, and most of the shares are still held by the existing holders. Nevertheless, such restructuring does not impact to the company’s policies and management system.
- The Company launched its new engine oil product, “PT Maxnitron”, with high quality by using Syn4Max technology that can increase the efficiency of base oil to synthetic oil for the engine to be clean and efficiently work. The product will be on shelf of all PT gas stations.
- The Company was approved by the Board of Directors for PTG Green Energy Company Limited, the company’s subsidiary, to do the joint venture with Eiamburapa Company Limited in order to establish Innotech Green Energy Company Limited to produce and distribute ethanol, biofuel from cassava pulp or starch as the renewable energy expansion plan of the Company. However, the subsidiary holds 600,000 shares with the par value of THB 100 per share (60.00% of the total shares)
- By the end of the year, the company had 1,407 gas stations in total, and the members of Max Card increased to 5.6 million members as of 31 December 2016, as planned.
- The Company received honorable rewards from Set “Best CEO Awards” and “Best Company Performance Awards”

2015

- The Company was ranked as a **“Very Good”** in the Corporate Governance Report of Thai Listed Companies 2015 by the Thai Institute of Directors.
- The Company received a certificate of participation in the private company group of anti-corruption to support the collaboration in anti-corruption under good corporate governance which is prepared by the Prevention and Suppression of Corruption Regiment Centre (NCC).

- The Company received Investor Relations Awards 2015 - the award given to the listed company that have outstanding investor relations with the market price of securities between 3,000-10,000 million baht. The award was organized by the Stock Exchange of Thailand.
- The Company paid for the investment of joint venture with Tha Chang (Bang Saphan) Palm Oil Company Limited (which later changed the name to PPP Green Complex Company Limited ("PPP") at the amount of 349.80 million THB in accordance with the joint venture agreement in Palm Complex project, which was signed in November 2014 and amended in December 2014.
- The Company and the joint venture partner, PPP Green Complex Company Limited, signed a contract to purchase machinery and equipment used in the production of Palm Company project.
- The Company began to provide LPG service stations for LPG consumers to receive quality and standardized products and services.
- The subsidiary registered a change of name from Pyrenees Oil Company Limited ("PRN") to PTG Green Energy Company Limited ("PTGGE").
- The subsidiary, PTG Logistics Company Limited ("PTGLG"), was established with the paid-up capital of 1 million THB, divided into 10,000 shares with 100 THB per share. The objective is to transport, load and unload fuel, gas and petroleum product as well as other products including passengers by land, sea and air for both domestic and international transportations.
- The Company signed a 7-year contract for 250 billion THB to trade oil with Thai Oil Public Company Limited from 2015 to 2021 in order to build confidence and stability in efficient product supply in accordance with the policy to expand service stations in the future.
- The Company has the resolution proposed to the Extraordinary General Meeting regarding 32.01% shareholding in AMA Marine Company Limited after the approval of the Company's Board of Directors. AMA Marine Company Limited engages in liquid transportation service by both sea and land in which the Company foresees the efficiency and opportunity in the future growth of logistics business.
- The Company has the resolution proposed to the Extraordinary General Meeting regarding debenture issuance at the amount not exceeding 4,000 million THB to support the Company and its subsidiaries' business operations and expansions.
- The Company acquired shares of FPT engaging in the pipeline business as the Company focused on the potential of fast and safe oil unloading as well as the future improvement.
- The Company expanded its 222 PT service stations comprising of 204 COCO stations and 18 DODO stations. As a result, at the end of the year, the Company had 1,150 PT service stations in total with the increasing Max Card members up to 3.8 million members as of 31 December 2015. Furthermore, there are totally 56 E20 gasohol stations.



Nature of Business

The core businesses of the Company and subsidiaries are retailing and wholesaling of fuel. The Company purchases most of the fuel directly from Thai Oil Public Company Limited (“Thai Oil” or “TOP”) and transport them from TOP refineries to customers by its own tanker truck fleet. In general, the Company sold the fuel both directly and indirectly to automobile users and users of other types (e.g. farmers using fuel for agricultural machines, etc.) via PT petrol stations.

In addition, the Company owned 10 tank farms with the total capacity of 206.75 million liters, which the 10th tank farm will operate in January 2018. The Company tank farms are located throughout the country for stocking at each of the fuel transported from refinery plant prior to further distribution to the Company’s petrol stations or its customers in fuel wholesaling business and the industrial sector in order to increase transportation efficiency, shorten delivery time, and reduce transportation cost. Moreover, the Company frequently inspects its product to ensure product quality.

The Company Products and Services

Products can be categorized into 2 main groups, details of which are as follows:

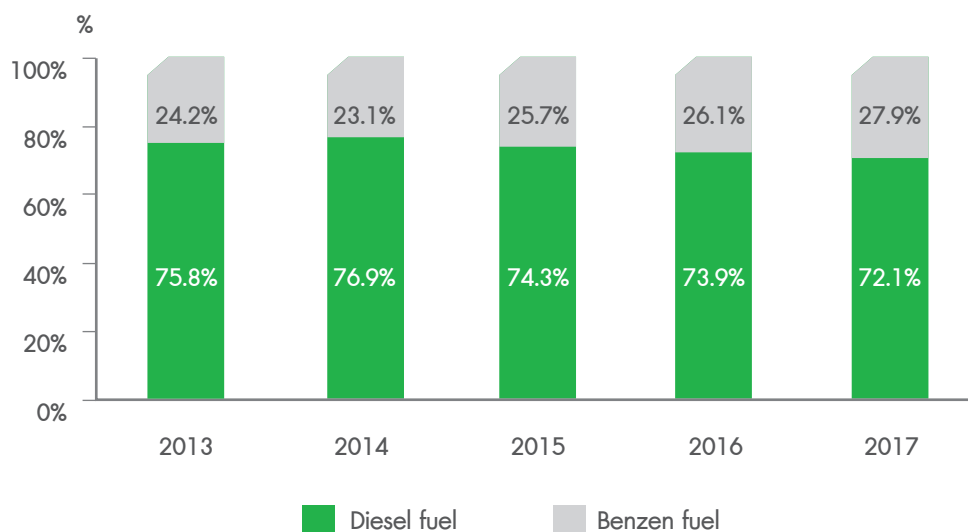
1) Fuel Products

Fuel products of the Company and subsidiaries can be divided into 2 main types as follows:

- 1.1) Diesel, which is high-speed diesel fuel (hereinafter called “diesel fuel”);
- 1.2) Benzene, which comprises octane-95 benzene, gasohol 95 (E20), gasohol 95 (E10) and gasohol 91 (E10) (hereinafter called “benzene fuel”).

Mostly, the Company sells diesel fuel because user of cars for commercial purpose are, both directly and indirectly, its main customers. For this reason, volume of fuel sold is in line with the type of cars registered in Thailand, which are largely diesel engine powered. However, the Company is expanding its station more in Bangkok and vanity areas, therefore the benzene sales proportion increases.

Sales Proportions of Diesel Fuel and Benzene Fuel



Source : The Company

2) Non-fuel Products

Apart from fuel sales, the Company sells more than 2,000 daily-use consumer goods through convenience stores, PT Mart and PT Max Mart, in PT petrol stations. In addition, the Company operates food and beverages restaurants that have been appreciated and accept the taste, quality, and service from the consumer under brands Punthai Coffee, Coffee World, Cream & Fudge, New York Deli 5th Av., and Thai Chef Express.

Furthermore, the Company sells premium quality lubricants under the brand PT Maxnitron, which is launched in late 2016, as well as various types of lubricants. The company has also provided rental space for PT services in the past year. The company also jointly launched the first comprehensive service and repair center for trucks and trailers in Thailand under the name PRO TRUCK, and the quality comprehensive service and repair center of cars from Japan under the name AUTOBACS in order to meet the needs of each customer group.

Besides, the Company provides its customers and other fuel traders with more services related to fuel trade. Major services include logistics services for fuel wholesalers that have no tankers truck fleet of their own, and fuel storage services for other fuel traders.

Nature of the Company Business

The Company's significant operations can be divided according to characteristics of products and services, target groups, and distribution channels into 5 core business groups, namely:

1) Fuel Sales at PT Petrol Stations

The Company operates fuel sales business at PT petrol stations in 2 manners as follows:

1.1) Company Owned Outlet

Fuel retailing via the Company's petrol stations, where fuel is sold directly to automobile users via the petrol stations owned and operated by the Company, or the so-called COCO petrol stations. The Company operates fuel retailing business via COCO petrol stations under the management of Petroleum Thai Corporation Co., Ltd. (PTC), the Company's subsidiary. Sales proportion of gasoline and diesel fuel from station, relying mainly on target customer demand for each fuel type at a specific COCO petrol station.

● Characteristics of Customers and Target Group

Target customers for fuel retailing via the Company's petrol stations are fuel users in the vicinity of COCO petrol stations, namely:

- 1) Transport service providers and manufacturers using vehicles for goods transport, which are located in communities surrounding COCO petrol stations or often go by COCO petrol stations;
- 2) Farmers using fuel for agricultural machines, or living or working near COCO petrol stations;
- 3) People using automobiles and motorcycles in their daily life, who reside in communities surrounding COCO petrol stations.

The Company focuses on selling fuel to target customers, since they regularly need fuel in their daily life or work. To reach these target customers, the Company primarily invests in COCO petrol stations near communities or its main target customers.

● Distribution Channels

The Company pursues COCO petrol station expansion through various natures of investments, in which it may buy or rent petrol stations from proprietors who are discontinuing the business. The Company determines suitable patterns of investment by considering the proprietors' conditions, e.g. terms of contract, rental fee and increase. This is accompanied by risk analysis and investment worthiness assessment, covering such aspect as location of property, locations of PT petrol station and other petrol stations nearby, characteristics and number of existing or prospective customers, sales projections, amount of investment and expenditure required for station renovation, and rates of return.

● Competitive Strategies

The Company puts emphasis on sales of quality and high-standard fuel to customers to establish confidence in and satisfaction of PT petrol stations' products and services.

Over 80% of fuel sold at PT petrol stations are purchased directly from Thai Oil, which is one of the largest refinery companies of very high standard and one of the nation's major fuel suppliers, thus ensuring standardization of fuel quality. The Company also manages and transports fuel to the COCO gas stations nationwide with its own truck tank, therefore it can control fuel quality and prevent fuel contamination, and adulteration that may occur if the transportation is handled by unqualified and unethical operators.

Moreover, the Company has built a fuel oil testing laboratory at Mae Klong Tank Farm to examine the quality of petrol randomly retrieved from COCO petrol stations across the country. The Company also sets up a mobile lab unit to carry out random on-site inspection for fuel quality at both PT COCO and DODO petrol stations, in order to give the customers confidence that fuel sold at each PT petrol station are of equal quality and standard to those produced by refineries.

In relation to marketing and public relations, the Company engages in sales promotion activities continually to encourage higher-volume and constant purchases among target customers. One example is giveaway of drinking water or other sales promotion items for an indicated purchase value, where sales promotion items may vary from area to area, depending on characteristics of target customers in the area. Another one is PT petrol station membership program, PT Max Card, where customers applying for membership at any PT station and are entitled to special benefits such as reward point collection or redemption, newsletter of service privileges at PT petrol stations and partners, and privileges to participate in other exclusive sales promotion activities in the future.

With the continuous development of goods and services, currently, PT Max Card members can check points and benefits through Max Rewards Application. The application can be downloaded to be used in Smartphone and Tablet in both IOS and

Android operating system. This enable the customers to access the Company news and promotion faster. Besides, the Company uses internet tools and social media like its website (www.ptgenenergy.co.th), call center, Facebook (www.facebook.com/ptstation), and Line Official account (PT Station) for disclosing corporate information and publicizing its marketing activities to customers and the general public.

1.2) Fuel wholesaling to the Company's dealers

The Company sells fuel to its dealers who manage the petrol stations owned and operated by them, or the so-called DODO petrol stations. The Company and subsidiaries as fuel traders under Section 10 sell fuel to DODO petrol stations operators, which are fuel dealers who are permitted by the Company to use PT trademark ("the Company's dealers"). The company in charge of providing advice and supporting these dealers on station operation matters, such as floor planning, investment and management.

Fuel sold at DODO petrol stations are both diesel fuel and benzene fuel, similar to those at COCO petrol stations. However, the proportion and volume for trade of each fuel type are decided at the discretion of each dealer. The Company merely serves as the supplier and seller of fuel for them. Each dealer is responsible for the internal administration of DODO petrol stations, including personnel management and control.

- **Characteristics of Customers and Target Group**

Target customers for the business of fuel wholesaling to PT petrol station operators are persons and juristic persons wishing to undertake petrol station business, namely 1) petrol station operators who are dealers of other fuel traders, 2) petrol station operators who are not fuel dealers, and 3) persons and juristic persons are land owners and wish to undertake petrol station business. These persons and juristic persons find the Company's dealership conditions interesting, and share the same business goals with the Company.

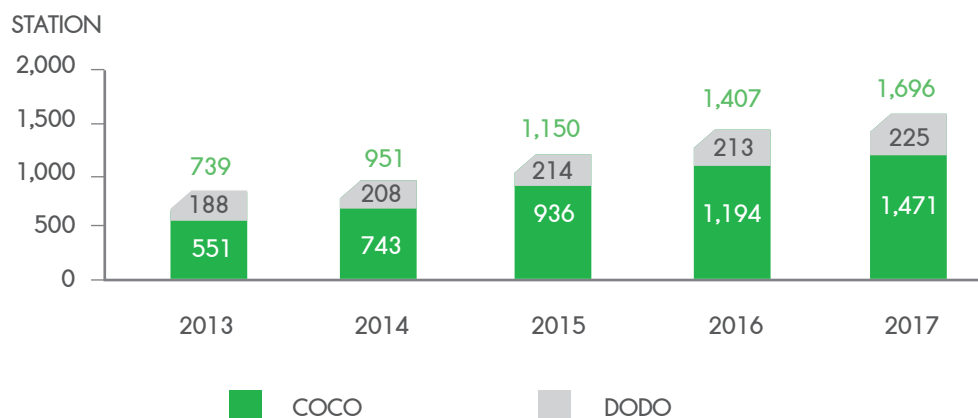
- **Distribution Channels**

Aside from taking care of and giving advice to the Company's dealers and customers, sales staff at tank farms are responsible for seeking petrol station operators who desire to be the Company's dealer. In addition, business development staff have made incessant effort to locate operations with the potential of becoming COCO petrol stations. Some petrol station operators, with whom business development staff met, want to continue the current petrol station business, yet want to buy fuel from the Company and also be the Company's dealer. Information review concerning petrol station operators by the sales and business development staff, the Company is able to gain better access to target customers.

- **Competitive Strategies**

Since day one of operation as fuel dealers, the Company's dealers receive continual supports in various forms. The Company provides its dealers with materials and accessories for station revamping, such as paints for decoration, tall poles for PT logo and price displays, TOP trademark flags as fuel quality assurance, and other displays, together with uniforms for pump attendants. Moreover, the Company assigns an engineering and maintenance team to give advice and assistance necessary for renovation of petrol stations, in order that the dealers' petrol stations are of the same pattern and quality as COCO petrol stations. In terms of marketing support, it offers the dealers some discounts on sales promotion items such as drinking water and other sales promotion products, so the sales promotion campaigns at DODO petrol station can be run in a similar way as they are at COCO petrol stations. The Company provides guidance on force count service and inventory management as well.

Number of Petrol Stations by Types



Source : The Company

Number Petrol Stations by Region

COCO stations

Region	2015		2016		2017	
	Stations	%	Stations	%	Stations	%
1. Bangkok and vicinity	72	7.7	96	8.0	104	7.1
2. Northern region	204	21.8	254	21.3	306	20.8
3. Central region	55	5.9	68	5.7	91	6.2
4. Northeastern region	305	32.5	386	32.4	480	32.6
5. Eastern region	67	7.2	92	7.7	133	9.1
6. Western region	113	12.1	145	12.1	177	12.0
7. Southern region	120	12.8	153	12.8	180	12.2
Total	936	100.0	1,194	100.0	1,471	100.0

Source : The Company

DODO stations

Region	2015		2016		2017	
	Stations	%	Stations	%	Stations	%
1. Bangkok and vicinity	4	1.9	2	0.9	3	1.3
2. Northern region	51	23.8	49	23.0	55	24.4
3. Central region	7	3.3	8	3.8	8	3.6
4. Northeastern region	82	38.3	80	37.6	80	35.6
5. Eastern region	15	7.0	16	7.5	17	7.6
6. Western region	26	12.1	27	12.7	28	12.4
7. Southern region	29	13.6	31	14.6	34	15.1
Total	214	100.0	213	100.0	225	100.0

Source : The Company

2) Fuel Wholesaling to Other Fuel Traders and Industrial Operators

The Company and subsidiaries as fuel traders under Section 10 operate business of fuel wholesaling to other fuel traders and industrial operators. They are another customer group with huge volume of fuel purchase and for numerous purposes, e.g. reselling fuel to other fuel traders, selling fuel to individual users, or using such fuel in the production process in factories, etc.

● Characteristics of Customers and Target Group

Target customers for the business of wholesaling fuel to other fuel traders and industrial operators include:

- 1) Other fuel wholesalers, which are fuel wholesalers who buy fuel for the purpose of reselling fuel to other traders, independent petrol station operators, or industrial operators that need fuel in business operations, thus acting as the middlemen. In the fuel trade industry, a wholesaler of this nature is called a “jobber.”

- 2) Independent petrol station operators, which are operators of small-scale petrol stations who are not dealers of major fuel traders. Consequently, they may not display any trademarks at the petrol stations or use their own logos.
- 3) Industrial operators that need fuel in business operations, for example construction business that needs fuel for machines, logistics business that needs fuel for vehicles, agricultural business that needs fuel for farm machineries, industrial plants that use fuel in production, etc.

- **Distribution Channels**

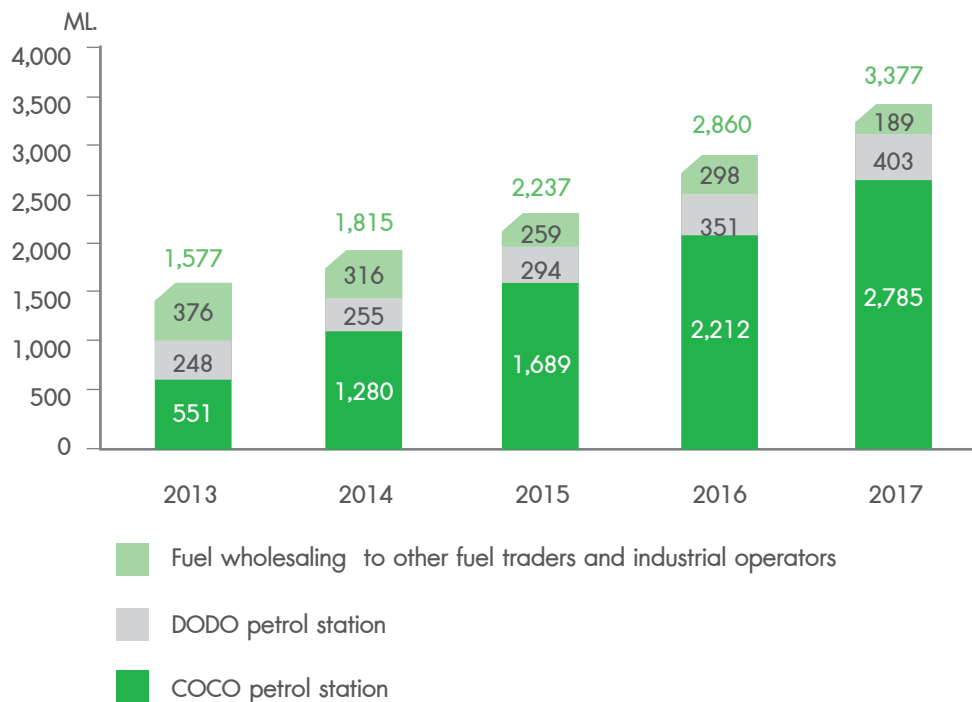
Apart from seeking petrol station operators who wish to be the Company's dealers, sales staff are assigned to regularly gather information on fuel retailers and wholesalers as well as industrial operators in their respective responsible areas, in order to look for retailers, wholesalers and industrial operators who make regular purchases or have high volume of consumption.

- **Competitive Strategies**

The Company places a top priority on product quality and punctual delivery of fuel to customers, so it keeps investing in tanker trucks to support the increasing daily delivery workload due to growing sales volume. Owning a large tanker truck fleet with high combined cargo capacity, the Company is capable of supplying a huge quantity of fuel per load. Appropriate and efficient tanker truck management contributes to the delivery continuity of tanker truck fleet, while efficient fuel reserve management at each tank farm enables the Company to make fuel deliveries according to customer demand.

In addition, the Company lends its customers some tools for fuel storage and dispensing equipment, e.g. fuel tanks, fuel dispensers, etc., and helps install the equipment at the customers' business site, as a facilitation given to customers who are fuel retailers or industrial operators that need fuel for vehicles or machineries.

Sales Volume of Fuel Trading Businesses



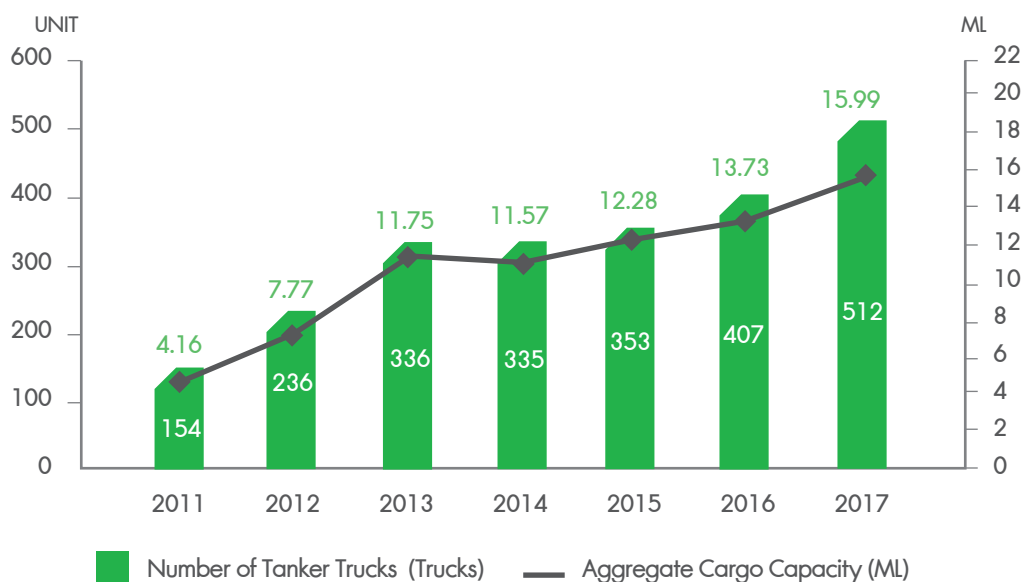
Source: The Company

3) Fuel Logistics Business

The Company has registered as a fuel transporter under Section 12 of the Fuel Trade Act of 2000, and invests in a large tanker truck fleet of its own. These truck fleets are responsible for distributing fuel products to COCO stations, wholesalers, and for managing

the inventories internally. The size of the fleet has been growing correspondingly with the growth in fuel sales revenues and the increasing number of PT petrol stations over the past period.

Number of Tanker Trucks and Aggregate Cargo Capacity



Source : The Company

- Characteristics of Customers and Target Group**

Users of the Company's fuel logistics service can be divided into 2 groups as follows:

- 1) PTC and subsidiaries as fuel traders under Section 10.
- 2) Fuel wholesalers buying fuel from the Company and subsidiaries, i.e. the Company's dealers, jobbers, operators of petrol stations not using PT trademark, and industrial operators that need fuel in business operations.

Most of the Company's fuel logistics services are rendered to PTC and subsidiaries as fuel traders under Section 10.

- Distribution Channels**

The Transportation Department staff will coordinate with the oil tank farm staff, and the oil purchasing staff to manage the transportation system according

to the daily request. Logistics staff then arrange for tanker trucks and plan the work schedule in order to sufficiently and appropriately deliver fuel to COCO petrol stations as well as transport fuel from refineries to each tank farm.

- Competitive Strategies**

The Company focuses on building customer confidence in its fuel logistics services. To this end, the Company directs truck drivers to double-check documents relating to loading and unloading and fuel. The Company also use oil seal for unloading and loading valves in order to prevent delivery of the wrong fuel type or quantity. Furthermore, the use of GPS system and MDVR camera are applied to monitor drivers' behaviors and help boost customer confidence in the Company's logistics services. It also emphasizes fast and punctual delivery of fuel, in an effort to keep customers satisfied with its fuel logistics services.

4) Gas Sales at PT Petrol Stations

The Company operates gas LPG sales business at PT petrol stations in which were owned and operated by the Company, or the so-called COCO petrol stations which was operated under the management of Petroleum Thai Corporation Co., Ltd. (PTC), the Company's subsidiary. The Company expects to provide the quality service to the LPG automobile users in standard service stations on par with petrol stations. The Company launched its LPG and targeted to serve the car with gas system installation with good standard service.

- **Characteristics of Customers and Target Group**
Target customers for LPG retailing via the Company's service stations are LPG automobile users in the vicinity of LPG stations, namely:

- 1) Transport service providers and manufacturers using vehicles for goods transport, which are located in communities surrounding service stations or often go by LPG stations;
- 2) People using automobiles in their daily life, who reside in communities surrounding LPG stations.

The Company focuses on selling fuel to target customers, since they regularly need LPG combine with Benzene in their daily life or work.

- **Distribution Channels**

The Company constantly invests in expanding number of COCO LPG stations for a wider distribution channel to reach more target customers throughout Thailand. The Company determines suitable patterns of investment by considering the proprietors' conditions, e.g. terms of contract, rental fee and increase. This is accompanied by risk analysis and investment worthiness assessment, covering such aspect as location of property, locations

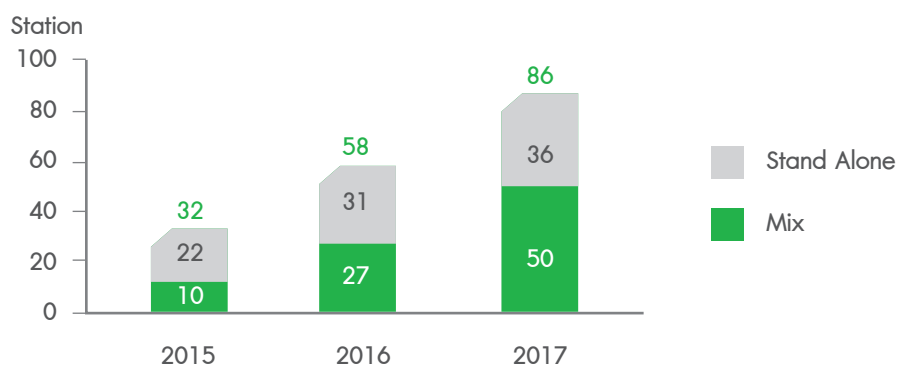
of PT station and other petrol and LPG stations nearby, characteristics and number of existing or prospective customers, sales projections, amount of investment and expenditure required for station renovation, rates of return, and etc.

- **Competitive Strategies**

The Company puts emphasis on sales of quality and high-standard LPG to customers to establish confidence in and satisfaction of PT petrol stations' products and services. LPG product sold in PT service stations was acquired directly from reliable Section 7 standard service traders registered by the Department of Energy Business. In this case, the service providers will deliver LPG directly to all service stations nationwide.

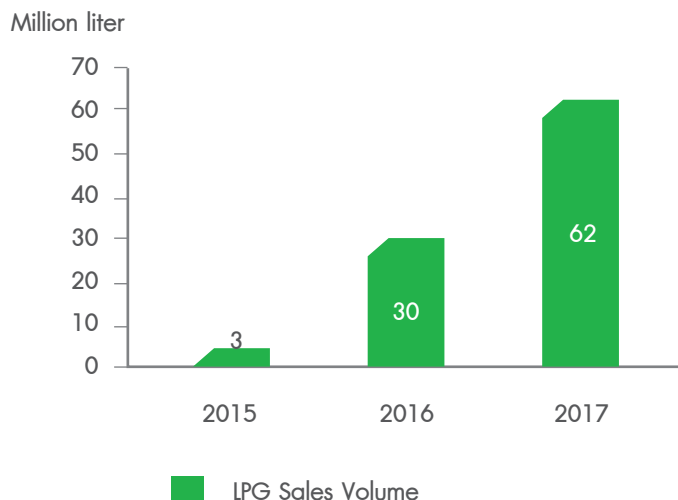
In relation to marketing and public relations, the Company engages in sales promotion activities for the customer to receive services and privileges as in petrol stations, including giving away of drinking water or other sales promotion items for an indicated purchase value. Another one is PT membership program, where customers applying for PT Max Card membership. The members can check points and benefits through Max Rewards Application. The application can be downloaded to be used in Smartphone and Tablet in both IOS and Android operating system. This enable the customers to access the Company news and promotion faster. Besides, the Company uses internet tools and social media like its website (www.ptgenergy.co.th), call center, Facebook (www.facebook.com/ptstation), and Line Official account (PT Station) for disclosing corporate information and publicizing its marketing activities to customers and the general public.

Number of LPG Gas Stations Classified by Type of Service Station



Source: The Company

LPG Sales Volume of Retail Business



Source : The Company

5) Minimart Business, and Food and Beverage Business Minimart

The Company's investment is made mainly in convenience stores, PT Mart and Max Mart, at PT COCO petrol stations, in order to promote favorable image of services and to facilitate users of PT petrol stations. The Company selects appropriate stations to invest in by considering

- 1) number of users of station services and sales volume at the stations,
- 2) location of petrol stations at which the stores will be situated, taking into account the nearby residential communities, business areas and significant government offices, as well as roadways that link to the petrol stations, and
- 3) size of PT petrol stations, either with a free space large enough for constructing a convenience store, or with an already-built convenience store.

The company has adjusted the direction of convenience store management to increase the efficiency of operations and improve the satisfaction of customers' needs. The renovation, appearance development, and equipment improvement, and increase of product variety of convenience store from PT Mart to Max Mart has been conducted to increase the store sales potential. By the end of 2017, the total number of PT Mart and Max Mart is 101 branches. The Company targets to expand number of minimart to more PT stations in order to be more comprehensive and meet customer demand.

Food and Beverage Restaurant

Apart from minimart business, the Company also invest in operating food and beverage business under 2 main brands namely:

1. Punthai Coffee is focused on the quality of 100% Arabica coffee with aromatic flavor and good service. The coffee shops are mainly located in the PT petrol station to serve commuters and car drivers. Punthai Coffee also opens to outside PT station, such as Don Mueang International Airport, department stores (second-tier department store) and large retailers (Hypermarket).

For coffee shops that opened within PT fuel stations, the Company selects appropriate stations to invest in by considering

- 1) number of users of station services and sales volume at the stations,
- 2) location of petrol stations at which the shops will be situated, taking into account the nearby residential communities, business areas and significant government offices, as well as roadways that link to the petrol stations, and
- 3) size of PT petrol stations, either with a free space large enough for constructing a coffee shop, and
- 4) selects location outside petrol station to invest in by considering number of population around that particular area and rental fee and agreement that are worth investing.

2. Coffee World is a brand managed by GFA Corporation (Thailand) Co., Ltd. ("GFA"), a subsidiary of Punthai Coffee Co., Ltd. The brand focuses on the quality of coffee, full flavored coffee, and suite with the city lifestyle. Coffee World shops are available in potential areas outside the PT service station in both inside and outside of Thailand, such as leading department stores, community malls, and airports. Apart from Coffee World, GFA operates premium ice-cream shop named "Cream & Fudge", deli shop named "New York 5th Av. Deli", variety of high quality sandwich is served, and a well-known rice dish Thai restaurant among foreigner named "Thai Chef Express".

The Company selects appropriate locations for Coffee World and other brands to invest in by considering

- 1) customer group and number of customers around the area, and
- 2) the location is in a potential area in the country and abroad, for instant leading department stores and community mall.

- **Characteristics of Customers and Target Group**
Target customers for convenience store businesses and Punthai Coffee inside and outside PT station consist of

- 1) fuel buyers at PT petrol stations
- 2) residents of communities near PT petrol stations
- 3) customers of department stores (second-tier department store) and large retailers (Hypermarket)

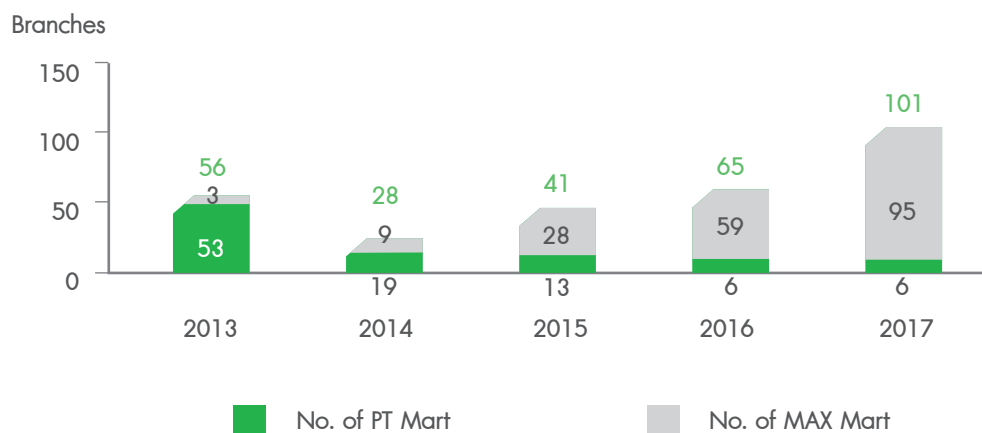
Target customers for food and beverage business under GFA operation consist of

- 1) customers of leading department stores, community malls, and airports



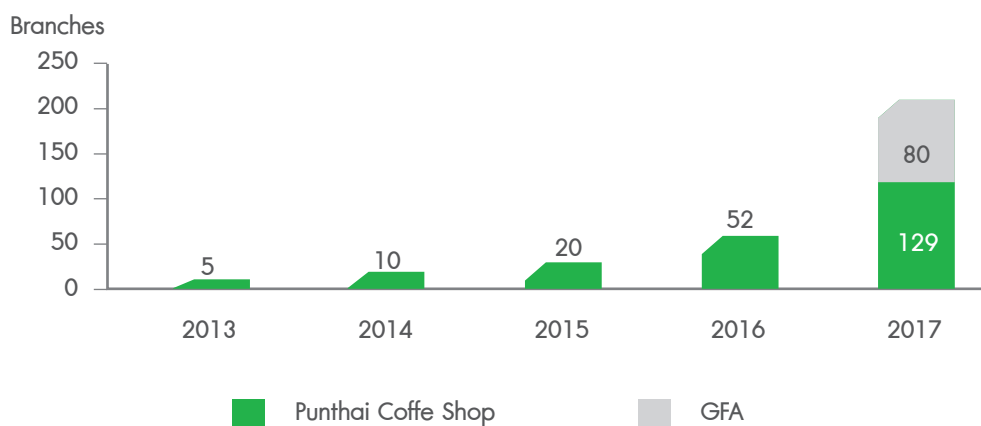
- **Distribution Channels**

Number of PT Mart and PT Max Mart Stores



Source : The Company

Number of Punthai Coffee Shop and Shop under GFA



Source : The Company

• Competitive Strategies

For minimart business, the Company places importance on providing quality products from manufacturers renowned for high production and safety standard, and endeavors to select products that fulfill the demand of target customers in each area, based on sales record of each item at each store. If a product is not popular among target customers, the Company will reduce the quantity ordered or cancel purchase order for it in order to correspond to target customer demand at each store. In addition, it arranges joint marketing campaigns between convenience stores and the petrol stations, by offering users of petrol station services a discount or a purchase privilege on goods in the store under the conditions specified by the Company.

For food and beverage business, the Company places importance on the selection of raw material with high standard in order to create quality menu of food and beverage and safeness for customers. There are marketing campaigns jointed between food and beverage shop and the fuel stations via PT Max Card membership, by offering customers of petrol station services a discount or a purchase privilege on menus in the food and beverage shop under the conditions specified by the Company.

6) Sales of Other Products and Services

Other revenues of the Company are partly from providing oil storage services for other fuel traders. Also, the Company earns other revenues from sales of both its own lubricating products under 'PT Maxnitron' brand and other brands at COCO petrol stations and also to the Company's dealers for further distribution at DODO petrol stations, and from renting out spaces at COCO petrol stations to retail operators, such as coffee shops, auto garages and etc., for their business operations.



Revenue Structure of the Company and Subsidiaries in 2015-2017 are as follow:

Revenue Structure		2015		2016		2017	
Business	Operated by	MB	%	MB	%	MB	%
1) Revenue from fuel sales through PT petrol stations							
1.1) Revenue from fuel retailing through the Company's petrol stations (COCO petrol stations)	PTG and subsidiaries PTC	40,475.73	75.2	49,941.16	76.9	68,804.96	81.0
1.2) Revenue from fuel wholesaling through the Company's dealers (DODO petrol stations)	PTG and subsidiaries (accept PTC)	6,828.44	12.7	7,521.46	11.6	9,559.24	11.3
2) Revenue from fuel wholesaling to other fuel traders and industrial operators	PTG and subsidiaries (accept PTC)	5,864.88	10.9	6,021.54	9.3	4,321.90	5.0
3) Revenue from LPG retailing through the Company's LPG stations (COCO LPG stations)	PTC	43.35	0.1	356.48	0.6	737.01	0.9
4) Revenue from fuel logistics business	PTG	46.35	0.1	49.56	0.1	1,150.47	1.4
5) Revenue from minimart business and coffee shop business at PT petrol stations	PTC and PUN	271.61	0.5	431.83	0.6	51.01	0.1
6) Other revenues*	PTG and subsidiaries	304.36	0.5	604.49	0.9	280.19	0.3
Total revenues		53,834.72	100.0	64,926.52	100.0	84,904.78	100.0

Source : The Company

Notes : * Other revenues consist of 1) revenue from fuel storage for other fuel traders 2) revenue from automobile lubricating oils 3) property rental and 4) revenue from special items such as subsidy for decline in oil prices.





Industry Review

1) Fuel Business

Domestic Petrol Refinery

At the end of 2017, there were a total of 7 large-scale commercial oil refinery operators in Thailand shown in the table below:

Crude refining capacities, daily oil refining volumes and refinery utilization rates at the end of 2017

Unit: 1,000 barrels/day	Crude Refining Capacity	Daily Oil Refining Volume	Refinery Utilization Rate (%)
Thai Oil	275.00	298.97	109
Star	165.00	154.34	94
Bangchak	120.00	110.45	92
IRPC	215.00	180.41	84
ESSO	177.00	139.50	79
PTTGC	280.00	180.12	64
Fang	2.50	0.64	26
Total	1,234.50	1,064.43	86

Source : Energy Policy and Planning Office, Ministry of Energy

Even though, in 2017, oil refining volume decreased by 2.9% compared to last year, domestic oil refining volume is still on a continually increasing trend in the past 10 years or Cumulative Annual Growth Rate (CAGR) equaled to 1.6% which responding to the rising domestic oil demand due to population growth and domestic economic expansion, illustrated by a hike in crude refining capacity from 1.230 million barrels/day in 2008 to 1.234 million barrels/day in 2017 which has 0.1% of CAGR. The perpetual higher demand for oil spurs more investment efforts for greater refining capacity among oil refinery operators. At present, the refinery utilization is at 86%.

Petroleum derived from crude oil can be refined into various types of fuel, divided into 5 major categories: 1) Diesel fuel 2) Benzene fuel 3) Fuel oil 4) Aviation fuel 5) Kerosene.

Fuel obtained from crude refinery are largely diesel fuel and benzene fuel. Most of fuel produced by large-scale oil refinery operators in the country are distributed domestically, especially diesel fuel and benzene fuel sold by the Company. Fuel production volumes, domestic sales volumes, and ratios of sales volume to production volume in 2013 to 2017 are as follows:

	2013	2014	2015	2016	2017
Diesel fuel					
Production volume (million liters)	25,518.2	24,062.5	27,129.4	25,684.7	26,900.5
Domestic sales volume (million liters)	20,891.9	21,065.4	21,918.7	22,651.7	23,216.3
Ratio of sales volume to production volume (%)	81.9	87.5	80.8	88.2	86.3
Benzene fuel					
Production volume (million liters)	9,831.9	9,886.5	11,151.5	12,128.3	12,628.7
Domestic sales volume (million liters)	8,233.0	8,567.2	9,713.5	10,679.3	11,029.4
Ratio of sales volume to production volume (%)	83.7	86.7	87.1	88.1	87.3
Fuel oil					
Production volume (million liters)	5,911.2	5,644.3	5,694.1	5,646.8	5,859.2
Domestic sales volume (million liters)	2,154.9	2,073.6	2,043.0	2,257.0	2,102.8
Ratio of sales volume to production volume (%)	36.5	36.7	35.9	40.0	35.9
Aviation fuel					
Production volume (million liters)	6,680.1	6,969.3	7,543.1	7,018.5	6,977.2
Domestic sales volume (million liters)	5,562.4	5,513.1	6,033.4	6,467.9	6,743.4
Ratio of sales volume to production volume (%)	83.3	79.1	80.0	92.2	96.6
Kerosene					
Production volume (million liters)	687.1	1,091.6	1,348.0	2,215.9	1,775.7
Domestic sales volume (million liters)	11.0	10.8	10.6	11.0	7.7
Ratio of sales volume to production volume (%)	1.6	1.0	0.8	0.5	0.4
Total products					
Production volume (million liters)	48,628.5	47,654.2	52,866.2	52,694.2	54,141.3
Domestic sales volume (million liters)	36,853.2	37,230.0	39,719.2	42,066.9	43,099.5
Ratio of sales volume to production volume (%)	75.8	78.1	75.1	79.8	79.6

Source : Department of Energy Business, Ministry of Energy

Domestic Distribution Channels for Diesel and Benzene

According to domestic sales volume of diesel and benzene by types of business, fuel sales in petrol station business account for the largest portion of diesel and benzene distribution. Sales volume of diesel and benzene in Thailand from 2013 to 2017 are shown below.

	2013		2014		2015		2016		2017	
	Volume (ML)	Share (%)	Volume (ML)	Share (%)	Volume (ML)	Share (%)	Volume (ML)	Share (%)	Volume (ML)	Share (%)
Diesel fuel										
Petrol stations	12,331.58	59.0	12,691.90	60.3	13,634.63	62.2	14,702.35	66.37	15,277.54	67.34
Transportation	779.99	3.7	779.76	3.7	753.33	3.4	520.71	2.35	514.57	2.27
Industries	1,112.13	5.3	1,164.48	5.5	1,297.95	5.9	1,251.06	5.65	1,329.30	5.86
Electricity generation	135.17	0.6	62.72	0.3	105.57	0.5	50.68	0.23	57.00	0.25
Government and state enterprises	525.49	2.5	529.62	2.5	587.77	2.7	570.39	2.57	509.80	2.25
Others	2,280.33	10.9	2,087.79	9.9	1,757.07	8.0	1,742.74	7.87	1,921.54	8.47
Fuel traders under Section 10	3,727.25	17.8	3,748.96	17.8	3,785.38	17.3	3,356.87	15.15	3,128.65	13.79
Total volume	20,891.94	100.0	21,065.22	100.0	21,920.70	100.0	22,151.66	100.00	22,687.11	100.00
Benzene fuel										
Petrol stations	6,769.42	82.2	7,167.14	83.7	8,177.99	84.2	8,799.81	85.57	9,046.67	85.43
Transportation	31.33	0.4	26.35	0.3	31.37	0.3	29.55	0.29	21.16	0.20
Industries	48.96	0.6	41.38	0.5	43.57	0.4	41.50	0.40	74.88	0.71
Electricity generation	0	0	0	0	0	0	0.04	0.00	0.01	0.00
Government and state enterprises	44.08	0.5	43.77	0.5	43.80	0.5	46.12	0.45	44.07	0.42
Others	473.97	5.8	456.34	5.3	413.48	4.3	470.07	4.57	543.45	5.13
Fuel traders under Section 10	865.27	10.5	832.21	9.7	1,003.26	10.3	896.74	8.72	858.93	8.11
Total volume	8,233.03	100.0	8,567.19	100.0	9,713.47	100.0	10,283.83	100.0	10,589.16	100.0

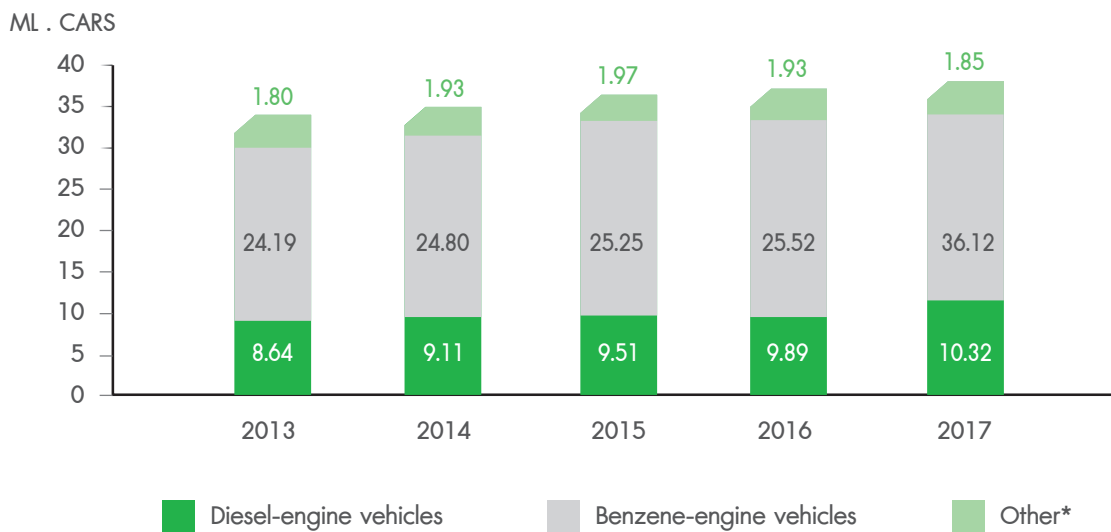
Source : Department of Energy Business Ministry of Energy

Domestic Demand for Diesel and Benzene

Domestic consumption of diesel and benzene has a tendency to increase steadily. In particular, fuel sale in petrol station business is escalating due mainly to domestic vehicle used that tends to grow every year. According to the Department of Land Transport, total registered vehicles can divide into 2 groups, Diesel-engine vehicles and Benzene-engine vehicles. Number of Diesel-engine vehicles increased from

8 million cars in 2013 to 10.32 million cars in 2017, or up by CAGR 4.54%. On the other hand, Benzene-engine vehicles increased from 24.19 million cars in 2012 to 26.12 million cars in 2017, or up by CAGR 1.94%. In this regard, petrol service station business can increase its sales volume from consistently increasing in number of new cars.

Number of vehicles registered with the Department of Land Transport



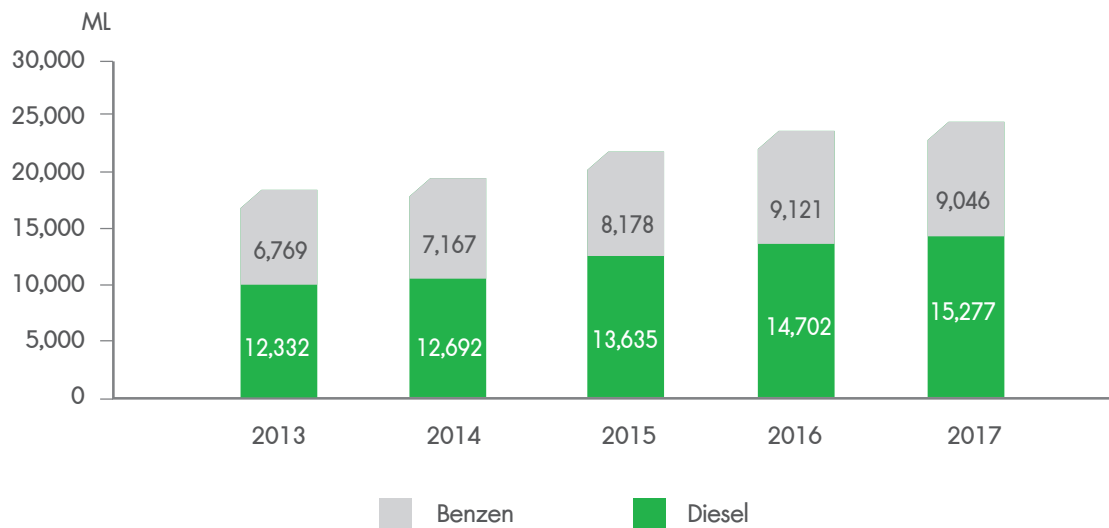
Source : Department of Land Transport

Note : *Other fuel consumption, such as LPG, CNG, Electrical, Hybrid and Others



In addition, most Benzene and Diesel products are sold through petrol service stations which distributed diesel 67.34% of Thailand's diesel total sales volume, and benzene 85.43% of benzene total sales volume of the country. According to the Department of Energy Business, the Diesel and Benzene consumption through petrol stations in 2017 increased from 2016 by 3.91% and 2.81% YoY, respectively.

Benzene and Diesel Volumes through Fuel Service Stations in Thailand

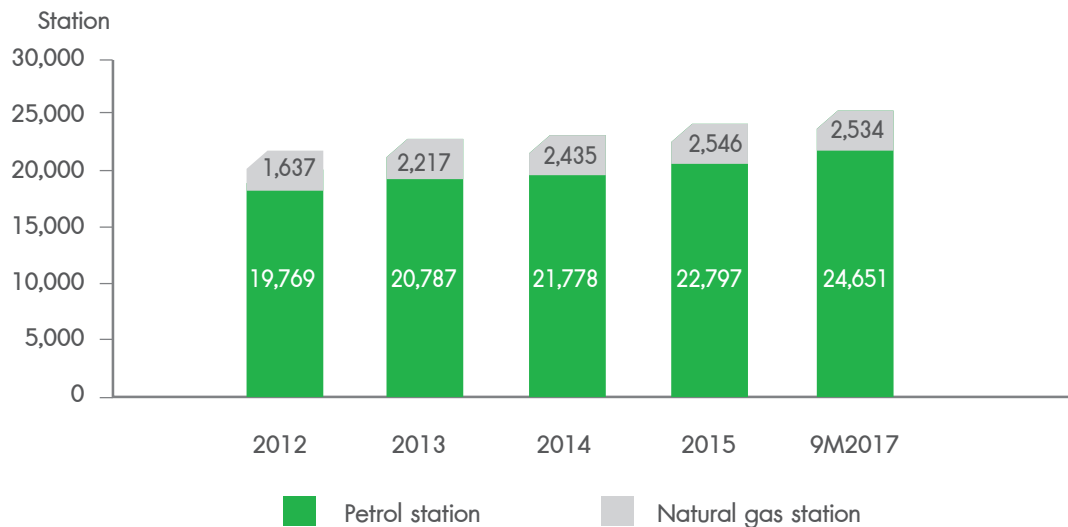


Source : Department of Land Transport

Types of Fuel Service Station in Thailand

The number of fuel service stations in the country tends to expand constantly, caused chiefly by the rising trend of fuel demand. Fuel service stations can be categorized into 2 types:

The Proportion of Petrol Stations and Natural Gas Stations



Source : Department of Land Transport

Furthermore, petrol and natural gas station can be divided by characteristics of operators as follows:

1. Petrol or natural gas stations operated by large and medium fuel traders. Trademarks of these fuel traders shall be displayed at the petrol or natural gas stations.
2. Petrol or natural gas stations operated by dealers appointed by large and medium fuel traders. These dealers are therefore permitted to display trademarks of these fuel traders at their petrol or natural gas stations.
3. Petrol or natural gas stations operated by independent operators who undertake small stations and may not be dealers of large fuel traders. Therefore, these service stations may not display any trademarks, or display the operators' own logos.

Different groups of operators have different target customers. Thus, their courses of business operations differ, for example one may aim to provide services on main roads that carry heavy traffic, while another in communities in order to sell fuel to users in such communities, etc.

2) Food and Beverage Business

Food and beverage business is a growing business, as a result of the consumption behavior of food and drink outside the home of Thai people. Household consumption statistics for the Thai population from 2007 to 2017 are detailed in the table below.

Household Consumption Statistics in Thailand (using the 2002 price index)

Unit: Baht Million

Year	Consumption Expenditure of Household	Consumption Expenditure on Food	Consumption Expenditure on Non-Alcohol Beverage
2007	4,263,501	708,770	155,931
2008	4,387,738	723,226	162,487
2009	4,314,517	715,447	167,723
2010	4,590,631	718,750	184,426
2011	4,787,151	724,288	186,508
2012	5,177,065	721,121	206,259
2013	5,356,650	709,688	215,562
2014	5,354,323	714,548	226,145
2015	5,621,351	731,509	226,532
2016	5,874,460	746,772	237,179
2017F*	6,056,568	769,922	244,532

Source : Office of the National Economic and Social Development Board

Note : * Consumption expenditure in 2017 is estimated from the growth rate of household consumption forecasting by the Office of the National Economic and Social Development Board

Household consumption in the country is likely to increase every year. In 2007, the household consumption value is 4,263,501 million Baht and the end of 2017, household consumption is estimated to be 6,056,568 million Baht. The estimation is calculated from the expected growth of household consumption of 3.1% of the Office of the National Economic and Social Development Board leads to the estimated increase of GDP by 3.9%.

In addition to the overall household consumption, food consumption and non-alcoholic beverages are likely to increase. In 2017, the consumption of food and non-alcoholic beverages accounted for 769,922 million Baht and 244,532 million Baht, respectively.

Overall household consumption and consumption on food and non-alcoholic food beverage business continues to grow accompanying with the need to fully meet the needs of consumers, there PTG Energy Group expanded its investment in non-oil consumer products and services businesses. These businesses consist of convenience stores under PT Mart and Max Mart brands, food and beverage business under Punthai Coffee, Coffee World, Cream & Fudge, New York 5th Av. Deli, and Thai Chef Express. In addition, the company plans to expand its network of businesses with strong and sustainable growth.

Market Competition

1. Fuel Business

A continuing expansion in domestic oil demand attracts a lot of operators into fuel sale business, both as retailers and wholesalers. Fuel sale operators are then diverse in nature, ranging from retailers who own and operate only one petrol station, small and medium traders who own no petrol station but act as fuel wholesale middlemen, to large fuel traders operating fuel retailing and wholesaling businesses who own oil refineries and tank farms in various parts of Thailand along with petrol stations undertaken under their own trademarks. The current list of medium and large fuel traders is as follows:

- 1) PTT Public Company Limited (“PTT”)
- 2) Thai Oil Public Company Limited (“Thai Oil”)
- 3) Esso (Thailand) Public Company Limited (“Esso”)
- 4) Shell (Thailand) Co., Ltd. (“Shell”)
- 5) Bangchak Petroleum Public Company Limited (“Bangchak”)
- 6) Chevron (Thailand) Co., Ltd. (“Chevron”)
- 7) IRPC Public Company Limited (“IRPC”)
- 8) PTG Energy Public Company Limited (“the Company”)
- 9) Susco Public Company Limited (“Susco”)



Market Share of Domestic Fuel Sales by Traders through Petrol Station

Unit : Station	2015		2016		2017	
	Volume (ML)	Share (%)	Volume (ML)	Share (%)	Volume (ML)	Share (%)
1) PTT	10,574.21	36.25	12,148.27	37.45	12,357.09	37.14
2) Bangchak	3,818.21	13.09	4,368.84	13.47	4,551.77	13.67
3) ESSO	4,380.73	15.02	4,365.65	13.46	4,527.88	13.64
4) Shell	3,346.45	11.47	3,741.91	11.53	3,926.11	11.80
5) Company ^{1/}	2,241.97	7.69	2,840.80	8.76	3,377.88	10.15
6) Chevron	2,290.93	7.85	2,511.01	7.74	2,441.90	7.34
7) Susco ^{2/}	429.84	1.47	481.00	1.48	474.39	1.43
8) Others	2,088.41	7.16	1,984.48	6.12	1,618.77	4.86

Source : Department of Energy Business, Ministry of Energy and the Company

Notes: ^{1/} Volume sales in table above is total sales of PTG Energy Group through petrol stations which accounted for 95% of total sales in 2017

^{2/} Susco Public Company Limited acquired shares of Petronas Retail (Thailand) Co., Ltd. on October 9, 2012.

Most of the large and medium fuel traders sell diesel and benzene fuel via petrol stations operated under their respective trademarks. These petrol stations are either stations operated by the large and medium fuel traders or station operated under franchise by dealers of said large and medium fuel traders. The Department of Energy Business Ministry of Energy published number of petrol and natural gas stations of each trader at the end of 2013 to 2017 is shown below.

The number of service stations in Thailand

Unit : Station	2015		2016		September 2017	
	Volume (ML)	Share (%)	Volume (ML)	Share (%)	Volume (ML)	Share (%)
PTT ^{1/}	1,725	6.8	1,825	6.9	1,729	6.9
PTG ^{2/}	1,150	4.5	1,407	5.4	1,609	5.6
Bangchak	1,072	4.2	1,075	4.1	1,093	4.0
ESSO	534	2.1	542	2.1	543	2.0
Shell	491	1.9	498	1.9	508	1.9
Chevron	362	1.4	368	1.4	363	1.4
Susco ^{3/}	217	0.9	217	0.8	186	0.8
Others	19,792	78.2	20,294	77.4	21,154	77.4
Total ^{4/}	25,343	100.0	26,226	100.0	27,185	100.0

Source : Department of Energy Business, Ministry of Energy

Notes : ^{1/} Including PTT petrol stations under the management of PTT Retail Management Co., Ltd.

^{2/} Number of the Company's petrol stations in the table above refers to the number of petrol stations registered with the Department of Energy Business at period end. However, the number reported slightly differs from the actual number in service in each period because some newly-opened or terminated petrol stations are still in the process of filing registration with the Department.

^{3/} Included Susco Dealers (former Petronas) which is operated under Susco Group

^{4/} The number of petrol stations of some fuel traders in the table above consists of both petrol and natural gas stations.

Number of Thailand petrol and gas stations as of September 2017 equaled to 27,185 stations, up by 1,842 stations from 2015, and has increasing CAGR from 2015 to 2017 of 3.6%. These factors resulted from the increasing trend of oil and gas consumption of the country, together with the high competition among petroleum retail business that were trying to improve or modernize their service stations and brand images in order to receive satisfaction from the customers and increase their competitive efficiency in the industry.

2. Food and Beverage Business

The food and beverage business is a highly competitive business since the industry is worth more than 1,000,000 million Baht and household spending on this industry is on the rise.

The coffee business is growing rapidly in the past few years. In 2017, the coffee business in Thailand is worth about 17,000 million baht, growing by 15% from the previous year and is likely to grow more consistently. Since consumers are more likely to consume coffee and coffee shop has become a new meeting point, so there are now more than 110 franchisees operating now which worth about 12,750 million Baht. Each brand focused on different market segment customers, which can be divided into two types: coffee shops that focus on the premium segment, and coffee shops that focus on the middle to lower market segment.

Currently, companies try to impress customers by taste of coffees, services, and customer accessibility to enhance the competitive advantage.

However, the company recognizes the growth opportunity in the food and beverage business from customers of PT petrol that demand for food and beverage, so the company has been able to expand Punthai Coffee Shops rapidly. In addition, the Company focuses on delivering good quality products and services. Therefore, Punthai Coffee have been appreciated and accepted by customers in taste and care for every step of production.

In addition, the based-membership of PT Max Card is increasing, so the Company sees opportunities to serve the needs of the Bangkok and vicinity areas customer base. As a result, the company acquired the food and

beverage business under its core brand, Coffee World, to serve customers in potential areas outside PT Station such as leading department stores, community malls, and airport in both local and abroad.

Supply and Storage of Products

1. Supply of Fuel Products

The Company's fuel is supplied mainly by Thai Oil's refinery. The petrol the Company purchased from Thai Oil in 2015 and 2016 accounted for 84% and 86% of total purchased quantity, respectively, enabling the Company to get better terms and prices from Thai Oil than it does from other fuel traders and jobbers. Nevertheless, the Company also buys fuel partially from jobbers in the following cases:

- 1) Purchase of fuel for distribution to fuel retailers and wholesalers in the lower South (from Nakhon Si Thammarat to Narathiwat) as there are no Thai Oil tank farms or distribution facilities in said area. The Company is therefore unable to purchase fuel from Thai Oil, and transport of fuel from other Thai Oil tank farms or distribution facilities is not worthwhile as well.
- 2) Purchase of fuel for the portion exceeding the monthly offtake quantity agreed upon with Thai Oil. In this regard, the Company may buy fuel from jobbers if the terms and prices offered by jobbers are significantly better than those by Thai Oil.

2. Supply of LPG Products

The Company orders LPG product from a reliable Section 7 standard service trader registered by the Department of Energy Business. In this case, the service provide will deliver LPQ directly to all service stations nationwide.

3. Storage of Fuel Products

The Company has invested in scores of tank farms for stocking at each the fuel transported from Thai Oil prior to further distribution to the Company's petrol stations (COCO petrol stations) and its customers in fuel wholesaling business and the industrial sector. At present, the Company has 10 tank farms, as follows:



Tank Farm	Capacity (ML)
1. Chum Phon Tank Farm, Chum Phon province	26.54
2. Mae Klong Tank Farm, Samut Songkhram province	113.69
3. Pak Phanang Tank Farm, Nakhon Si Thammarat province ^{1/}	19.80
4. Nam Phong Tank Farm, Khon Kaen province	4.46
5. Lampang Tank Farm, Lampang province	3.87
6. Nong Khae Tank Farm, Saraburi province	5.30
7. Pak Thong Chai Tank Farm, Nakhon Ratchasima province	12.52
8. Phitsanulok Tank Farm, Phitsanulok province	7.69
9. Nakhon Sawan Tank Farm, Nakhon Sawan province	6.65
10. Surin Tank Farm, Surin province	6.2
Total	206.72

Notes : ^{1/} In the past, Pak Phanang Tank Farm was the distribution facility for supplying fuel to petrol stations and customers in the lower South (from Nakhon Si Thammarat to Narathiwat). As small sales volume in the said area made the business not worth the management expenses, the Company therefore suspended the operation of Pak Phanang Tank Farm. However, if fuel sales volume in the lower South is high enough, the Company may consider using it as the distribution facility again.

The Company's tank farms in all regions of Thailand contribute to its ability to transport and delivery fuel to target customers in each business segment effectively and efficiently. Advantages of tank farms in fuel transport and delivery as well as fuel wholesaling business operations as follows:

- 1) Fuel delivery takes a relatively short time. The Company can promptly fulfill urgent demand for fuel since the fuel is transported to and stored at its tank farms, readily available for delivery.
- 2) Cost of fuel transport per liter is low, attributing to the combined operations of tanker trailers for long-haul delivery and 10-wheeler trucks for short-distant distribution.
- 3) The Company is able to use each tank farm as a sales office, so as to reach the target customers in each area more efficiently.

4. Supply and Storage of Non-Fuel Products

1) Consumer Goods for Sales at PT Mart and Max Mart

The Company set up a distribution center (DC) in Pathum Thani province to serve as warehouse for keeping the stock of consumer goods for PT Mart and PT Max Mart managed by PTG Logistics Co., Ltd., the Company's subsidiary. The Warehouse also serve as the centers for distributing goods to all PT Mart and Max Mart stores. These distribution facilities have their own trucks for delivering merchandise to PT Mart and PT Max Mart stores under their responsibility. Each truck is assigned with regular delivery route and destination stores, therefore the time period between one delivery and the next ("goods delivery cycle time") for each convenience store will differ dependent on number of stores and the delivery route for which each truck is responsible. For this reason, the time period between one set of orders and the next ("order cycle time") of these convenience stores shall be equal to the goods delivery cycle time.

However, the Company assigns the distribution center to serve as the center for receiving purchase orders from all convenience stores for the benefit of efficient inventory management and merchandise distribution. In any case, the distribution center is not required to handle purchase orders for some types of goods, which include short-life products, such as milk and bread, and locally-produced or locally-based goods, such as ice and souvenirs. The Company assigns the convenience store managers to make purchase requests for short-life fresh products to the Minimart Management Division at the Head Office. Minimart management staff will subsequently place purchase orders with the producers, with instruction for the delivery of goods to certain PT Mart and Max Mart stores. As for the locally-produced or locally-based goods, the Company permits the store managers to place purchase orders, for the goods as approved by the Company only, with the local producers permitted by the Company to be suppliers for the stores. Nonetheless, the quantity and value of purchases not made via the distribution center are relatively small when compared to purchases via the distribution center.

Apart from receiving purchase orders from PT Mart and Max Mart stores in the responsible areas, staff at the distribution center and distribution hubs are also responsible for managing stock to ensure availability of consumer goods for supplying to each convenience store. The distribution staff submit purchase orders for

consumer goods to the minimart management staff at the Head Office via software similar to the one used in convenience stores. The order cycle time for each product item depends on the delivery cycle time of each producer, and the suitable quantity of each purchase is calculated by multiplying the average quantity of goods to be distributed to convenience stores in a day by the number days of an order cycle time, and then subtracting the number of current inventory in the facility. Upon receipt of purchase orders from the distribution center and distribution hubs, the minimart management staff place orders with the producers, with instruction for the delivery of goods to the center and the hubs.

2) Consumer Goods for Sales at Food and Beverage Shop

Apart from distribution center of PT Mart and Max Mart, the Company, now, manages the it to become a distribution channel for its food and beverage businesses including Punthai Coffee, Coffee World, New York 5th Av. Deli, and Thai Chief Express.

Procurement and storage of food and beverage shop will be the same process as PT Mart and Max Mart. Food and beverage shops' staff will calculate the quantity of goods to meet customers' demand and the requirements of the company and sent the order to the distribution center staff. Product center coordinator will coordinate with purchasing department at head office to collect orders and send orders to the manufacturer. After that, delivery will be made to food and beverage shops according to the delivery period. However, fresh items that have short-shelf life such as fresh milk, bread, chilled and frozen food, orders will be sent to the manufacturer and notify the delivery directly to the food and beverage shops.

3) Engine Lubricants for Sale at PT Petrol Stations

In 4Q/2016, the Company launched lubricant products under its own brand 'PT Maxnitron' selling at PT stations throughout the country directly which had members of PT Max Card as a first target group. The Company not only sells its new product, PT Maxnitron, but also sells engine lubricants of other leading brands through PT COCO petrol stations and its dealers for further sale at their DODO petrol stations. Sales staff are assigned to manage a suitable level of lubricant stock at each tank farm to match the volume sold at COCO petrol stations and the demand of the Company's dealers.



Environmental Impacts and Safety

Recognizing the importance of environmental impacts and safety, the Company has established Safety Division to analyze and examine each of the Company's business activity that may affect safety of the operating staff and other related parties, including the environmental impacts arising from the Company's operations. Operation Manual and Incident Prevention and Control Manual have been issued to staff in related units. Staff of each unit are required to thoroughly study and strictly follow these manuals. Emergency drills are carried out regularly, especially the fire extinguisher trainings at petrol stations and tank farms, the rescue trainings for tanker truck accident, etc.

Moreover, the Company is a member of the Oil Industry Environmental Safety Group Association (IESG), established with the aim of enhancing safety standards, developing personnel related to safety and environment, promoting collaboration among large petroleum business operators for the prevention and handling of oil spill into water supplies or on land, along with emergency responses. The Company delegates its safety and environment staff to participate in IESG activities. Over the past period, the Company, IESG and governing sector have been regularly organizing training programs on incident preventions. It also provides staff and equipment in many emergency rescues.

Direction of Business Development



30-Year Anniversary Moving Forward to the 4th Decade

Changes in pursue sustainable growth

From the beginning, we started as Paktai Chueplerng Co., Ltd. in 1988, and later got incorporated as the public company in 1995. We managed to survive the Tom Yum Kung crisis in 1997 and was able to settle the debt burden of not less than 3,600 million Baht by the year 2006 before getting back into operations again and getting registered in the Stock Exchange of Thailand in 2013, fully taking a big step towards becoming the comprehensive energy business operator in Thailand. We operate oil and LPG service stations, invested in alternative energy businesses, ventured into the lube base oil business, built oil storage facilities all over the country, incorporated land, pipeline and marine transportation, and initiated the coffee shop and convenient store businesses in 2017.

The executives and staff members of PTG Energy PCL and subsidiaries are ready to move towards stability in the fourth decade of operations, with experiences over the past 30 years, together with the new concept of changes in order pursue sustainable growth.

Given the vision, goal setting and an exponential approach in strategic execution over the past 30 years, we will still be identifying growth strategy sustainably at a rather fast pace under shifting scenarios in the global business arena that have impact on business operations of the Company and subsidiaries; the overall growth outlook of the global economy in different regions that impact oil consumption of commercial customers in manufacturing businesses, distribution, import, export, demand and changes in agricultural products' prices which affect financial liquidity of agricultural customers, fluctuation of climatic condition that affect the well-being of the general public, technological advancement that changes way of life of urban residents

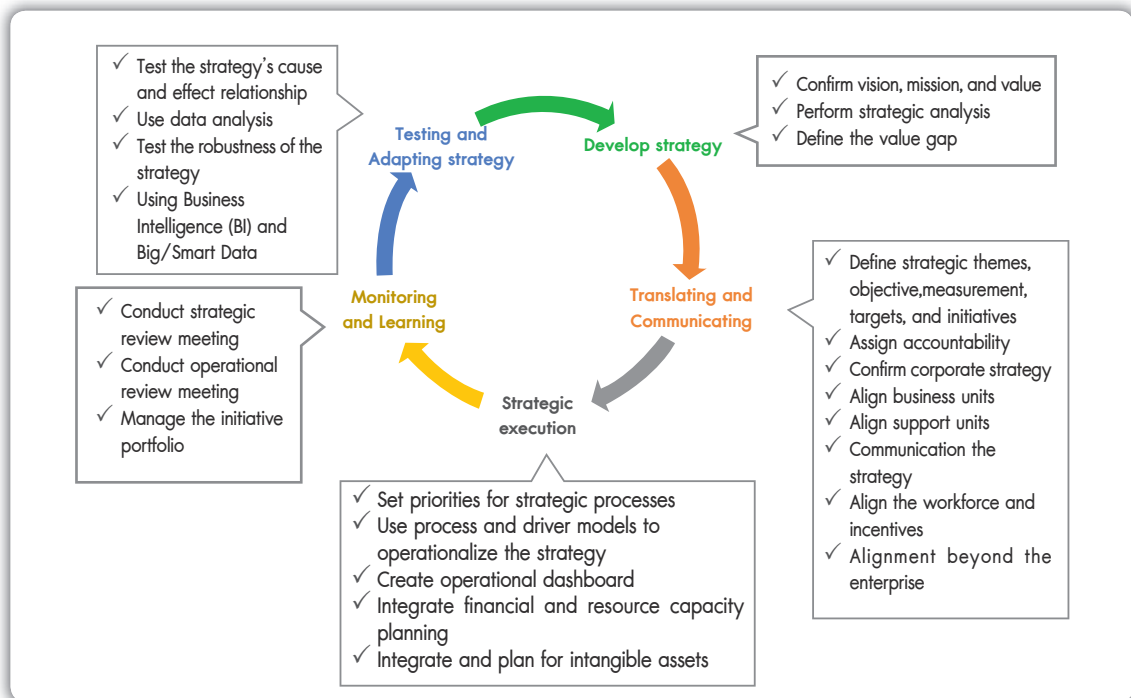
and upcountry citizens, which in turn facilitate communication, access and understanding in a way that really satisfies people's needs. Another key change is the new investment concept regarded as 'startup', which provides business opportunities on the basis of innovation along with building competitive advantages for companies that participate in the investment.

The Board of Directors oversees the preparation of strategies and annual plans in coordinate with the management to meet objectives and the main goal of the organization. The responsibility also include supporting the preparation or review the objectives, goals, and strategies of the organization to ensure that strategies and plans can stimulate the Company achieve its objectives and goals set by the Board of Directors. In addition, the Board oversees the promotion of innovation and technology to build competitiveness and meet the needs of stakeholders based on social and environmental responsibility.

The executive team has been on the lookout for moving from the organization's strategy management assessment¹ Level 3 "Structured and Proactive" in 2018 to Level 5 "Continuous Improvement", which is the highest level in 2020, with an achievement on 8 key dimensions of strategic management; leadership, culture and values, strategic thinking and planning, alignment, performance management, process improvement and sustainability of strategic management. Besides, a dedicated team was appointed in 2017 to officially take charge of driving strategic execution activities, together with an appointment of a renowned professional consultant² in strategic management, who is also a world-renowned business management scholar. The work processes, review, execution plan, follow-up and milestone tracking process are systematically put in place together with the advocacy of the Board of Directors, the Executive Committee, Corporate Governance Committee, and the management team on a regular basis throughout the whole year. In addition, Mr. Pitak Ratchakitprakarn has consistently communicated business direction, goals and strategies to management and employees, in order to drive the organization towards the goal in the same direction.

¹ With reference to the Strategic Management Maturity Model™ from Balanced Scorecard Institute, the USA

² Assoc. Prof. Pasu Decharin, Ph.D., Dean of the Faculty of Commerce and Accountancy, Chulalongkorn University



PTG Energy PCL and subsidiaries will continuously be operating with the aim of expanding growth in the core business, enhancing competitive edges via different formats of investment in relevant businesses, and capitalization of oil and LPG service stations in a comprehensive manner, along with the creation of customer satisfaction and good relationship with customers in different geographical areas and lifestyles via several outlets and channels with advanced technology. For internal management, we focus on the development of staff members' potential, emphasizing on recruiting and retaining high potential new generation workforce who share the Company's vision and mission. We also work actively on the corporate governance, transparency and verifiability with an awareness of stakeholders; customers, shareholders, employees, business partners, and environment, leading to sustainable growth and social responsibility. In this regard, the strategic execution plan for 2018-2022 can be categorized into 6 agendas as follows;

1. Growth in existing business locally and internationally

The focus will be on continuous and progressive growth for existing businesses, via the expansion of branches both domestically and internationally especially the CLMV market in order to deliver quality products and a wide variety of services to customers with differing needs. With this, we can provide channels to deliver convenience to customers by way of collaborating with partners in different business sectors via oil and LPG service stations, Max Mart, food and beverage business under the brands Coffee World, Cream and Fudge, New York 5th Av. Deli, Coffee World Restaurant and Thai Chef Express. The Company also collaborates

to establish auto care and maintenance service business for commercial trucks and automobiles via key business partners; Sammitr Motors Manufacturing PCL under the brand "PRO TRUCK", and Siam Autobacs Co., Ltd. under the brand "AUTOBACS".

2. Develop new businesses

Apart from products currently sold by the Company; different kinds of fuel, LPG, and lube base oil 'PT Maxnitron', we plan to launch other consumer products produced by the Company and under collaboration with partners under different types of joint investment, for instance, mergers and acquisitions, joint venture and corporate venture capital. In this regard, the focus is not solely on fossil fuel and service stations-related, but will also be on the development of other relevant businesses in service and retail, specifically basic consumer goods for daily life that are suitable for customers' lifestyles in different locations. We will also invest in renewable energy business, i.e. biodiesel from palm and ethanol production from cassava and sugarcane.

Furthermore, we will also invest to create more sources of income and profitability in other formats; rent, service fees for using resources collected from partners, business alliances and operators; small, medium and large, returns from holding shares of AMA Marine PCL and Fuel Pipeline Transportation Limited, as well as potential returns from joint investment in waste power plant business and startup ventures in the future.

3. Create PT brand loyalty

With a wide variety of products and services available at the moment and in the future, the Company focuses on communicating identity and points of differentiation to create a unique image in the eyes of the public, customers and partners in order for them to recognize and understand brand identity on a continuous basis, to evoke satisfaction and a sense of social responsibility via service outlets, call centers, public relation channels, mobile application 'Max Rewards' available both in iOS and Android, as well as activities with customers and communities to help improve the society and keep it safe on a sustainable manner.

4. Create PTG ecosystems

The concept is to encourage convenience and provide rewards to customers, together with building satisfaction and trust when using products or services of the Company and subsidiaries. Thus, the Company has devised a membership system called 'PT Max Card' to integrate customers, products, services and privileges, which are inclusive of products and services from subsidiaries, partners, business alliances and collaboration with the public and private sectors and state enterprises.

5. Digitalize PTG

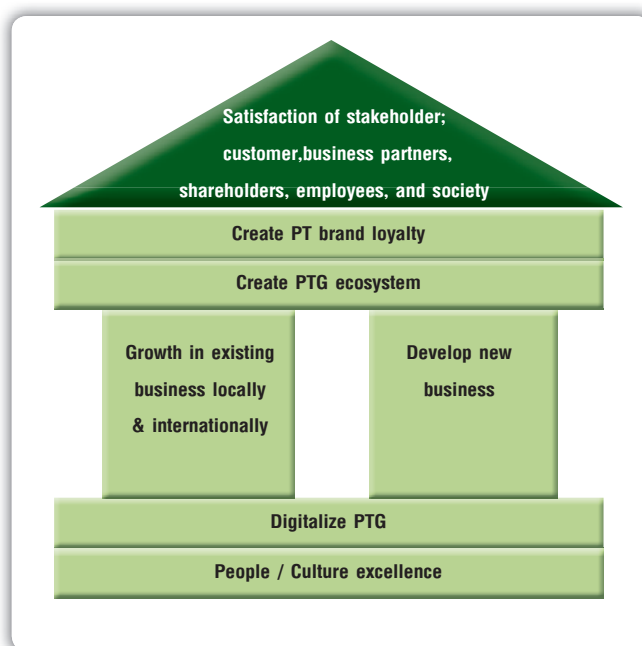
This features the utilization of technology to analyze work processes and validate precision and conciseness of procedures, leading to accurate and fast outcomes. This will not only create customer satisfaction, but it will also benefit the business, i.e. modern image, long-term cost reduction, new formats of service innovation that satisfy diverse needs of customers together with partners and alliances, as well as linking and exchanging business information to reduce the time it takes to carry out the work among all the subsidiaries³ and key business partners in the near future.

6. People and Culture excellence

In order to achieve expectations of all stakeholders, the Company emphasizes on the development of staff members' and executives' potential, which are the driving force of the Company's and subsidiaries' operating performance to achieve targets and to ensure they are aligned with the vision⁴ and sustainable growth. Organizational values are embedded via different activities between employees and the management team in hands-on situations where customer service is involved. Apart from holding "PT Presenter" activity as part of PT Service Volunteer Project 2017, the Company also encouraged employees to participate in a national contest "Thailand Kaizen Award", together with the arrangement of the training program to enhance

work skills and to co-exist harmoniously in the society. The training programs were held internally and externally by experienced trainers. Meanwhile, the executives were asked to participate in the training program held by the Thai Institute of Directors (IOD) and PacRim Group in leadership development programs that got certified the international standard, as well as other executive training programs held by the government and private sectors in accordance with roles and responsibilities that will be required of each individual in the organization.

Moreover, the Company had co-developed the Bachelor's degree curriculum in Business Administration in collaboration with Suan Sunandha Rajabhat University, which will encourage employment and allow opportunities for students to earn extra income from participating in the internship program with Punthai Coffee Co., Ltd. in areas close to where they live, in turn facilitating sustainable growth for the society and the Company in the future.



³ PTG Energy PCL has subsidiaries in which PTG has direct ownership as follows; Petroleum Thai Corporation Co., Ltd. (PTC-99.98%), Pyramid Oil Co., Ltd. (PMO-99.98%), Alpine Oil Co., Ltd. (99.97%), Empire Oil Co., Ltd. (EPO-99.98%), Everest Oil Co., Ltd. (EVO-99.98%) Andise Oil Co., Ltd. (AND-99.97%), Atlas Oil Co., Ltd. (ATL-99.97%), Olympus Oil Co., Ltd. (99.99%), PTG Green Energy Co., Ltd. (PTGGE-99.99%), Punthai Coffee Co., Ltd. (PUN-99.99%), PTG Logistics Co., Ltd. (PTGLG-99.99%), Empire Service Solution Co., Ltd. (ESS-60.00%) and Innotech Green Energy Co., Ltd. (IGE-59.99%). These are not inclusive of companies held by PTG Energy PCL's subsidiaries.

⁴ Organizational values are regarded as "CTIC", which stands for "Customer Service", "Team", "Integrity & Ethic" and "Continuous Improvement".

Risk Factors

PTG Energy (Public) Co., Ltd. or “The Company” gives importance to the risk management of the overall corporation according to the COSO ERM standard, which is in compliance with the good corporate governance and takes the risk management as part of the company’s culture. The Company has continuously analyzed all aspects of the risks that could have effect on the corporate, especially in the effect on society and environment. The Company considered the risks from both internal and external contexts and from the expectation of stakeholders. The risk management plan has been made in concrete to cover all over the corporate in order to reduce the risks to the acceptable level.

The Company has been revising and improving the risk management process every year to meet the changing business environment and to make the risk management plan effective in order to sustainably achieve the business’ short term and long-term goals. The key risk factors which have effect on the business are as follows:

1. Risks in Business Investment Expansion in Current and New Businesses

The Company expanded the investment in Oil, Non-oil and Renewable energy businesses, which were aligned with the objectives and strategies identified by the Board of Directors. The investment expansion in Oil service station business while the competition among other operators was high had the effect on the higher cost of new service station rental fee.

In order to manage such risks, the Company had to thoroughly do the market survey and analysis, competitor analysis, business potential analysis and profits & loss evaluation. The Company also considered the internal and external factors in all aspects in order to specify the service station’s format, commercial area, and other services, to meet customers’ demand. When the oil service station was opened for service, the Company would monitor the business results periodically, such as sales, return on investment rate compared to target, for performance review. If the result did not meet the target, the Company would do analysis and propose the appropriate solutions accordingly.

The Company aims to expand its operations into other relating energy businesses in order to add values and sustainable growth of the Company. The Company has a policy to invest in new businesses in both an own project and joint venture projects such as palm oil business, Ethanol business, electricity business, and car and truck repair service center but the returns on the investment in new businesses may not meet the target because of several factors including the changes in laws related to the government and other agencies’ projects, or the changes in raw material prices, construction costs which may affect the new business in many forms such as the construction or project management costs that may increase more than the estimating budget. This may not worth to invest, or the new projects may be completed late which are the negative impact on revenue because such projects cannot generate cash flow back into the Company as planned.

The Company conducts risk analysis in order to reduce the risks of those factors by conducting researches about a possibility to invest in new projects, and analyzing the laws, government policy, and risks that might affect the projects such as tax risk, marketing risk, supplying raw materials, machinery, equipment and contractors risk, risk affecting the occupational health of workers, the impact on the community, and environment as well as other factors in order to ensure that the investment in the new projects can operate effectively and achieve their goals.

In addition, the Company sets a working group including senior executives and experts in various fields in order to consider the investment of new businesses of the Company as well as to track the performance of the investment and monitor the changes of various factors which will affect the returns on investment. Moreover, they have to solve all problems quickly and efficiently to make the Company to be ensured that the limited investments can maximize benefit effectively.

2. Risks from Corporate Development

PTG Energy Public Company Limited has a commitment to develop the ability to operate business continuously and sustainably in order to step into the leading provider of integrated energy business in the country. Therefore, the company has expanded its business rapidly by investing in new businesses, investing in other related energy businesses as well as expanding existing businesses to grow in various businesses. In order to upgrade and expand its business appropriately, the company needs to prepare personnel to be adequate; the company also needs to develop personnel complying with strategy direction and current situation of business to prepare to support the existing businesses and new businesses and to replace management who will retire soon. If the Company is unable to prepare personnel who have specialized experience to meet the needs of the company, it will affect businesses including achieving long-term goals of the organization. Therefore, the Company has leveraged to develop highly qualified personnel to support the business expansion including supporting the improvement of the personnel's expertise, skills and knowledge by focusing on training employees in management, operations, and supportive departments as well as promoting high-potential employees to have the opportunity to develop in their career growth along with the success of the Company.

The Company has adopted Career Management as a guideline to prepare and encouraged all employees to have more knowledge and experience according to the Model that the Company has set up in order to support mission and create value for the Company continuously by using this as a framework and a guideline for the management and development of staff at all levels. To determine the Company's professional line, it depends on the direction of the business. The development will be divided into two groups which are management and employees. The management group (equivalent to an Assistant Director or above) will be trained to be as a Group Leader Development to support the demand of the management of the Company both in quantity and quality, and the employee group (equivalent to a manager or below) will be trained to support the need of the business of each department to accommodate future business growth.

The purpose of the management is a mechanism for all employees to set a goal and a plan to develop themselves for their future career paths and to create value in their works in which will be consistent with the goals and the direction of the company in the form of

the appropriated training including the rotation of the current responsibilities based on the career path so that employees can develop their skills and expertise from their experiences in their new positions along with the nomination of the employees to meet the responsibilities and the abilities of the employees, and this will make the employees to be ready for being a manager in the future. Also, this will show that the Company is committed to keep the personnel who have the ability to lead the company to achieve their goal. Moreover, the Company has set a training plan clearly and systematically to allow the management group and the employee group to be trained throughout their working life, and this can create value to the Company because of the faith in the power of learning will make the Company grow steadily and sustainably.

3. Risk of Safety, Environment, and Community

The Company was established to operate in the energy sector including fuel and LPG gas with mainly concerns about safety, environment, and community. Risk and impacts of external and internal environment changes have been assessed regularly to improve the operation process and additional support plan. It also develops and enhances safety and environmental standards. From risk assessment on safety, environment, and community, some risk areas that were found, needed to be protected and controlled which are tank farms, PT stations, and the transportation of fuel. As the fuel and LPG gas are flammable in which if the employees perform their duties negligently, this may cause accidents such as leakage, explosion, and fire, and so on, and this also may cause damage to life, property, and the environment in which will affect directly to the reputation, financial position, and operation of the Company. Therefore, the Company has set a risk appetite and an unacceptable risk in which it has also set rules and regulations in order to protect the damage before it occurs continuously.

The Company has established a Department of Safety and Environment to analyze and safety check PT stations, tank farms, and transportation. Moreover, the company has developed the management of safety by providing control systems on significant risks including promoting activities and raising awareness of the dangers (Kiken Yochi Training), implementing Key Risk Indicator to check and warn, and implementing Behavior Based Safety system to reduce the risks from the employees. The Company has also implemented a safety system in transportation systems such as training for safe driving, using a GPS system to monitor details of travelling and installed surveillance cameras

in vehicles to evaluate the driving habits which can be used for training new employees. For the safety at PT stations, the Company has prepared a manual operation, a guide to prevent and protect when emergency situations occurring at the stations. Furthermore, the Company has trained all employees at the stations the Emergency Exercise every year as well. For a safety at tank farms, the Company has informed employees about safety rules before entering the flammable zones. the Company sets the rule that anyone who is not involved in the operation cannot enter to farm tanks before permission. Do not bring anything that might cause a spark in the operation area, and sets a rule and regulation to protect and solve problems on the leakage of fuel into the river for the farm tanks which can be received the fuel through water including Mae Klong tank farm and Chumphon tank farm. In addition, in order to be ready for emergency situations, the Company pays attention on training and practicing on emergency plans every year to all related parties including employees, and internal and external agencies.

The Company strictly focuses on operation under environmental and safety laws, regulations, and requirement. After all these years, PTG has passed the audit from the government agencies related to the industry and environment, and the company never faced the problem about not passing the standard of the government agencies. Moreover, the Company also has an insurance coverage on the damages that may occur to the lives of employees, products, and assets of the company. Moreover, the company continuously establish understanding, accept opinions, and build relationships with local communities in the area near the tank farms.

Therefore, the Company believes that it has reduced the chances of accidents occurred in petrol stations, tank farms, and fuel truck which reduced the impact and prevented damage to the Company, environment, and community to be at an acceptable level in which it will not affect its financial position and the operation of the organization. However, from the result that the Company has improved to prevent the risk of safety and the environment, the numbers of accidents that cause loss of life, the accidents that cause the strike, and any other accidents are significantly decreased from the previous year. As a result, the Company still has to set rules and regulation on safety to be stricter according to the risks concerning Safety and Environment of the Company.

4. Risks from the Oil Price Fluctuation

The crude oil price in the world market fluctuated because of many factors, such as the demand and supply in the market, the political stability and the economy of many countries, the policy of oil production quota of OPEC countries, the reserved oil in each country and the world climate that varies in each season, etc. Such factors are beyond the Company's control. The crude oil fluctuation in the world market could have the direct effect on the oil prices, both retail and wholesale prices, and could increase or decrease the demand in fuel use and sales volume. It also has an effect on the stock value of product inventory, of which mostly is fuel. The fuel price fluctuation, thus, could affect the financial status and the Company's performance.

The Company focuses on selling fuel to target customers with regular demand, i.e. individual consumers using fuel in their daily lives and businesses, and industrial operators using fuel in their operations. In addition, the Company has 94% of total sales volume from service stations. Demand for sales volume of fuel in these groups do not easily change in response to fluctuating oil prices. The Company has no policy to reserve fuel for speculation; the amount currently reserved is only for legal requirement and sales to customers in each area.

The Company monitored the oil price change situation every day and submitted the report to the executives and relevant persons to manage the proper inventory level. However, in order to reduce the risks from the oil business, which had high fluctuation from the world market's crude oil price, the Company expanded the investment into the Non-oil and Renewable energy businesses and increased the new businesses that could make regular income.



5. Risks from Competition

Oil service station business has been highly competitive. Each operator had expanded business locations on the main streets and the secondary streets, targeting to increase profits from non-oil business, product development and services, and growing membership data base for higher market share, resulting in the higher challenges in finding new potential locations. The Company, thus, worked on information study and analysis for the potential location and renewed the land rental contract with the landlords in advance before the existing contract ended.

The competitive competency development is the key success factor for the Company. The human resource and the working process are the main factors in defining the success competency of the Company. The Company committed to continuously improve the working process by increasing the work efficiency, reducing job redundancy and no value creation tasks. The operation process improvement and development was executed along the whole supply chain for the higher efficient working process and operating cost control to ensure the Company could maintain its competitive advantage. As human resource was the key factor for the Company's success, the human resource management was required to have enough persons for the business expansion and each person was required to have proper skills for his/her job responsibility, to be happy to work hard and to perform well for the Company.

For the purpose of broaden competitiveness of the company, the continuous increase of the numbers of PT stations is the main focus of the company. This increase may affect the management and service quality to be below standard including controlling and operating within PT service stations, developing management system and database system in compliance with the increase of the numbers of PT stations, recruiting employees who are competent enough to accommodate the increase of the numbers of PT service stations, and management and distribution of fuel products within new PT service stations to be the same as existing PT service stations. If the Company is unable to manage the new PT service stations effectively, it may affect the satisfaction of the customers and the company's operations in the future.

In order to reinforce the creation of maximum satisfaction to customers who use the service, the Company has improved the management of the stations including for managing and controlling within PT service stations, the Company has prepared a plan for recruiting employees at the stations in advance in accordance with the expansion of the stations in the future especially the station managers and district managers will be important in the management of the station. For corporate governance within the stations, the Company will consider the inside personnel who have enough knowledge and ability by the Company will transfer the station managers with great experience and the ability to work to the new stations or acting as district managers to manage the new service stations to have the same performance as the existing stations.

In addition, for the quality of service, the Company has a policy of recruiting employees at service stations by focusing on personnel who live close to the stations so that they will understand and be able to provide service to the local customers. This will help reducing the turnover rate effectively. The Company also provides training within the stations as well as monitoring the quality of services on a quarterly basis, and provides a channel to receive complaints from service users through PT Call Center to lead to continuous development and service standard improvement which is an important guideline to push the Company to achieve its goals in the professional management and to meet the highest customer satisfaction.

6. Risks from the Effect of the Changing Government Policy, Rules and Regulations

The Company gives importance to the law, rules and regulations compliance to assure that the Company's operation is right, credible, transparent and fair to every party. The risks occurred from the non-compliance with the law, either from not following or not completely following, due to the complexity of the legal provisions, the often change of the law, the misunderstanding of the implications can lead to the illegal compliance and the financial and operational affects, such as being fined, being suspended or getting revocation of the license to operate, and the damaged reputation and image of the Company.

The Company has managed these risks by analyzing and monitoring corporate governance policies on energy, energy prices, and the impacts. The company has also planned to accommodate such changes by cooperating with the government in attending the meeting and activities with the government agencies to provide information and monitor the movement closely. Moreover, the Company has assigned the corporate governance to oversee the rules and regulations that will be amended or newly announced and to be a center to collect and consider the rules and regulations that may affect to the Company. Therefore, the external expertise was hired to assess and advise the impact that might affect the Company to ensure that the operation is correct and appropriate. In addition, the Company will review and monitor the progress of the development, and monitor the performance of many departments which are managed by senior executives, the Risk Management Committee, and the Corporate Governance Committee to comply with the rules and regulation related to the Company.

The Company commits to the sustainable business conduct, focusing on safety and environment, good corporate governance and concise internal control process. The anti-corruption policy was clearly defined, required strict compliance and was certified by the Collective Action Coalition against corruption (CAC). The Company supported the risks caused by corruption management plan to promote the transparent operations according to the good corporate governance and in compliance with the risk assessment process in the bribery to government officials under the Constitution Act on the Prevention and Suppression of Corruption BE 2542 (Amendment No.3 BE 2558) stating the fault for the corporate related to the government official bribery. The Company set the measures to control and monitor the key work process that possibly led to corruption. The Internal Audit Department is the one to examine the operations to ensure the righteousness, the transparency and to suppress any work that could potentially be related to corruptions. The stakeholders can communicate their clues and suggestions or their concerns on whistle blower through the assigned channels. The investigation process shall be conducted with fairness to all relevant parties.

7. The New Risks in The Future

The Company regularly monitors the changes in politics, economy, environment, law, technology and others to analyze for and identify the new risks and to find the opportunities and reduce any potential risks in the future. The risks from any threats that could affect the business interruption are also monitored to help reduce the loss and protect the business reputation, image, and key business transactions. The Company applied the standard and Business Continuity Management (BCM) system to prepare for any crisis. The Company also kept following on the evolution of the technological advancement and the alternative energy which played a bigger role in energy business, especially the electrical vehicle (EV) in Thailand which could result in the significantly decreasing demand of oil in the future.

Enterprise Internal Control and Risk Management

Internal Control

The Company's Board of Directors emphasizes on the well-established internal control system, with annual assessment of the adequacy of the internal control. In this regard, the evaluation criteria are aligned with the concept of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which are comprised of 5 dimensions and 17 sub-criteria to ensure that the Company's business operations can achieve goals and objectives on a sustainable manner. The assessment of the internal control system can be summarized as follows:

1. Control Environment

The Company's Board of Directors and the executives had prescribed the direction and practices focusing on honesty and compliance to the code of conduct, by fostering and communicating the four corporate values. In this regard, one of the four values is about Integrity and Ethics, emphasizing on doing the right thing to encourage sustainable growth. This particular value will form the basis of conceptualization, decision-making, and problem-solving in the organization. Furthermore, an organizational structure with the reporting lines were developed, with consideration of appropriateness and responsibilities, as well as performance evaluation procedures, development and training to stimulate learning. In doing so, employees are encouraged to participate in the training courses held internally and externally on a continuous basis.

2. Risk Assessment

Executives and employees are obliged to take responsibility in risk management, by reporting the risks assessed, identifying risk management protocols and proposing to the hierarchical supervisors on a systematic basis, as well as encouraging employees to be aware of the significance of risk management through new staff orientation and public relations via different channels.

3. Control Activities

The Company prescribed policy and work instructions in different aspects, and identified scope of duties, authority and authorization hierarchy of executives in each level very clearly. The internal control system, both for preventive and follow-up purposes, are being appropriately monitored, with clear classification of approval responsibility, recording transactions, and storing assets as a cross-inspection measure.

4. Information & Communication

The Company developed the information and database system to be secure and also incorporated the SAP system so that the information can be utilized effectively and comprehensively. Furthermore, the Company ensured that the Board of Directors receive the meeting invitation letter well in advance, that the whistle blowing channels are provided and that the Investor Relations Division is established to serve as the center of managing significant information of the Company.

5. Monitoring Activities

The Company followed up on and assessed the internal control activities, by assigning the Internal Audit Division to evaluate and follow up on the progress of corrective actions for issues identified, and report to the Audit Committee to ensure that the issues are being actioned upon within the designated timeframe and that the Company's business goals are being observed.

The Audit Committee had appointed Ms. Sumaree Panniyom to assume the Head of Internal Audit position, given her experiences in internal audit operations, knowledge and understanding in the Company's business. She had also been trained on Internal Audit operations in different aspects. Thus, the Audit Committee is of the view that she is a suitable candidate to take charge of this function. In this regard, the consideration of authorization, appointment, dismissal and transfer of the Head of Internal Audit must be approved by the Audit Committee, whereby qualifications of the Head of Internal Audit are as follows:

Head of Internal Audit (The Company's Employee)

Name : Ms. Sumaree Panniyom
Position : Assistant to Executive - Internal Audit

Education :

- Bachelor of Business Administration Program (BBA) in Accounting - Rajamangala University of Technology
- Master of Business Administration (MBA) in Management - Phranakhon Si Ayutthaya Rajabhat University
- Internal Audit Certificate Program (IACP) Class 10 certified by Federation of Accounting Professions
- Internal Audit Program : Prepare Course for Certified Internal Auditor (Pre-CIA) Class 19 on January 23, 2010-July 18, 2010 certified by Faculty of Commerce and Accountancy, Chulalongkorn University

Work Experiences

- Assistant Director - Internal Audit Department : PTG Energy Public Company Limited
- Assistant Manager - Internal Audit Department : Central Pattana Public Company Limited
- IT Security Audit : BankThai Public Company Limited
- Finance and Accounting Officer - Financial Department : M Water Company Limited

Training Courses: organized by

1. Thailand Institute of Directors (IOD)

- "Successful Formulation & Execution Strategy (SFE)" Class 24/2015
- "How to Develop a Risk Management Plan" Class 8/2015
- "Ethical Leadership Program (ELP)" Class 1/2015
- "Risk Management Committee Program (RMP)" Class 3/2014
- Anti-Corruption: The Practical Guide (ACPG)" Class 4/2013

2. The Institute of Internal Auditors of Thailand (IIAT)

- "Ethical Audit" 8/2015
- "Audit Manager Tools and Techniques" 6/2015
- "Certified Internal Audit" 11/2014
- "Compliance and Compliance Audit" 3/2014
- "Operational Auditing" 12/2013
- "Fraud Audit" 5/2008

3. Federation of Accounting Professions

- "Working paper for defensive measure of corruption in enterprise" 8/2016
- "IT Audit" 9/2014
- "Business Management for Internal Audit Class 2" 7/2014
- "Fraud Audit" 7/2014
- "Internal Auditing Certificate Program (IACP) Class 10" 5-6/2014
- "COSO 2013" 4/2014
- "Special Considerations in Auditing Financial Instruments" 12/2013
- "Integrated Audit" 11/2013
- "COSO-ERM" 12/2011
- "Risk Identification" 12/2011

4. Other Institutions

- "Coaching Skills Workshop" 11/2017
- "ITIL Foundation Certification and Workshop" 7/2016
- "ISO 9001: 2015 Introduction & Internal Auditor Course" 6/2016
- "7 Habits by PacRim Group" 1/2016
- "ACL for The Beginner" 2015
- "Microsoft Project 2003" 11/2008
- "Safety Committee" 5/2008
- "Introduction to ISO 9001: 2000" 1/2008

Risk Management

PTG Energy Group is committed to adding values for its organization and shareholders, as well as managing the enterprise to achieve sustainable growth. However, the Company is constantly faced with various risks all the time, thus the Company has recognized the importance of risk management in order to achieve its objectives which is consistent with good corporate governance. The Company, therefore, has set its guidelines for risk management as practical guidelines for directors, executives, and all employees as follows:

1. It is prescribed that risk management is the obligation that the Company's directors, executives, and staff members have to be aware of in all areas of operations, and that everyone must emphasize on the management of risks by complying with roles, duties, and responsibilities as regulated in the risk management manual.
2. The Company's directors, executives and staff members must adhere to the risk management principle, which is in accordance with the corporate governance policy, and use it as part of work operations, in organizational, divisional and procedural levels to enhance opportunities and minimize uncertainty of the Company's overall operating performance.
3. It is prescribed that the risk management procedures are part of the Company's decision-making, strategic planning and work execution processes. It is to be ensured that risks that can impact the achievement of objectives are well managed, with consideration of the effectiveness in work execution, together with the internal control system that is effective, transparent, ethical and verifiable, so that organizational risks are in the acceptable level.

4. It is prescribed that every division is obligated to assess risks, identify risk factors and risk prevention and alleviation protocols for potential loss. Each division is required to follow up on and assess the risk management outcomes on a regular basis, as well as to prepare risk reports as regulated in the operational framework and risk management procedures.
5. When the Company's directors, executives and staff members witness or acknowledge risks that can have impact on the Company, they must report such risks to relevant parties immediately so that appropriate actions can be taken accordingly.
6. The Company's directors, executives and staff members are to be educated to understand the risk management procedures and direction on a continuous basis, as a way of fostering every level of staff members to be aware of the significance of and participation in managing organizational risks, as part of the culture aiming towards the creation of value-added features for the organization and its stakeholders.

The Board of Directors, Management, and Risk Management Committee insist to promote the continuous risk management process to be effective.

The Risk Management Committee will consistently audit and review the appropriateness of the risk management policies at least 1 time a year in order to ensure that the content of risk management policy is consistent with its objectives and strategies.



Securities Information and Shareholders

1. Securities Information

As of December 31, 2017, the Company has paid-up registered capital of Baht 1,670.00 million, divided into 1,670.00 million ordinary shares with a par value of Baht 1.00 each and the proportion of free float share is 39.56% of total common share outstanding.

2. Shareholders

Major shareholders of the Company as of December 31, 2017 can be summarized as follows:

Top 10 Major Shareholders ^{1/ 2/}	No. of shares	%
1. Ratchakitprakarn Family ^{3/}	556,488,260	33.32%
• Ratchakit Holding Co., Ltd.	419,504,000	25.12%
• Mr. Pipat Ratchakitprakarn	62,850,000	3.76%
• Mr. Pitak Ratchakitprakarn	41,691,134	2.50%
• Mrs. Chatkaew Gajaseni	12,001,500	0.72%
• Mrs. Kotchakorn Piboonthamasak	6,141,790	0.37%
• Ms. Chantawarat Chandrasardula	4,603,300	0.28%
• Mr. Khemmapope Gajaseni	4,040,136	0.24%
• Ms. Lapat-on Gajaseni	1,695,700	0.10%
• Mr. Sahadchai Gajaseni	1,473,000	0.09%
• Ms. Pakjira Ratchakitprakarn	1,414,000	0.08%
• Mr. Phiboon Ratchakitprakarn	1,073,700	0.06%
2. Wijitthanarak Family ^{4/}	199,320,100	11.94%
• Mr. Sakanan Wijitthanarak	163,444,000	9.79%
• Mr. Vuthichai Wijitthanarak	35,876,100	2.15%
3. Vachirasakpanich Family ^{5/}	146,500,000	8.77%
• Mr. Pongsak Vachirasakpanich	100,300,000	6.01%
• Mr. Veerasak Vachirasakpanich	46,200,000	2.77%
4. Nitayanurak Family ^{6/}	82,237,840	4.92%
• Mrs. Jarusrak Nitayanurak	77,849,140	4.66%
• Mr. Kamolake Thosakul	3,195,000	0.19%
• Mr. Shanisit Nitayanurak	825,000	0.05%
• Mr. Thanavit Thosakul	368,700	0.02%
5. The Hong Kong and Shanghai Banking Corporation Limited, Fund Services Department	70,500,000	4.22%
6. Mrs. Pennapa Pongsuraphan	23,447,100	1.40%

Top 10 Major Shareholders ^{1/ 2/}	No. of shares	%
7. Pooshutvanitshakul Family^{7/}	21,320,074	1.28%
• Mr. Choosak Pooshutvanitshakul	9,712,900	0.58%
• Ms. Poonya Pooshutvanitshakul	5,000,000	0.30%
• Mr. Sunthorn Rachakijprakan	3,000,000	0.18%
• Mr. Techat Pooshutvanitshakul	1,900,000	0.11%
• Ms. Thunyathorn Ratchakitprakarn	500,000	0.03%
• Mrs. Sukwasa Pooshutvanitshakul	495,274	0.03%
• Mr. Sutivuth Ratchakitprakarn	351,900	0.02%
• Mr. Thanakrit Ratchakitprakarn	280,000	0.02%
• Mrs. Juraiwun Yuen	80,000	0.00%
8. Dr. Pongsak Thammatacharee	20,781,300	1.24%
9. Phatra Securities Public Company Limited	19,130,900	1.15%
10. NORBAX, INC.	17,797,334	1.07%
Total shares held by Top 10 Major Shareholders	1,157,522,908	69.31%
Total shares	1,670,000,000	100.00%

Source : The Company

Note : ^{1/} Does not include shareholders from Thai NVDR Ltd., which is a subsidiary of the Stock Exchange of Thailand, established with the purpose of promoting investment activities for investors, especially foreigners, so as to be able to invest in common stocks without the constraint of the Foreign Limit that withholds the right to vote during company meeting.

^{2/} This group of major shareholders is for information disclosure purposes only. It is not arranged to display the group under Section 258 of the Securities Act and not, or a group of persons acting jointly (Concert Party) in accordance with the Notification of the Securities and Exchange Commission number TorJor 7/2009 appoints the relationships or behaviors that interact with one another compliance with Section 246 and Section 247. However,

^{3/} 7 shareholders in the family group include: 1) Ratchakit Holding Co., Ltd., the holding company of Ratchakitprakarn's family; 2) Mr. Pipat Ratchakitprakarn, elder brother of Mr. Pitak Ratchakitprakarn; 3) Mr. Pitak Ratchakitprakarn, the Company's Director, Executive Director, Risk Management Committee, and President & Chief Executive Officer; 4) Mrs. Chatkaew Gajaseni, the Company's director, Executive Director, Risk Management Committee, and elder sister of Mr. Pitak Ratchakitprakarn; 5) Ms. Chantawarat Chandrasardula, spouse of Mr. Pitak Ratchakitprakarn; 6) Ms. Lapat-orn Gajaseni, daughter of Mrs. Chatkaew Gajaseni; and 7) Ms. Pakjira Ratchakitprakarn, younger sister of Mr. Pitak Ratchakitprakarn (together called "Ratchakitprakarn Concert Party") acting in concert and the group of concerts intent to vote in the same way to control the company. The concert party has entered into an agreement on the voting rights of the group of shareholders in the same way, to vote or jointly control the company. The grouping of other shareholders in the family group apart from the above 7 shareholders for the purpose of disclosing the relative kinship information of these 7 shareholders and their families to investors. The detail is as follows:

- 1) Mrs. Kotchakorn Piboondhamasak, younger sister of Mrs. Chatkaew Gajaseni
- 2) Mr. Khemmapope Gajaseni, son of Mrs. Chatkaew Gajaseni
- 3) Mr. Sahadchai Gajaseni, son of Mrs. Chatkaew Gajaseni
- 4) Mr. Phiboon Ratchakitprakarn, younger brother of Mrs. Chatkaew Gajaseni

The Ratchakitprakarn Concert Party shareholding structure may change in the future. If there is a change in the of the shareholders in the family, the information will be disclosed to investors.

^{4/} Wijitthanarak Family comprises: 1) Mr. Sakanan Wijitthanarak, the Company's shareholder of more than 5%; and 2) Mr. Vuthichai Wijitthanarak, younger brother of Mr. Sakanan Wijitthanarak.

^{5/} Vachirasakpanich Family comprises: 1) Mr. Pongsak Vachirasakpanich, the Company's Director and Executive Director; and 2) Mr. Veerasak Vachirasakpanich, father of Mr. Pongsak Vachirasakpanich.

^{6/} Nitayanurak Family (formerly Nadtasomboon Family) comprises: 1) Mrs. Jarusrak Nitayanurak (formerly Lertlak Nadtasomboon), the Company's Director; 2) Mr. Kamolake Thosakul, younger brother of Mrs. Jarusrak Nitayanurak; 3) Mr. Thanavit Thosakul, younger brother of Mrs. Jarusrak Nitayanurak; and 4) Mr. Shanisit Nitayanurak, son of Mrs. Jarusrak Nitayanurak.

^{7/} Pooshutvanitshakul Family comprises: 1) Mr. Choosak Pooshutvanitshakul, spouse of Mrs. Sukwasa Pooshutvanitshakul; 2) Ms. Poonya Pooshutvanitshakul, daughter of Mrs. Sukwasa Pooshutvanitshakul; ; 3) Mr. Sunthorn Rachakijprakan, father of Mrs. Sukwasa Pooshutvanitshakul; 4) Mr. Techat Pooshutvanitshakul, son of Mrs. Sukwasa Pooshutvanitshakul; 5) Ms. Thunyathorn Ratchakitprakarn, younger sister of Mrs. Sukwasa Pooshutvanitshakul; 6) Mrs. Sukwasa Pooshutvanitshakul, Vice President of Procurement; 7) Mr. Sutivuth Ratchakitprakarn, elder brother of Mrs. Sukwasa Pooshutvanitshakul; 8) Mr. Thanakrit Ratchakitprakarn, elder brother of Mrs. Sukwasa Pooshutvanitshakul; and 9) Mrs. Juraiwun Yuen, younger sister of Mrs. Sukwasa Pooshutvanitshakul.

3. Issuance of Other Securities

The Company issued 5 series* of debentures valuing 3,400 Million Baht as follows:

Lots of Debentures	Total Issue Value (Baht Million)	Outstanding Debentures (Baht Million)	Duration of Debentures (Years)	Maturity Date	Coupon Rate (%)	Credit Rating
1/2016	1,500	1,500	3	19 February 2019	4.25	BBB+
2/2016	100	100	3	8 July 2019	3.80	BBB+
3/2016	100	100	3	1 August 2019	3.80	BBB+
1/2017	1,000	1,000	3	28 September 2020	3.38	BBB+
2/2017	700	700	5	15 December 2020	3.75	BBB+
Total	3,400	3,400				

Remarks : * All debentures were rated as from Fitch Ratings (Thailand) Limited.



Dividend Policy

Dividend Policy of the Company

The Company has a policy to pay dividends to shareholders at the rate of no less than 30% of net profit according to the separate financial statements after taxes, legal reserve, and other reserves (if any). However, the dividend payment is subject to change depending on operating performance, financial position, liquidity, the need for working capital, investment and business expansion plans, market conditions, suitability, and other factors relating to the Company's operations and management. This is contingent

upon the condition that the Company has sufficient cash for business operations and that it will result in the maximum benefit of the shareholders as the Board of Directors and/or the shareholders deems appropriate. The Board of Directors' resolution for dividend payment shall be proposed to the meeting of shareholders for approval, except for interim dividend payment, which can be approved by the Board of Directors, and subsequently reported to the general meeting of shareholders for acknowledgement at the next meeting.

Dividend History

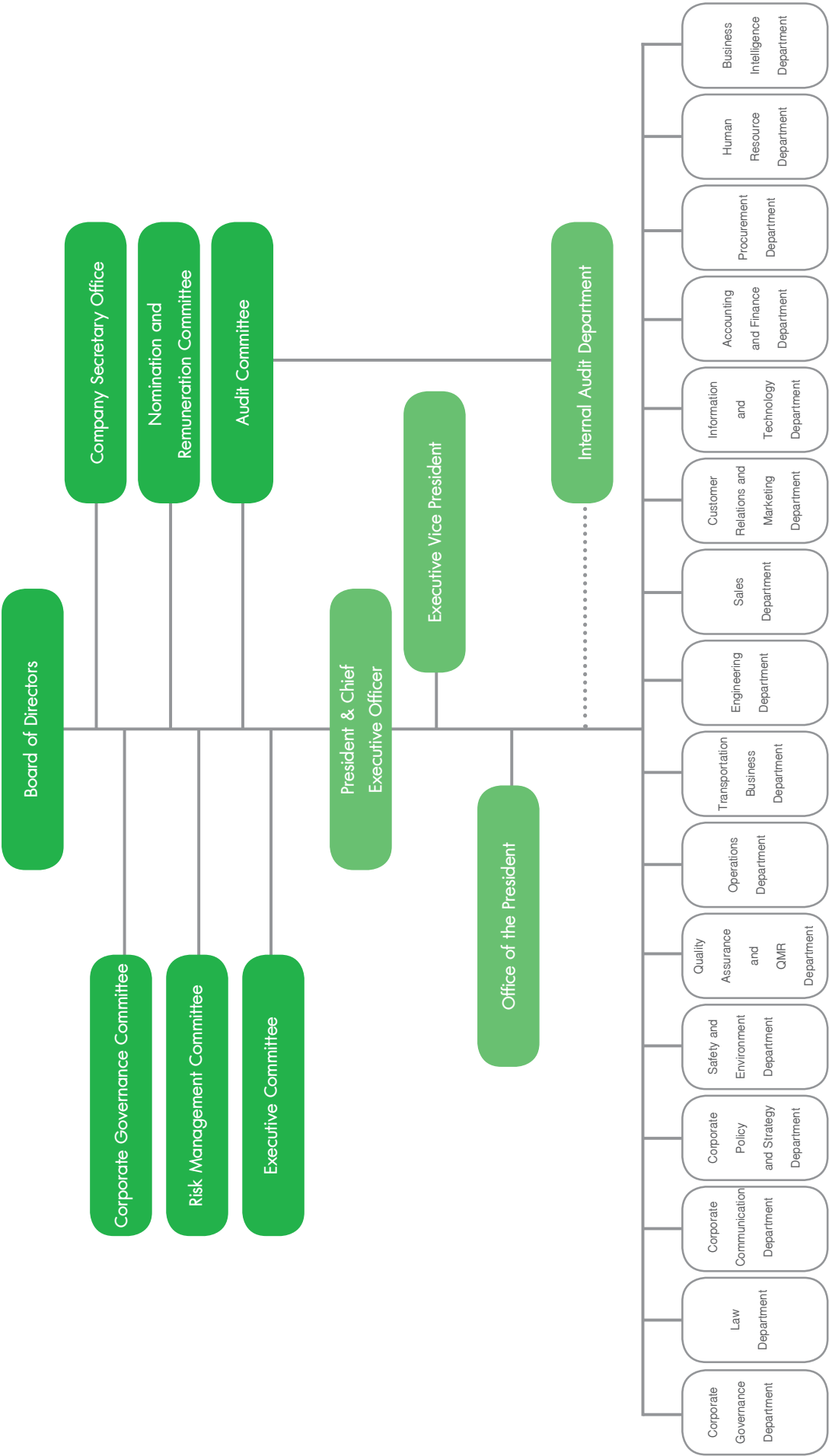
Board Date	Book Closing Date	Payment Date	Dividend Type	Dividend (per share)	Unit	Operation Period
23/02/17	10/03/17	19/05/17	Cash Dividend	0.20	Baht	01/07/16 - 31/12/16
11/08/16	30/08/16	09/09/16	Cash Dividend	0.10	Baht	01/01/16 - 30/06/16
25/02/16	11/03/16	19/05/16	Cash Dividend	0.20	Baht	01/01/15 - 31/12/15
24/02/15	12/03/15	14/05/15	Cash Dividend	0.15	Baht	01/01/14 - 31/12/14
27/02/14	21/03/14	15/05/14	Cash Dividend	0.05	Baht	01/10/13 - 31/12/13
03/12/13	18/12/13	27/12/13	Cash Dividend	0.06	Baht	01/01/13 - 30/09/13

Dividend Policy of Subsidiaries

Petroleum Thai Corporation Co., Ltd., a subsidiary operating fuel retailing business via the petrol stations, and Punthai Coffee, a subsidiary operating coffee shop business at the Company's petrol stations, have a policy to pay dividends to shareholders at the rate of no less than 30% of net profit according to the separate financial statements after taxes, legal reserve, and other reserves (if any). However, the dividend payment is subject to change depending on operating performance, financial position, liquidity, the need for working capital, investment and business expansion plans, market conditions, suitability, and other factors relating to their operations and management. This is contingent upon the condition that they have sufficient cash for business operations and that it will result in the maximum benefit of the shareholders as their respective board of directors and/or the shareholders deem appropriate. Resolution by the board of directors for dividend payment shall be proposed to the meeting of shareholders for approval, except for interim dividend payment, which can be approved by the board of directors, and subsequently reported to the general meeting of shareholders for acknowledgement at the next meeting.

Subsidiaries which are fuel traders under Section 10 have a policy to pay dividends to shareholders at the rate of no less than 90% of net profit according to the separate financial statements after taxes, legal reserve, and other reserves (if any). However, the dividend payment is subject to change depending on operating performance, financial position, liquidity, the need for working capital, investment and business expansion plans, market conditions, suitability, and other factors relating to their operations and management. This is contingent upon the condition that they have sufficient cash for business operations and that it will result in the maximum benefit of the shareholders as their respective board of directors and/or the shareholders deem appropriate. Resolution by the board of directors for dividend payment shall be proposed to the meeting of shareholders for approval, except for interim dividend payment, which can be approved by the board of directors, and subsequently reported to the general meeting of shareholders for acknowledgement at the next meeting.

Mangement Structure



The Board of Directors consists of 10 directors;

- Non-executive Directors 8 persons (account for 80% of total number of Directors)
- Executive Directors 2 persons (account for 20% of total number of Directors who are President and Chief Executive Office, and Executive Vice President)
- Independent Directors 4 persons (account for 40% of total number of Directors)

Members of the Board of Directors as of 31 December 2017

No.	Name	Position(s)	Appointed Date
1.	Pol. Gen. Soontorn Saikwan	Chairman of the Board of Directors Independent Director	25 May 2012 27 April 2012
2.	Mr. Supote Pitayapongpat	Director, Independent Director Chairman of the Audit Committee Chairman of the Corporate Governance Committee	25 May 2012 13 May 2014 13 November 2014
3.	Mr. Pongsak Vachirasakpanich ^{1/}	Director Chairman of the Executive Committee	27 April 2012 29 January 2016
4.	Dr. Vuthichai Duangratana	Director Independent Director Member of the Audit Committee Chairman of the Nomination and Remuneration Consideration Committee	29 January 2016 29 January 2016 25 February 2016
5.	Mr. Pitak Ratchakitprakarn ^{2/}	Director Executive Director Chairman of Risk Management President and Chief Executive Director	18 December 2002 25 May 2012 25 May 2012 1 March 2006
6.	Mrs. Chatkaew Gajaseni ^{1/}	Director Member of the Executive Committee	28 April 2011 25 May 2012
7.	Mrs. Jarusrak Nitayanurak	Director	18 January 2007
8.	Assoc. Prof. Dr. Wanchai Rattanawong	Director Independent Director Member of the Audit Committee Member of the Corporate Governance Committee Member of the Nomination and Remuneration Consideration Committee	24 April 2014 24 April 2014 13 November 2014 25 February 2016
9.	Mr. Krirawee Sirikul	Director Member of the Corporate Governance Committee Member of the Nomination and Remuneration Consideration Committee	23 December 2016 23 December 2016 23 December 2016
10.	Mr. Rangsun Puangprang ^{3/}	Director Member of the Executive Committee Member of the Risk Management Committee Executive Vice President Company Secretary	14 December 2005 25 May 2012 3 December 2013 1 January 2010 25 May 2012

Notes : ^{1/} Non-Executive Director who has experience related to the Company's business

^{2/} Authorized Director of the Company

^{3/} Authorized director of the Company, serve as the secretary to the Board of Directors, and the Secretary to the Corporate Governance Committee

Report of Changes in Securities Holding of Directors and Executive Directors in 2017

Data as of 31 December 2017

No.	Name	Ordinary Shares: PTG Energy PCL (Number of Shares)		Increase/(Decrease) of Shares During the Fiscal Year
		As of 31 December 2017 ^{1/}	As of 31 December 2016 ^{2/}	
Directors				
1.	Pol. Gen. Soontorn Saikwan By spouse and underage children	- -	- -	- -
2.	Mr. Supote Pitayapongpat By spouse and underage children	100,000 20,000	100,000 -	- 20,000
3.	Mr. Pongsak Vachirasakpanich By spouse and underage children	100,300,000 -	100,300,000 -	- -
4.	Mr. Vuthichai Duangratana By spouse and underage children	160,000 -	100,000 -	60,000 -
5.	Mr. Pitak Ratchakitprakarn By spouse and underage children	41,691,134 -	39,239,634 -	2,451,500 -
6.	Mrs. Chatkaew Gajaseni By spouse and underage children	12,001,500 -	11,892,500 -	109,000 -
7.	Mrs. Jarusrak Nitayanurak By spouse and underage children	77,849,140 -	77,849,140 -	- -
8.	Assoc. Prof. Dr. Wanchai Rattanawong By spouse and underage children	46,000 -	- -	46,000 -
9.	Mr. Krairawee Sirikul By spouse and underage children	- -	- -	- -
10.	Mr. Rangsun Puangprang By spouse and underage children	610,200 -	510,200 -	100,000 -

Notes : ^{1/} Book closing date as of 29 December 2017^{2/} Book closing date as of 30 December 2016

No.	Name	Ordinary Shares: PTG Energy PCL (Number of Shares)		Increase/((Decrease) of Shares During the Fiscal Year
		As of 31 December 2017 ^{1/}	As of 31 December 2016 ^{2/}	
Executive Directors				
1.	Mr. Chaiwat Lertvanarin By spouse and underage children	1,000 -	- -	1,000 -
2.	Mr. Pumipat Sinachroen By spouse and underage children	268,000 -	(had not held the position) -	- -
3.	Mrs. Sukwasa Pooshutvanitshakul By spouse and underage children	495,274 9,712,900	495,274 9,712,900	- -
4.	Mr. Thatree Kerdboonsong By spouse and underage children	44,113 -	344,113 -	(300,000) -
5.	Mr. Surasak Songvorakulpan By spouse and underage children	346,964 -	346,964 -	- -
6.	Mr. Chaitas Wanchai By spouse and underage children	148,031 147,000	48,031 142,000	100,000 5,000
7.	Flt. Lt. Satta Supar By spouse and underage children	12,100 -	312,100 -	(300,000) -
8.	Mr. Suwatchai Pitakwongsaporn By spouse and underage children	1,315,000 -	1,315,000 -	- -
9.	Mrs. Wipa Boonpalit By spouse and underage children	40,500 -	30,000 -	10,500 -
10.	Mr. Chalong Tiratraipusit By spouse and underage children	5,000 -	5,000 -	- -
11.	Mr. Santhiti Subhanusorn By spouse and underage children	- -	(had not held the position) -	- -
12.	Ms. Saiyon Sirivarakarn By spouse and underage children	10,000 -	(had not held the position) -	- -

Notes : ^{1/} Book closing date as of 29 December 2017

^{2/} Book closing date as of 30 December 2016

Board of Directors Structure

1. The Board of Directors consist of the number of directors, which is specified by the shareholders meeting, shall not be less than 5 directors. Moreover, the Board of Directors at least 3 directors or one-third of the total directors, whichever is higher, shall be independent directors who possess qualification as specified by the requirement of the office of Securities and Exchange Commission and Stock Exchange of Thailand ("SET")
2. The Board of Directors elects a director as the Chairman of the Board, provided that the elected director shall be an independent director.
3. The Company Secretary is appointed by the Board of Directors, which can be the Executive Vice President or other person, that the Board of Directors deems appropriate, to assist in the arrangements for the Board meetings, e.g. confirming schedules, preparing agenda items, sending meeting notices together with supporting documents, etc. Under the first paragraph of Section 89/15 and 89/16 of the Securities and Exchange Act of 1992 (as amended)

The duties and authorities of the Board of Directors and top executives are clearly segregated. The Board of Directors is responsible for policy making and supervision of the management at a policy level, while the executives for management of operations according to the prescribed policies. The Company has specified that the Chairman of the Board is an independent director and shall not be either the Chairman of the Executive Committee or the Chief Executive Officer and President, thereby distinctly segregating the policy making and supervision duties from the day-to-day management. This also enables the Company to retain a sound balance of power and to prevent of authority by any person. Moreover, the Company has laid down and put in writing the scope of duties and authorities of the Board of Directors, sub-committees and the Chief Executive Officer and President so that the scope of their operational responsibilities can be clearly defined.

Term of Office

1. One-third of the Board of directors is required to retire every year on the Annual General Meeting. The directors who retire shall be those who have been longest in office since their last election. In the case that the number of retired directors cannot be divided into one-third, the number of directors nearest to one-third shall retire.
2. The directors who retire from office by rotation may be re-elected without considering as a default renewal.
3. In addition to due term of office, the directors may vacate the position upon following situations:

- 3.1 Death
- 3.2 Resignation
- 3.3 Unqualified or having prohibited character as stipulated by Public Company Limited Act. B.E. 2535 (including amendment)
- 3.4 Resigned by resolution of the Board of Director Committee
- 3.5 Resigned by virtue of the court order
4. In the event when the director position becomes vacant as a result of resignation other than term completion, the board of directors may appoint a qualifies person who not possess prohibited characters as set out in the public Company Limited Act B.E. 2535 (including amendment) as a replacement to fill that position only for the remaining term, unless the remaining period is shorter than two months.
5. Upon approval from the Board, the directors may hold directorship in maximum 5 listed companies under the policies and practice of directorship of other companies.

Directors' Qualifications

Qualifications and prohibited characteristics of directors
The candidates nominated for appointment as directors shall have the following qualifications and shall not possess any of the following prohibited characteristics:

1. being qualified and not having any prohibited "characteristics under the law on public limited companies, the law on securities and exchange and any other relevant laws as well as the Articles of Association and the good corporate governance of the company;
2. having knowledge, capability, independence and ability to perform director's duties with responsibility, due care and loyalty;
3. being able to devote sufficient time, having suitable age, being in a good physical and mental health, being able to regularly attend the Board of Director's meetings, being well-prepared prior to meeting, being creative in the meetings, being straight-forward, being confident in giving opinion at the meetings and/or being a businessman with good reputation, good record of work performance and ethics, as well as being accepted by society;
4. having knowledge and skills which are essential to the business of the Company;
5. should not be holding a director position in several companies at the same time;
6. not being prohibited persons to be appointed as directors as prescribed by relevant governmental agencies, nor having any characteristic indicating a lack of appropriateness in respect of trustworthiness to manage a manage a business in which the public are shareholder

7. Present to the Board of Director Committee and/or the shareholders at the AGM depended on the approvals.
8. A director that may have conflict of interest on a particular matter must not participate in consideration of the particular issue.
9. Placing importance on a majority votes by shareholders attending the meeting. In the event where the votes on both side equal, the Chairperson will have a second vote to judge the resolution.

Consider the appropriate qualification, experiences and expertise in different professions, abilities and experiences in Company's business, and qualified or having prohibited character as stipulated by Public Company Limited Act.

Directors with authorized signatory

According to the Company's regulations, the directors with authorized signatories, who were Mr. Pitak Ratchakitprakarn and Mr. Rangsan Puangprang, shall sign together with the Company seal.

Scope of Authority and Duties of the Board of Directors

1. Supervise and manage the Company, discharge their duties with integrity in compliance with the laws, the Company's objectives and articles of association including resolutions of shareholders meetings, as well as safeguard the Company's interests and exercise accountability to shareholders.
2. Formulate policies and business direction of the Company, as well as monitor and oversee to ensure the management's effective and efficient performance of the established policies and plans under the good corporate governance in order to maximize economic value and shareholders' wealth.
3. Oversee to ensure that the management treats all stakeholders on the basis of ethical values and equality.
4. Consider and formulate the annual budget plan, revise such plan to be appropriate to and consistent with the Company's policies and business direction, as well as inspect and control the management's efficient implementation of budgets according to the annual budget plan.
5. Monitor the Company's business operations regularly, and secure compliance with the laws and terms of relevant agreements. In this regard, the management is assigned to report on a quarterly basis on performance and other significant matters of the Company to the Board of Directors meeting for acknowledgement in order to enable effective business operations.
6. Ensure that the Company's accounting system, financial reporting system, internal control and internal audit are effective and reliable.
7. Play a vital role in risk management, by implementing appropriate and adequate risk management guidelines and measures in tandem with regular monitoring.
8. Consider and approve and/or give opinions on the execution of significant transactions and connected transactions to be proposed to shareholders meetings for approval in accordance with criteria, conditions and procedures specified by relevant laws and regulations and/or the Company's articles of association and/or resolutions of shareholders meetings.
9. Ensure that annual reports of the Company or the Board of Directors are prepared in compliance with relevant laws or regulations, as well as report to the shareholders regularly and accurately on both positive and negative aspects of the current business status and future business direction, together with sufficient reasons for entering to said transactions.
10. Consider and approve an organizational structure suitable for business operations, which include establish subcommittees, nominate and appoint experienced and competent directors or persons qualified to sit in the subcommittees, and determine the scope of authority, duties and responsibilities of such sub committees.
11. Consider and appoint the Chief Executive Officer and President, and determine the scope of authority, duties, and responsibilities of the position, as well as appoint the annual performance evaluation in order to be used in remuneration consideration process.
12. Consider and set out the annual remuneration structure and criteria for appropriate remuneration for directors, executives, and employees, taking into account proper factors such as performance assessment results, positions, scope of duties and responsibilities, qualifications, knowledge, abilities and suitable remuneration rates comparable to those in the same industry.
13. Consider appropriate remuneration rate for directors in accordance with the criteria specified by the Board of Directors, and propose such rate to the shareholders meeting for consideration and approval.
14. Nominate and propose knowledgeable, competent, and experienced persons fully qualified under the relevant laws and regulations to the shareholders meeting for approval as the Company's directors.
15. The Board of Directors may authorize one or more directors or any other persons to, under the supervision of the Board, perform any acts on its behalf. It may also delegate certain authorities to said persons as it deems appropriate and for a period of time it deems appropriate. Such authorization and delegation can be rescinded, revoked, changed or

amended if appropriate, and must be made in writing or clearly recorded as the Board's resolution in the minutes of the Board of Directors meeting, with a clearly-defined scope of delegated authority. In addition, the authorized persons shall not have an authority to approve any transactions which they or potential interested persons ("potential interested persons" shall be as defined by the notifications of the Securities and Exchange Commission or the Capital Market Supervisory Board) may have an interest in or may involve a conflict of interest in any other form with the Company, except for approval of transactions made in accordance with the policies and criteria already approved by the shareholders meeting or the Board of Directors meeting.

16. Set up regulatory policies for supervising and monitoring and an effective support system for anti-corruption, as well as delegate the management to enforce said measures against corruption in order to ensure that management recognizes the importance and emphasizes of the anti-corruption measures and mindset within the organization.
17. Conduct performance evaluation of the Chief Executive Officer and President, and the first four Executive members next-in-line to the Chief Executive Officer and President in a consecutive manner in order to evaluate the performance of the Chief Executive Officer and President, and the first four Executive members next-in-line to the Chief Executive Officer and President at least once per year.
18. Hold any other authorities, duties, and responsibilities as prescribed by relevant laws and regulations, the Company's articles of association, and resolutions of shareholders meetings.

Voting Rights

A majority votes by Members of the Board determines that each member of the Board having one vote. In the event where the votes on both side equal, the Chairperson will have a second vote to judge the resolution. A director that may have conflict of interest on a particular matter must not participate in consideration of the particular issue.

Approval Authority of the Board of Director

The Board prepares criteria of approval with the following objectives.

1. To decentralize management including the power to make decision, performing duties precisely, quickly and with clear manner.
2. To acknowledge staff of their scope of duties and responsibilities related to professional assignments.
3. To allow staff to apply approval criteria as a guideline for assignments for the particular matters.

Approval criteria includes:

1. Policy and plan
2. Finance, accounting
3. Human resource
4. Procurement, purchase, outsourcing
5. Marketing
6. Administration and general tasks

Board of Directors Meetings

1. The Board of Directors should organize formal meetings at least 6 times a year and special meetings as appropriate. To allow the directors ample time and sufficient information for consideration, the Company shall notify them of the agenda items and submit to them the meeting notice and agenda supporting documents no less than 7 business days prior to the meeting date. Except where it is a matter of necessity and urgency to preserve the rights or interests of the Company, the meeting may be called by other means no less than 7 business days prior to the meeting date.
2. At the Board of Directors meetings, at least half of the members must be present in order to constitute a quorum.
3. If the Chairman is unable to attend the meeting or is unable to execute his duties, the remaining members of the Board shall elect one director to chair the meeting.
4. In the event of voting at the Board of Director meeting, there must be the Directors not lower than 2 out of 3 of total number of the Directors.
5. The Board of Directors may invite Committees (such as the Executive Committee, Audit Committee, Risk Management Committee, Corporate Governance Committee, and Nomination and Remuneration Consideration Committee) or the Management or other related person or individuals who agreed to participate in the particular agenda and inquire as needed and appropriate.
6. The Board of Director shall take into account as a policy, that non-executive committee hosts a meeting to discuss managerial issues without attendance of the Management where the result of the meeting shall be reported to the Chairman of Executive Officer and President.
7. The Company Secretary is responsible to record and prepare the minutes of the meeting as well as supplementary documents, submit documents to the Board prior to the meeting, supervise legal matters and regulations what the Board shall acknowledge, oversee the Board's performance and coordinate to ensure the compliance to the resolution of the Board.

The Board of Director Meeting Attendance Summary during 2017 ^{1/}

No.	Name	The Board of Directors 9 Meetings	The Audit Committee 12 Meetings	The Executive Committee 12 Meetings	Risk Management Committee 4 Meetings	Corporate Governance Committee 4 Meetings	Nomination and Remuneration Consideration Committee 4 Meetings	The Board of Directors Non-Executive 1 Meeting	BE ^{3/} 1 Meeting	EGM ^{4/} 1 Meeting	AGM ^{5/} 1 Meeting
1.	Pol. Gen. Soontorn Saikwan	9/9	-	-	-	-	-	1/1	2/2	1/1	1/1
2.	Mr. Supote Pitayapongpat	9/9	12/12	-	-	4/4	-	1/1	2/2	1/1	1/1
3.	Mr. Pongsak Vachirasakpanich	9/9	-	12/12	-	-	-	1/1	2/2	-	1/1
4.	Mr. Vuthichai Duangratana	9/9	12/12	-	-	-	4/4	1/1	2/2	1/1	1/1
5.	Mr. Pitak Ratchakitprakarn ^{6/}	9/9	-	12/12	4/4	-	-	-	2/2	-	1/1
6.	Mrs. Charikaew Gojaseni	9/9	-	11/12	-	-	-	-/1	2/2	-	1/1
7.	Mrs. Jarusak Nitayanurak	9/9	-	-	-	-	-	-/1	2/2	-	1/1
8.	Assoc. Prof. Dr. Wanchai Rattanawong	9/9	12/12	-	-	4/4	4/4	1/1	1/2	1/1	1/1
9.	Mr. Krairawee Sirikul	9/9	-	-	-	4/4	4/4	1/1	2/2	-	1/1
10.	Mr. Rangsun Puangprang ^{6/}	9/9	-	12/12	3/4	-	-	-	2/2	-	1/1
Proportion of Meeting Attendance (%)		100.00	100.00	97.91	87.50	100.00	100.00	75.00	95.00	100.00	100.00

Note : ^{1/} 2016 Meeting schedule was set beforehand at The Board of Directors meeting no. 6/2016 on November 10, 2016.

^{2/} The meeting was on August 25, 2017

^{3/} The meeting was on July 24, 2017 and December 15, 2017

^{4/} The meeting was on July 6, 2017

^{5/} The meeting was on April 21, 2017

^{6/} Executive Director

The Board of Director Committee revised the detail and policy observance and significant criteria annually at the Board of Directors meeting no. 7/2016 on 22 December 2017, as follows:

1. Charter of the Board of Director Committee
2. Charter of the Executive Committee
3. Charter of the Audit Committee
4. Charter of the Risk Management Committee
5. Charter of the Corporate Governance Committee
6. Charter of the Nomination and Remuneration Consideration Committee
7. Corporate Governance Policy
8. Anti-corruption Policy
9. Risk Management Policy
10. Holding Director Position in Other Companies Policy
11. Information Technology Policy
12. Business Continuity Management Policy
13. Information Publication Policy
14. Sustainable Management Policy
15. Human Rights and Labor Policy
16. Entering into Related Party Transactions Policy
17. Giving or Receiving Gift and any Other Benefits Policy
18. Credit Inquiry and Debt Collection policy
19. Code of Conduct
20. Succession Plan for Executives
21. Scope of Authority and Duties of the Chairman of the Board of Directors
22. Scope of Authority and Duties of President and Chief Executive Officer
23. Definition of Independent Director
24. Criteria for Monitoring the Use of Information, and Secret Keeping within the Organization
25. Approval criteria
26. Business Plan
27. Vision Mission and Core Value of the Company (review every fiscal year)

Executives

Executives as of 31 December 2016

No.	Names	Positions
1.	Mr. Pitak Ratchakitprakarn	President & Chief Executive Officer
2.	Mr. Rangsun Puangprang	Executive Vice President
3.	Mr. Chaiwat Lertvanarin	Executive Vice President
4.	Mr. Pumipat Sinachroen	Executive Vice President
5.	Mrs. Sukwasa Pooshutvanitshakul	Executive of Procurement Department
6.	Mr. Thatree Kerdboonsong	Executive of the Office of the President
7.	Mr. Surasak Songvorakulpan	Executive of the Office of the President
8.	Mr. Chaitas Wanchai	Executive of Station Management Department
9.	Flt. Lt. Satta Suparp	Executive of Business Intelligence Department
10.	Mr. Suwatchai Pitakwongsaporn	Executive of Sales Department
11.	Mrs. Wipa Boonpalit	Executive of the General Management Department
12.	Mr. Chalong Tiratraipusit	Executive of Corporate Communication
13.	Mr. Santhiti Subhanusorn	Executive of Logistics Department
14.	Ms. Saiyon Sirivarakarn	Executive of Minimart Management Department

The Company's Secretary

To be complied with the good corporate governance principles of the listed company under the committee's responsibility and the Securities and Exchange Act Section 89/15 and 89/16, the Board of Directors meeting no.5/2012, held on 25 May 2012, had resolutions to appoint Mr. Rangsan Puangprang to be the Company's Secretary, effective from 25 May 2012 onwards. His profile was as follows:

The Company's Secretary Profile



Mr. Rangsan Puangprang

Executive Vice President

Company Secretary

(since 25/05/2012)

52 Years

Share possession held (%): 0.0365

Education

- Master of Business Administration
National Institute of Development Administration
- Bachelor of Business Administration (Accounting)
Second Class Honor
Ramkhamhaeng University

Training of Secretary

By Thai Institute of Directors (IOD)

- CSP Program Association, class 50/2013
- BRP Program Association, class 10/2013
- CRP Program Association, class 5/2013

Other Training

By Commerce Academy, University of the Thai Chamber of Commerce

- | | |
|------|---|
| 2017 | Top Executive Program in Commerce and Trade (TEPCoT), class 10/2017 |
|------|---|

By Thai Institute of Directors (IOD)

- | | |
|------|---|
| 2015 | CDC Program Association, class 9/2015 |
| 2014 | DCP Program Association, class 197/2014 |
| | SFE Program Association, class 21/2014 |
| 2013 | RCC Program Association, class 16/2013 |
| 2009 | DAP Program Association, class 79/2009 |

By Stock Exchange of Thailand

- | | |
|------|--|
| 2015 | Strategic CFO in Capital Markets Program Association, class 1/2015 |
|------|--|

By NIDA Business School

- | | |
|------|---|
| 2009 | Profession CFO Creation Project, class 2009 |
|------|---|

Working Experiences in Past 5 Years

- | | |
|-------------|--|
| 2011 - 2013 | Acting Director - General Administration Department
PTG Energy PLC |
| 2011 - 2016 | Acting Director - Information Technology Department
PTG Energy PLC |
| 2012 - 2013 | Vice Chairman - Risk Management Committee
PTG Energy PLC |
| 2013 - 2014 | Acting Director - Minimart Management Department
Petroleum Thai Corporation Co., Ltd. |

Present Position

Position in PTG Energy PLC

- | | |
|----------------|---|
| 2014 - Present | Secretary to the Corporate Governance Committee |
| 2013 - Present | Acting Director of Corporate Secretary/ Finance and Accounting Department |

Scope of Role and Responsibility

1. Arrange and maintain the documents, i.e. director registration, invitation letters of committee meetings, reports of committee meetings, company annual reports, invitation letters of shareholder meetings, reports of shareholder meetings.
2. Hold meeting of Shareholders, Board of Directors, and Sub-committee complying with the laws, rules, regulations, and requirements of the Company and the legal authorities.
3. Keep reports of conflict of interest which are reported by directors or executives and, in compliance with Section 89/14, make copies for Chairman of the Board and Chairman of Audit Committee within 7 days from the report receiving date.
4. Provide advice about the related regulations and law and the corporate governance code of conduct of regulatory activity to the committee.
5. Coordinate in various issues with Chairman of the Board of Director, Directors, Sub-committee, Executive Officer and President, Management, Subsidiaries, Associated Companies and Shareholders.
6. Coordinate with internal units in the Company, Subsidiaries, and Associated Companies to ensure they follow the resolutions of Board of Directors and shareholder meeting. Coordinate with supervisory units, such as SEC, and supervise the information disclosure and submit information report to the supervisory units and the public completely as required by law.
7. Arrange the orientation to the new appointed directors.
8. Perform other duties as assigned by the Board of Directors and laws.

Remuneration for Directors, Executives, and Employees

Remuneration for the Board of Directors

The Annual General Meeting of Shareholders for the year 2017, which was held on 21 April 2017, approved the remuneration for the Directors as follows:

The Board of Directors

Remuneration	2017
1. Monthly Remuneration	
1.1 Chairman	THB 60,000 per month
1.2 Director	THB 40,000 per person per month
2. Meeting Allowance	
2.1 Chairman	THB 10,000 per time
2.2 Director	THB 10,000 per person per time * only the attendees
3. Traveling Expenses	Reimburse only actual traveling expenses * except commuting in Bangkok and vicinity
4. Special Compensation or Bonus	
4.1 Chairman	Will receive an additional 25% of the special remuneration or bonus entitles to the directors.
4.2 Director	Will receive the special compensation or bonus at the same rate similar to other companies in the same industry In this regard, the total amount of special compensation and bonus of Chairman and Directors would not be over THB 15,000,000 per year
5. Directors and Officers Liability Insurance	THB 300,000,000 in total
6. Other Compensation	None

The Executive Directors

Remuneration	2017
1. Monthly Remuneration	
1.1 Chairman	THB 40,000 per month
1.2 Director	THB 20,000 per person per month
2. Meeting Allowance	
2.1 Chairman	THB 10,000 per time
2.2 Director	THB 10,000 per person per time *only the attendees
3. Traveling Expenses	Reimburse only actual traveling expenses * accept commuting in Bangkok and vicinity
4. Other Compensation	None

The Audit Committee

Remuneration	2017
1. Monthly Remuneration	
1.1 Chairman	THB 40,000 per month
1.2 Director	THB 30,000 per person per month
2. Meeting Allowance	
2.1 Chairman	THB 10,000 per time
2.2 Director	THB 10,000 per person per time *only the attendees
3. Traveling Expenses	Reimburse only actual traveling expenses * accept commuting in Bangkok and vicinity
4. Other Compensation	None

The Corporate Governance Committee

Remuneration	2017
1. Meeting Allowance	
1.1 Chairman	THB 12,500 per time
1.2 Director	THB 10,000 per person per time *only the attendees
2. Other Compensation	None

The Nomination and Remuneration Consideration Committee

Remuneration	2017
1. Meeting Allowance	
1.1 Chairman	THB 12,500 per time
1.2 Director	THB 10,000 per person per time *only the attendees
2. Other Compensation	None

The Company paid remuneration to the Board of Directors in 2017 as follows:

Unit: Baht

No.	Name	Yearly Remuneration	Meeting Allowance - BoD	Meeting Allowance – Sub Committees ^{1/}				Traveling Expenses	Special Compensation or Bonus ^{2/}	Total Compensation
				Executive Committee	Audit Committee	Corporate Governance Committee	Nomination and Remuneration Consideration Committee			
1.	Pol. Gen. Soontorn Saikwan ^{3/}	720,000.00	95,000.00	-	-	-	-	-	567,952.20	1,382,952.20
2.	Mr. Supote Pitayapongpat ^{4/}	960,000.00	80,000.00	120,000.00	-	37,500.00	-	-	454,361.76	1,651,861.76
3.	Mr. Pongsak Vachirasakpanich ^{5/}	960,000.00	80,000.00	-	110,000.00	-	-	-	454,361.76	1,604,361.76
4.	Dr. Vuthichai Duangratana ^{6/}	840,000.00	80,000.00	120,000.00	-	-	50,000.00	-	454,361.76	1,544,361.76
5.	Mr. Pitak Ratchakitprakarn ^{7/}	720,000.00	80,000.00	-	110,000.00	-	-	-	454,361.76	1,364,361.76
6.	Mrs. Chaikaeew Gajaseni	720,000.00	80,000.00	-	100,000.00	-	-	77,259.97	454,361.76	1,431,621.73
7.	Mrs. Jarusrak Nitayanurak	480,000.00	80,000.00	-	-	-	-	-	454,361.76	1,014,361.76
8.	Assoc. Prof. Dr. Wanchai Rattana Wong	840,000.00	80,000.00	120,000.00	-	30,000.00	40,000.00	-	454,361.76	1,564,361.76
9.	Mr. Krairawee Sirikul	491,612.90	80,000.00	-	-	30,000.00	40,000.00	24,605.90	11,172.83	677,391.63
10.	Mr. Rangsun Puangprang ^{7/}	720,000.00	80,000.00	-	110,000.00	-	-	-	454,361.76	1,364,361.76
11.	Mr. Manit Nitiprateep ^{8/}	-	-	-	-	-	-	-	362,496.26	362,496.26
	Total	7,451,612.90	815,000.00	360,000.00	430,000.00	97,500.00	130,000.00	101,865.87	4,576,515.37	13,962,494.14

Notes : ^{1/} Only from January to November 2017

^{2/} - Paid from income before income tax and according to the Audited Consolidated Financial Statements for the year 2016

- The Chairman receives an additional 25% of special compensation and bonus the Director receives

- Directors received special compensation and bonus in accordance with other companies in the same industry

^{3/} Chairman of the Board of Director

^{4/} Chairman of the Audit Committee and Chairman of the Corporate Governance Committee

^{5/} Chairman of the Executive Committee

^{6/} Chairman of the Nomination and Remuneration Consideration Committee

^{7/} Excludes the remuneration as an Executive

^{8/} Resigned on October 18,2016

The Company paid remuneration to directors and executives in 2016 and 2017 as follows:

Remuneration for Directors

Description	2017		2016	
	Number (persons)	Amount (Mil. Baht)	Number (persons)	Amount (Mil. Baht)
1. Monthly salary	11	7.45	10	7.30
2. Meeting allowance	11	1.85	10	1.98
3. Traveling expenses	1	0.10	10	0.07
4. Special compensation or bonus	11	4.57	10	3.03
5. Other compensation	11	-	10	-
Total Compensation	11	13.96	10	12.38

Note : The Company has insured the responsibility of Directors and Officers (D&O) in the amount of Baht 300 million.

Remuneration for Executives

Description	2017		2016	
	Number (persons)	Amount (Mil. Baht)	Number (persons)	Amount (Mil. Baht)
1. Monthly salary, Bonus, and OT	14	49.32	11	51.56
2. Meeting allowance, and yearly remuneration for Executive Directors ^{1/}	2	-	-	-
3. Other compensation, such as provident fund ^{2/} , social security and others	14	6.69	11	5.86
Total Compensation	14	56.01	11	57.42

Note : ^{1/} Mentioned in the Company's directors' remuneration

^{2/} The Company provides the provident fund with the contribution rate between 3-6% of the employees' salary.

The remuneration policy for the President and Chief Executive Officer

The Company considered the information to determine Executive compensation to be accordance with Thai Institute of Directors or IOD, guidance for determine Director compensation and good practices for director management, composition and level of remuneration, the information for Executive compensation from other companies in the same industry, business growth and profit growth of the Company.

Remuneration for Employees

Description	2017		2016	
	Number (persons)	Amount (Mil. Baht)	Number (persons)	Amount (Mil. Baht)
1. Monthly salary, Bonus, and OT	12,894	1,724.52	8,636	1,343.39
2. Other compensation, such as provident fund ^{2/} , social security and others	12,894	134.48	8,636	103.14
Total Compensation	12,894	1,859.00	8,636	1,446.53

Number of Employees

As of 31 December 2017, the Company and its subsidiaries (excluding Directors and Executives of the Company and its subsidiaries) had a total of 12,892 employees, 1,227 of which are the Company's employees and another 11,665 were the subsidiaries'. They could be categorized according to the following line functions:

No.	Line Function	PTG	Subsidiaries
1.	Company Secretary Office	4	0
2.	Office of the President	20	0
3.	Internal Audit Department	60	0
4.	Corporate Governance Department	4	0
5.	Law Department	13	0
6.	Corporate Communication Department	16	0
7.	Corporate Policy and Strategy Department	1	0
8.	Safety and Environment Department	24	0
9.	Quality Assurance and QMR Department	26	0
10.	Operations Department	200	0
11.	Transportation Business Department	396	0
12.	Engineering Department	89	0
13.	Sales Department	86	0
14.	CRM Department	7	0
15.	Information Technology Department	80	0
16.	Accounting and Finance Department	97	0
17.	Procurement Department	25	0
18.	HRM Department	70	0
19.	Business Intelligence	9	0
20.	Fuel and LPG Station Business Department	0	5
21.	Minimart Business Department	0	1
22.	Bangkok and Vicinity Operations Department	0	1,384

No.	Line Function	PTG	Subsidiaries
23.	Eastern Operation Department	0	798
24.	Central Operation Department	0	1,173
25.	Northern Operation Department	0	1,729
26.	Southern Operation Department	0	1,109
27.	Western Operation Department	0	691
28.	Lower North Eastern Operation Department	0	1,486
29.	Upper North Eastern Operation Department	0	1,565
30.	Commerce Management Department	0	6
31.	Activity and Sales Promotion Department	0	2
32.	Station Support Department	0	29
33.	Minimart Management Department	0	445
34.	Fuel Logistics Department	0	514
35.	Fuel Retail Logistics Department	0	42
36.	Operation Development Department	0	6
37.	Operation Support Department	0	30
38.	General Management Department	0	404
39.	Food and Beverage for Nation Department	0	245
40.	International and Beverage for Internation Department	0	1
41.	Factory Operation Department	0	2
Total		1,227	11,667

Labor-related Disputes over the Past 3 Years

- None -

Employee Development Policy

Knowledge and Potential Improvement Policy for Employees

The Company recognized that the personnel in every unit and level were important for the business and organization development. Since the Company's goal was to be the leading full-service energy company of the country, the Company encouraged the development of employees' knowledge, skills, and capability to continuously improve their performance. In 2016, the Company provided the training courses to employees for the average of 15.14 hours/person/ year and also had the policy to develop the working system and process in order for every employee to know and be capable for his/her responsible job. The Company also support employees for the career path with the following policy framework:

1. The Company provides training for the better understanding of the Company's core values and have the same vision and goals.
2. Basic knowledge training for new employees, in order to enable all new employees to gain a clear understanding of their jobs and operate correctly and safely according to the Company's regulations.
3. Annual training, in order to enable the employees to regularly refresh their knowledge about risk prevention and safety in work.
4. The Company encourage the trainings that develop the professions and working skills of the employees in various departments, for example, service standard program, service station manager preparation course, and area and product arrangement standard course in order to increase efficiency and effectiveness of employees' work.
5. The Company offered many leadership training programs in order to help the employees develop necessary skills for leadership positions, for instance, Business Leadership Development program, and manager preparation program.
6. The Company provided training in other soft skills related to work such as psychology counseling course for the development of people to improve works, basic English for work course, decision-making and problem-solving techniques course, and employees' potential development course.
7. Training for continuous improvement and increasing work operating efficiency, such as;
 - Kaizen activity is the activity that support the continuous improvement of the quality and efficiency of work, employees, and department.
 - Employee feedback session is the activity that encourage employees to send their suggestions in order to improve the efficiency and quality of working matters, cultures, or environment and get rid of the current issues they found. Employee can propose their idea regardless of their working department.



Detail of the Directors



Pol. Gen. Soontorn Saikwan

Chairman of the Board of Directors/ Independent Director

(Appointed as Director on April 27, 2012)

Ages 73 years

Shares possession held (%)

(As of December 31, 2017)

Self : -none-

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Arts in Political Science**
Ramkhamhaeng University
- **Bachelor of Public Administration in Political Science**
Royal Police Cadet Academy Samphran

Training

By Thai Institute of Directors (IOD)

2015	DCP Program Association, class 201/2015
2013	MFM Program Association, class 9/2013
	MIA Program Association, class 15/2013
	MFR Program Association, class 18/2013
	MIR Program Association, class 14/2013
	ACP Program Association, class 42/2013
2005	DAP Program Association, class 41/2005

By Federation of Accounting Professions

Audit Committee Financial Expert

By Thailand National Defence College

1993 National Defence Course,
(NDC Certificate), class 1993

Working Experiences

2012 - Present	Chairman of the Board of Directors / Independent Director PTG Energy PLC
2012 - 2014	Chairman of the Audit Committee PTG Energy PLC
2008 - 2011	Selected Senator The Senate of Thailand
2007 - 2013	Chairman of the Board of Directors / Independent Director Millcon Steel PLC

Position in Other Listed Company

2016 - Present	Director Millcon Steel Industries PLC
2013 - Present	Vice Chairman of the Board of Directors / Independent Director Millcon Steel PLC
2005 - Present	Independent Director Vanachai Group PLC

Position in Other Company / Organization / Institution

2013 - Present	Chairman of the Board of Directors Millcon Burapa Co., Ltd.
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Mr. Supote Pitayapongpat

**Director / Chairman of the Audit Committee /
Chairman of the Corporate Governance Committee /
Independent Director**

(Appointed as Director on May 25, 2012)

Ages 76 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0060

Spouse and underage children : 0.0012

Relationship with Company's Executive(s)

-none-

Education

- **Bachelor of Accounting**
Thammasat University
- **Bachelor of Commerce**
Thammasat University

Training

By Thai Institute of Directors (IOD)

2017	ITG Program Association, class 6/2017 Independent Director Forum 2017
2014	DCP Program Association, class 197/2014
2013	MFM Program Association, class 9/2013 MIA Program Association, class 14/2013 MFR Program Association, class 17/2013 MIR Program Association, class 14/2013 ACP Program Association, class 42/2013
2012	DAP Program Association, class 96/2012

By Federation of Accounting Professions

2014 Audit Committee Financial Expert

Working Experiences

2014 - Present	Chairman of the Corporate Governance Committee PTG Energy PLC
2014 - Present	Chairman of the Audit Committee PTG Energy PLC
2012 - 2014	Member of Audit Committee PTG Energy PLC
2012 - Present	Director / Independent Director PTG Energy PLC

Position in Other Listed Company

2016 - Present	Director / Independent Director / Audit Committee Dhipaya Life Assurance PLC
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Position in Other Company / Organization / Institution

2003 - Present	Director / Executive Director Siam-Best Trading Co., Ltd
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Mr. Pongsak Vachirasakpanich

Director / Chairman of the Executive Director

(Appointed as Director on April 27, 2012)

Ages 50 years**Shares possession held (%)**

(As of December 31, 2017)

Self : 6.0060

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Business Administration (XMBA) Strategic Management**
Thammasat University
- **Bachelor of Economic Money Finance and International Monetary**
Thammasat University

Training**By Thai Institute of Directors (IOD)**

2014 DCP Program Association, class 197/2014

2012 DAP Program Association, class 96/2012

By Bangkok Metropolitan Bank PLC.

MINI MBA Chulalongkorn University

By King Prajadhipok's InstituteAdvanced Certificate Course in Politics and Governance in
Democratic Systems for Executives, Class 21

Advance Certificate in Public Administration and Public Law, Class 6

Working Experiences

2016 - Present	Chairman of the Executive Director PTG Energy PLC
2014 - Present	Director PPP Green Complex Co., Ltd.
2012 - Present	Director PTG Energy PLC
2012 - 2016	Executive Director PTG Energy PLC

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

2010 - Present	Director Hi-Light Mansion Co., Ltd.
2006 - Present	Director Legal Brains Co.,Ltd.
2005 - Present	Director New Bang Pho Apartment Co., Ltd.
2003 - Present	Director Puriphat Property Co., Ltd.
2002 - Present	Managing Director P.S.V. Property Co., Ltd.



Dr. Vuthichai Duangratana

**Director / Member of the Audit Committee /
Chairman of the Nomination and Remuneration
Committee / Independent Director**

(Appointed as Director on January 29, 2016)

Ages 62 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0095

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **PhD of Economics**
Universite de Paris
- **Master of Economics**
Universite de Paris
- **Bachelor of Economics**
Universite de Paris

Training

By Cornell University, USA, and LEAD Business Institute
2017 Global Business Leaders Program, class 2

By Tourism Authority of Thailand
2017 Tourism Management Program for Executives,
class 1

By Thai Institute of Directors (IOD)
2016 AACCP Program Association, class 23/2016
2014 DCP Program Association, class 198/2014

By Capital Market Academy

2015 Capital Market Academy, class 20

By Comptroller General's Department

2014 Advance Public Finance Executive, class 1

By Thailand National Defence College

2012 - 2013 National Defence Course of Government Sector,
Private Sector, and Politics, class 6

By Office of the Civil Service Commission

2006 - 2007 Advanced Executive, class 52

Working Experiences

2017 Director
Food Capitals Public PCL

2016 - Present Chairman of the Nomination and
Remuneration Consideration Committee /
Member of Audit Committee / Director /
Independent Director
PTG Energy PLC

2013 - 2016 Director
Tourism Authority of Thailand

2013 - 2016 Deputy Permanent Secretary
Ministry of Commerce

2013 General Inspector
Ministry of Commerce

2010 - 2013 Deputy Director-General of Department of
International Trade Promotion
Ministry of Commerce

2010 Deputy Director-General of Department of
Trade Negotiations
Ministry of Commerce

2003 - 2010 Thai Representative of World Expo Office
Bureau International des expositions

2003 - 2010 Minister Counselor for Commercial Affairs
Paris, France

Position in Other Listed Company

2017 - Present Director / Audit Committee
Communication & System Solution PCL

Position in Other Company / Organization / Institution

2017 - Present Distinguish Member of University Council
Bangkok University

2017 - Present Distinguish Member of University Council
Raffles International College



Mr. Pitak Ratchakitprakarn

**Director / Member of Executive Committee /
Chairman of the Risk Management Committee /
President and Chief Executive Officer
(Authorized Director)**

(Appointed as Director on December 18, 2002)

Ages 53 years

Shares possession held (%)

(As of December 31, 2017)

Self : 2.4965

Spouse and underage children : -none-

Relationship with Company's Executive(s)

Brother of Mrs. Chatkaew Gajaseni

Education

- **Master of Business Administration**
Prince of Songkla University
- **Bachelor of Science (Fishery)**
Kasetsart University

Training

By Thai Institute of Directors (IOD)

2014	DCP Program Association, class 198/2014
2011	DAP Program Association, class 92/2011
2010	SFE Program Association, class 8/2010

By Capital Market Academy

Chief Executive Program Association, class 20

Working Experiences

2017 - Present	Chairman of the Board of Directors GFA Corporation (Thailand) Ltd.
2015 - Present	Chairman of the Board of Directors PTG Logistics Co., Ltd.
2015 - Present	Acting Director - Minimart Management Department Petroleum Thai Corporation Co., Ltd.
2015 - 2016	Acting Director - Quality and Safety Department Executive of Operations PTG Energy PLC
2015 - 2016	Acting Director Operations Department PTG Energy PLC
2014 - Present	Director PPP Green Complex Co., Ltd.
2014 - 2017	Acting Director - Logistics PTG Energy PLC
2013 - 2016	Acting Director - Office of the President PTG Energy PLC
2013 - 2014	Acting Director - Market of Customer Relatio PTG Energy PLC
2012 - 2015	Acting Director - Human Resources PTG Energy PLC
2012 - Present	Chairman of Risk Management Committee / Member of Executive Committee PTG Energy PLC
2012 - Present	Chairman of the Board of Directors Pun Thai Coffee Co., Ltd.
2012 - Present	Chairman of the Board of Directors PTG Green Energy Co., Ltd. (Pyrenees Oil Co., Ltd.)
2012 - Present	Chairman of the Board of Directors Olympus Oil Co., Ltd.
2011 - Present	Chairman of the Board of Directors Atlas Oil Co., Ltd.
2011 - Present	Chairman of the Board of Directors Andes Oil Co., Ltd.
2011 - Present	Chairman of the Board of Directors Everest Oil Co., Ltd.
2011 - Present	Chairman of the Board of Directors Empire Oil Co., Ltd.
2011 - 2013	Acting for Vice President of Marketing PTG Energy PLC
2009 - Present	Chairman of the Board of Directors Alpine Oil PLC.

Working Experiences (continue)

2009 - Present	Chairman of the Board of Directors Pyramid Oil PLC.
2007 - Present	Chairman of the Board of Directors / Managing Director Petroleum Thai Corporation PLC.
2007 - 2012	Chairman of the Board of Directors / Chief Executive Committee PTG Energy PLC
2006 - Present	President and Chief Executive Officer PTG Energy PLC.
2005 - 2012	Director RD Kasetpattana Co., Ltd. (R & D Kasetpattana Co., Ltd.)
2002- Present	Director PTG Energy PLC.

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

2016 - Present	Director Ratchakit Holdings Co., Ltd.
1999 - Present	Director P & C Group Co., Ltd.
1999 - Present	Director Satun Aqua Marine Culture Co., Ltd.
1999 - Present	Director S.C.S. Capital Corporation Co., Ltd.

**Mrs. Chatkaew Gajaseni****Director / Member of Executive Committee**

(Appointed as Director on April 28, 2011)

Ages 60 years**Shares possession held (%)**

(As of December 31, 2017)

Self : 0.7187

Spouse and underage children : -none-

Relationship with Company's Executive(s)

Sister of Mr. Pitak Ratchakitprakarn

Education

- **Master of Public Administration**
National Institute of Development Administration
- **Master of Science (Environmental Science)**
Kasetsart University
- **Bachelor of Laws**
Ramkhamhaeng University
- **Bachelor of Science (Chemistry)**
Kasetsart University

Training**By Thai Institute of Directors (IOD)**

2014	DCP Program Association, class 198/2014
2011	DAP Program Association, class 92/2011

Working Experiences

2012 - Present	Member of Executive Committee PTG Energy PLC
2012 - 2014	Director Geer Auto Car Co., Ltd.
2011 - Present	Director PTG Energy PLC
2003 - 2015	Director P & C Aqua Marine Co., Ltd.

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

2016 - Present	Director Ratchakit Corporation Co., Ltd.
2016 - Present	Director Ratchakit Holdings Co., Ltd.
2014 - Present	Director Paramount Oil Co., Ltd.
2013 - Present	Director P & C Satun Pattana Co., Ltd.
2013 - Present	Director of Quality and Safety BK Trading Co., Ltd.
2010 - Present	Director / Agency / Customer Relationship Marketing Jit Kaew Co., Ltd.
2010 - Present	Owner / Partner Chut Thong Roongrueng Partnership
2007 - Present	Director Siam Bird's Nest Products Co., Ltd.
2005 - Present	Director / Manager RD Kasetpattana Co., Ltd. (R & D Kasetpattana Co., Ltd.)
2004 - Present	Director Siam South Sea Bird's Nest Co., Ltd.
2000 - Present	Director / Managing Director CK Five Trading Co., Ltd.
1999 - Present	Director Satun Aqua Marine Feed Co., Ltd.
1996 - Present	Director / Managing Director N & C Minimart Co., Ltd.
1996 - Present	Director / Managing Director KTP Petroleum Co., Ltd.
1993 - Present	Director Odean Southern Center Co., Ltd.
1993 - Present	Director / Managing Director P & C Petroleum Co., Ltd.
1991 - Present	Director / Managing Director P & C Group Co., Ltd.
1989 - Present	Director Satun Aqua Marine Culture Co., Ltd.



Mrs. Jarusrak Nitayanurak

Director

(Appointed as Director on January 18, 2007)

Ages 73 years

Shares possession held (%)

(As of December 31, 2017)

Self : 4.6616

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- Secondary Education
Indrapichai School Surat Thani

Training

By Federation of Accounting Professions

2014	DCP Program Association, class 198/2014
2012	DAP Program Association, class 96/2012

Working Experiences

2007 - Present	Director PTG Energy PLC.
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Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

2003 - Present	Director Pubadin Co., Ltd.
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Assoc. Prof. Dr. Wanchai Rattanawong

**Director / Member of the Audit Committee /
Member of Corporate Governance Committee /
Member of Nomination and Remuneration Committee /
Independent Director**

(Appointed as Director on April 24, 2014)

Ages 54 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0028

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Ph.D. (Manufacturing Engineering)**
Swinburne University of Technology,
Melbourne, Australia
- **M.Eng. (Computer Integrated Manufacturing)**
Swinburne University of Technology,
Melbourne, Australia
- **Master of Education (Physics) M.Ed. (Physics)**
Srinakharinwirot University (Prasarnmitr)
- **Bachelor of Education (Physics) B.Ed. (Physics)**
Srinakharinwirot University (Bang Saen)

Training

By Thai Institute of Directors (IOD)

2015	DCP Program Association, class 201/2015
2014	DAP Program Association, class 110/2014 AACP, class Association, class 16/2014

By Thailand National Defence College

2012	Diploma, National Defence College, The National Defence Course class 2012
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Working Experiences

2016 - Present	Member of Nomination and Remuneration Consideration Committee PTG Energy PLC
2014 - Present	Corporate Director / Director / Independent Director / Member of the Audit Committee PTG Energy PLC
2012 - 2015	Senior Vice President for Corporate Capacity Development / Dean, Faculty of Engineering University of the Thai Chamber of Commerce
2008 - 2011	Vice Director - Planning and Development Department / Acting Director - Logistics Research Center University of the Thai Chamber of Commerce

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

2016 - Present	Director Sonic Interfreight Co., Ltd.
2011 - Present	Director New Frontier Consultant Co., Ltd.



Mr. Krirawee Sirikul

Director / Member of Corporate Governance Committee / Member of Nomination and Remuneration Consideration Committee

(Appointed as Director on December 23, 2016)

Ages 61 years

Shares possession held (%)

(As of December 31, 2017)

Self : -none-

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Public Administration (Public Policy)**
Western Carolina University North Carolina, USA
- **Bachelor of Business Administration**
(Columbia Senior Executive Program)
Columbia University, NY, USA

Training

By Thai Institute of Directors (IOD)

2017 DAP Program Association, class 136/2017

Working Experiences

2016 - Present Director / Member of Nomination and Remuneration Consideration Committee / Member of Corporate Governance Committee
PTG Energy PLC.

2015 - 2016 Ambassador Ministry of Foreign Affairs
Kingdom of Thailand

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-



Mr. Rangsun Puangprang

Director / Member of Executive Committee / Executive Member of Risk Management Committee / Company Secretary / Executive Vice President (Authorized Director)

(Appointed as Director on April 28, 2011)

Ages 52 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0365

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Business Administration**
National Institute of Development Administration
- **Bachelor of Business Administration (Accounting)**
with Second Class Honor
Ramkhamhaeng University

Training

By Commerce Academy, University of the Thai Chamber of Commerce

2017 Top Executive Program in Commerce and Trade : TEPCoT, class 10

By Thai Institute of Directors (IOD)

2015 CDC Program Association, class 9/2015

2014 DCP Program Association, class 197/2014
SFE Program Association, class 21/2014
RCC Program Association, class 16/2013
CRP Program Association, class 5/2013
BRP Program Association, class 10/2013
CSP Program Association, class 50/2013

2009 DAP Program Association, class 79/2009

By Stock Exchange of Thailand

2015 Strategic CFO in Capital Markets Program Association, class 1/2015

By Stock Exchange of Thailand and Institute of Internal Auditors of Thailand

2014 Going to Good to Great in IT Fraud Prevention

By NIDA Business School

2009 Profession CFO Creation Project, class 2009

Working Experiences

2017 - Present Director
GFA Corporation (Thailand) Ltd.

2016 - Present Chairman of the Board of Directors
Innotech Green Energy Co., Ltd.

2015 - Present Director
PTG Logistics Co., Ltd.

2014 - Present Director
PPP Green Complex Co., Ltd.

2013 - Present Acting Director - Accounting and Finance Department
PTG Energy PLC

2013 - 2014 Acting Director - Minimart Management Department
Petroleum Thai Corporation Co., Ltd.

2013 - Present Risk Management Committee
PTG Energy PLC.

2012 - 2013 Vice Chairman - Risk Management Committee
PTG Energy PLC.

2012 - Present Director
Pun Thai Coffee Co., Ltd

2012 - Present Director
PTG Green Energy Co., Ltd.
(Pyrenees Oil Co., Ltd.)

2012 - Present Director
Olympus Oil Co., Ltd.

2011 - Present Director
Atlas Oil Co., Ltd.

2011 - Present Director
Andes Oil Co., Ltd.

2011 - Present Director
Everest Oil Co., Ltd.

2011 - Present Director
Empire Oil Co., Ltd.

2011 - 2016 Acting Director - Information Technology Department
PTG Energy PLC.

2011 - 2013 Acting Director - General Administration Department
PTG Energy PLC

2010 - Present Executive Vice President
PTG Energy PLC.

2009 - Present Director
Alpine Oil Co., Ltd.

2009 - Present Director
Pyramid Oil Co., Ltd.

2006 - Present Director
Petroleum Thai Corporation Co., Ltd.

2006 - 2014 Director
Century Oil Co., Ltd.

2005 - Present Director / Member of Executive Committee
PTG Energy PLC.

2005 - 2010 Executive of Accounting and Finance Department
PTG Energy PLC.

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

2016 - Present Director
Fuel Pipeline Transportation Limited

Detail of the Executives

Mr. Chaiwat Lertvanarin

Member of Risk Management Committee / Executive Vice President

(Appointed as Executive on June 16, 2016)

Ages 58 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0001

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Business Administration**
Ramkhamhaeng University
- **Bachelor of Science**
Kasetsart University

Training

By the Company

2016 PTG Smart Marketing and CRM "Coaching Skills Workshop" Enabling the PTG Way through coaching

Working Experiences

2016 - Present Executive Vice President
PTG Energy PCL

2012 - 2015 First Executive Vice President
Kiatnakin Bank PCL

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

Mr. Pumipat Sinachroen

Executive Vice President

(Appointed as Executive on October 1, 2017)

Ages 47 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0160

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Business Administration**
Thunderbird School of Global Management, USA
- **Bachelor of Economics**
Thammasat University

Training

By Thai Institute of Directors (IOD)

2008 CSP Program Association, class 27/2008

2005 DAP Program Association, class 36/2005

Working Experiences

2017 - Present Executive Vice President
PTG Energy PCL

2013 - 2017 Chief People Officer and Director
AP (Thailand) PCL

2009 - 2013 Chief Finance Officer (CFO) /
Investor Relations
AP (Thailand) PCL

2002 - 2009 Corporate Planning and Investor Relations
AP (Thailand) PCL

2001 - 2002 Financial Planning Manager
Hutchison Cat Wireless Multimedia Ltd.

1997 - 2001 Securities and Investment Analyst
ING Baring Securities (Thailand) Ltd.

Position in Other Listed Company

2005 - Present Director/ Member of Audit Committee
Fortune Parts Industry PCL

Position in Other Company / Organization / Institution

2017 - Present Director
Liquor Distillery Organization Excise
Department

2017 - Present Director
Secondary Mortgage Corporation

Mrs. Sukwasa Pooshutvanitshakul**Member of Risk Management Committee /
Director of Procurement**

(Appointed as Executive on October 1, 2013)

Ages 51 years**Shares possession held (%)**

(As of December 31, 2017)

Self : 0.0297

Spouse and underage children : -none-

Relationship with Company's Executive(s)

Cousin of Mr. Pitak Ratchakitprakarn and
Mrs. Chatkaew Gajaseni

Education

- **Master of Business Administration (Money)**
National Institute of Development Administration
- **Bachelor of Business Administration (Accounting)**
Second Class Honors
Prince of Songkla University, Hatyai Campus

Training**By Thai Institute of Directors (IOD)**

2012 SFE Program Association, class 16/2012

Other training

2014 The Management of Supplier and
Performance Evaluation
How to Evaluate Procurement and Conduct
the Procurement Report
Negotiation Technique for Procurement

2013 Introduction and Internal Auditor ISO 9001

Working Experiences

2017 - Present Acting Director - Engineer Department
PTG Energy PLC

2017 - Present Director
Sammitr PTG Pro Truck Solution Center Co., Ltd.

2016 - Present Director
Innotech Green Energy Co., Ltd.

2013 - Present Director of Procurement
PTG Energy PLC

2013 Director of the Office of the President
PTG Energy PLC

2012 - Present	Member of Risk Management Committee PTG Energy PLC
2011	Director Andes Oil Co., Ltd.
2011	Director Atlas Oil Co., Ltd.
2007- 2013	Manager of Accounting and Finance Department PTG Energy PLC

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

Mr. Thatree Kerdboonsong

Member of Risk Management Committee /

Executive of the Office of the President

(Appointed as Executive on September 1, 2013)

Ages 62 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0026

Spouse and underage children : -none-

Relationship with Company's Executive(s)

Spouse of Mrs. Chatkaew Gajaseni's Sister-in-law

Education

- **Associate Degree in Mechanics**
Rajamangala University of Technology Isan
(Nakorn Ratchasima)

Training

By Thai Institute of Directors (IOD)

2016	DAP Program Association, class 129/2016
2012	SFE Program Association, class 16/2012

Working Experiences

2017 - Present	Chairman of the Board of Directors Palangngan Pattana 5 Co., Ltd.
2016 - Present	Chairman of the Board of Directors Empire Service Solution Co., Ltd.
2013 - Present	Director of the Office of the President PTG Energy PLC
2012 - Present	Member of Risk Management Committee PTG Energy PLC
2010 - 2014	Director of Logistics Department PTG Energy PLC

Position in Other Listed Company

2016 - Present	Director AMA Marine PCL
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Position in Other Company / Organization / Institution

-none-

Mr. Surasak Songvorakulpan

**Member of Risk Management Committee /
Executive of the Office of the President /
Executive of Station Operation Department**
(Appointed as Executive on January 1, 2015)

Ages 52 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0208

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Science in Mathematics**
Prince of Songkla University, Hat Yai Campus

Training

By Thai Institute of Directors (IOD)

2014 SFE Program Association, class 21/2014

Other training

2016 Talent Management & Career-Development
Masterclass 2016

Working Experiences

2017 - Present	Executive of Station Operation Department / Acting Director - Station Business Development Department Petroleum Thai Corporation Co., Ltd.
2017 - Present	Director Sammitr PTG Pro Truck Solution Center Co., Ltd.
2016 - Present	Acting Executive of Quality Assurance and QMR Department PTG Energy PLC.
2016 - Present	Acting Executive of Safety and Environment Department PTG Energy PLC
2016 - 2017	Acting Executive of Station Management PTG Energy PLC
2015 - 2017	Acting Director - Human Resource Department PTG Energy PLC
2015 - Present	Director of the Office of the President PTG Energy PLC

2013 - 2014	Acting Director - Quality and Safety Department PTG Energy PLC
2012 - Present	Member of Risk Management Committee PTG Energy PLC
2012 - 2014	Director - Operation Department PTG Energy PLC
2010 - 2011	Executive Officer Petroleum Thai Corporation Co., Ltd.

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

Mr. Chaitasn Wanchai

Member of Risk Management Committee / Executive of Station Management

(Appointed as Executive on September 1, 2013)

Ages 49 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0089

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Science (Economics)**
Kasetsart University
- **Bachelor of Science (Fishery)**
Kasetsart University

Training

By Thai Institute of Directors (IOD)

2016	DAP Program Association, class 129/2016
2015	SFE Program Association, class 16/2012

Other Training

2015	Turning Consumer Data Analytic Smart Marketing
2014	Modern Marketing Management

Working Experiences

2017 - Present	Director Siam Autobacs Co., Ltd.
2017 - Present	Executive of Station Management Department PTG Energy PLC
2016 - Present	Director Innotech Green Co., Ltd.
2016 - 2017	Executive of Station Management Department Petroleum Thai Corporation Co., Ltd.
2016 - 2017	Acting Executive of Business Development Petroleum Thai Corporation Co., Ltd
2016 - 2017	Acting Executive of Engineering Petroleum Thai Corporation Co., Ltd

2014 - 2015	Acting Director - Minimart Management Department Petroleum Thai Corporation Co., Ltd.
2013 - 2017	Executive of Station Management Department Petroleum Thai Corporation Co., Ltd.
2013	Acting Director - Purchasing Department PTG Energy PLC
2012 - Present	Risk Management Committee PTG Energy PLC
2010 - 2012	Acting Director - Retail Division Petroleum Thai Corporation Co., Ltd.

Position in Other Listed Company

2016 - Present	Director AMA Marine PCL
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Position in Other Company / Organization / Institution

-none-

Flt. Lt. Satta Suparp

Member of Risk Management Committee / Executive of Business Intelligence

(Appointed as Executive on June 1, 2015)

Ages 53 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0007

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Science (Computer Science)**
Chulalongkorn University
- **Bachelor of Science (Statistics)**
Chiang Mai University

Training

By Thai Institute of Directors (IOD)

2012 SFE Program Association, class 16/2012

Other Training

2016 Big Data Certification Course
2015 Digital Marketing Conference 2015

Working Experiences

2017 - Present Executive of Business Intelligence
PTG Energy PLC

2016 - Present Director
Empire Service Solution Co., Ltd.

2015 - 2017 Executive of Information Technology
PTG Energy PLC

2014 - 2015 Executive of Marketing and Customer
Relation
PTG Energy PLC

2013 - 2014 Executive of Marketing and Customer
Relation
PTG Energy PLC.

2013 Executive Officer of the Office of
the President
PTG Energy PLC

2012 - 2013 Administrative Officer 10
In Office of the President
PTG Energy PLC

2011 - 2012 Administrative of Central Officer 10
In Office of the President
PTG Energy PLC

2011 Administrative Officer 10
Central Administrative PTC
Petroleum Thai Corporation Co., Ltd.

2007 - 2011 Senior Manager - Policy & Planning
PTG Energy PLC.

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

Mr. Suwatchai Pithakwongsaporn

Member of Risk Management Committee / Executive of Sales

(Appointed as Executive on January 1, 2015)

Ages 45 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0787

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Economics (Business Economics)**
Kasetsart University
- **Bachelor of Economics (Business Economics)**
University of the Thai Chamber of Commerce

Training

By King Prajadhipok's Institute

2016 Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, class 20

By Thai Institute of Directors (IOD)

2012 SFE Program Association, class 16/2012

Other Training

2015 Smart Marketing
2014 Modern Marketing Management

Working Experiences

2017 - Present Director
Siam Autobacs Co., Ltd.

2017 - Present Director
Palangngan Pattana 5 Co., Ltd.

2017 - Present Assistant Director of Marketing and Customer Relation
PTG Energy PLC

2015 - Present Director of Sales
PTG Energy PLC.

2013 - 2015 Senior Manager of Sales/
Manager of Sales /
Senior Manager of Sales and Marketing /
Senior Manager of Marketing
PTG Energy PLC

2011 - 2012 Administrative Officer 10
In Office of the President
PTG Energy PLC.

2011 Acting Director of Marketing/
Senior Manager of Marketing
PTG Energy PLC

2007 - 2011 Manager Of Sales
PTG Energy PLC

1998 - 2007 Region Manager of Sales
PTG Energy PLC

1996 - 1998 Sales
PTG Energy PLC

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

Mrs. Wipa Boonpalit

Executive of General Management

(Appointed as Executive on October 1, 2015)

Ages 54 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0024

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Business and Administration (EX-MBA)**
(Money and Marketing)
Sripatum University
- **Bachelor of Arts (Tourism Management)**
Kasetsart University

Training

Other training

- Basic Operation Course
McDonald's Hamburger University, Singapore
- Advance Operations Course
McDonald's Hamburger University, Oak Brook, Illinois, USA
- Operation Consultants' Class / McOpCo
McDonald's Mid-Management Development, Oak Brook, Illinois, USA
- Customer Management Best Practice, Nestle Training Course,
Singapore
- Leading Change for Results, College of Management Mahidol University, Bangkok, Thailand.
- High Performance Company Leadership
Nestle' Thailand.

Working Experiences

2017 - Present	Managing Director GFA Corporation (Thailand) Ltd.
2016 - Present	Executive of General Management Pun Thai Coffee Co., Ltd.
2015 - 2017	Executive of Office of the President PTG Energy PLC
2015	General Manager Dream House (Thailand) Co., Ltd.
2013 - 2014	Chief Operating Officer Evolution Capital PCL.
2007 - 2013	Chief Operating Officer Mudman Co., Ltd

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

Mr. Chalong Tiratraipusit

Member of Risk Management Committee /
Executive of Corporate Communication
 (Appointed as Executive on October 1, 2015)

Ages 52 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0003

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Bachelor of Business and Administration (Marketing)**
Ramkhamhaeng University

Training

By Thai Institute of Directors (IOD)

2012 SFE Program Association, class 16/2012

Other training

2016 Coaching Clinic
 Coaching Skills Workshop Enabling
 the PTG Way through coaching
 Coaching Skills Workshop Creating
 PTG Way with CEO
 PTG Smart Marketing and CRM
 2015 PTG Next Generation Leaders
 The 7 Habits of Highly Effective People

Working Experiences

2016 - Present Director
 Empire Service Solution Co., Ltd.
 2016 - Present Executive of Corporate Communication
 Department
 PTG Energy PLC.
 2016 Executive of Office of the President
 PTG Energy PLC.

Position in Other Listed Company

-none-

Position in Other Company / Organization/ Institution

-none-

Mr. Santhiti Subhanusorn

Executive of Logistics Department
 (Appointed as Executive on April 3, 2017)

Ages 50 years

Shares possession held (%)

(As of December 31, 2017)

Self : -none-

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Bachelor of Engineering (Industrial Engineering)**
Kasetsart University

Training

Other training

- Leadership development
- Managing business as Entrepreneur
- Balance scorecard
- Lean
- Cost reduction
- Finance for non-finance
- Seamless Supply chain management
- Warehouse management
- GMP and HACCP
- How to improve customer satisfaction
- Effective business communication in English

Working Experiences

2017 - Present Executive of Logistics Department
 PTG Energy PLC
 2015 - 2017 VP Operations Premier
 Energy Co., Ltd.
 2014 - 2015 General Manager
 Berli Jucker Logistics Ltd.
 2011 - 2014 General Manager Operations
 Ceva Logistics (Thailand) Ltd.

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

Ms. Saiyon Sirivarakarn

Executive of Minimart Management

(Appointed as Executive on June 1, 2017)

Ages 53 years

Shares possession held (%)

(As of December 31, 2017)

Self : 0.0006

Spouse and underage children : -none-

Relationship with Company's Executive(s)

-none-

Education

- **Master of Science Program in Retailing Business Management**
Thammasat University
- **Bachelor of Business Administration (Human Resource Management)**
Rajabhat Rajanagarindra University

Training

Other training

2015 - 2017	Academic Seminar on Innovation to Increase Productivity
2014 - 2017	CP ALL Leader Cascade
2012 - 2017	Spirit of Harmony Program
2015 - 2016	Equipping Session and Action Planning CP ALL Signature Service Sustainability Workshop Executive Forum
2014 - 2016	Feedback & Performance Conversation Program
2013 - 2014	Business Leader Program (CP Group)
2013	Humanize & Smart Leadership System
2012	Performance Excellence Code of Product CP AL Quarterly Seminar
2009	Coaching & Feed-Forward to Enhance Performance
2008	BSM Walk Through

Working Experiences

2017 - Present	Executive of Minimart Management Petroleum Thai Corporation Co., Ltd.
2015 - 2017	Managing Director QSR S. Khonkaen Food PCL
1996 - 2015	Senior General Manager CP All PCL

Position in Other Listed Company

-none-

Position in Other Company / Organization / Institution

-none-

[illegible]

Those with governing authority, and related companies Details of the Directors, and Executives.	Pol. Gen. Soontorn Saikwan	Mr. Supote Pitayapongpat	Mr. Pongsak Yachirasakpanich	Mr. Vahichai Duangratana	Mr. Pitak Ratchakitprakarn	Mrs. Chaikaew Gajasen	Mrs. Jansrak Nitayanurak	Assoc. Prof. Dr. Wanchai Rattanawong	Mr. Kraiawe Sirkul	Mr. Rangsun Puangprang	Mr. Chaiwat Lertvanarin	Mr. Pumipat Sinachroen	Mrs. Sukwasa Poosutvanishakul	Mr. Thattree Kerdboonsong	Mr. Surasak Songvorakulpan	Mr. Chaitas Wanchai	Flt. Lt. Satta Suparp	Mr. Suwattchai Pitakwongsaporn	Mrs. Wipa Boonpalit	Mr. Chalong Tiratraipust	Mr. Santhit Subhanusorn	Ms. Saiyon Sirirakarn
Communication & System Solution PCL			/																			
Raffles International College			/																			
Secondary Mortgage Corporation												/										
Liquor Distillery Organization Excise Department												/										
Fortune Parts Industry PCL												/										

Remark : x = Chairman of the Board of Directors - = Vice Chairman of the Board of Directors o = Governing Authority^{1/}
 / = Director # = Executive + = Major Shareholders^{2/}
 * = President and Chief Executive Officer

^{1/} Governing Authority means

- (1) Holding of shares with voting right of a juristic person in an amount exceeding fifty percent of the total number of voting rights of such juristic person;
- (2) Having control of majority voting rights in the shareholders' meeting of any juristic person, whether directly or indirectly or any other reasons;
- (3) Having control over appointment or removal of at least half of all directors, whether directly or indirectly.

^{2/} Major shareholders means shareholders who, whether directly or indirectly, hold more than 50% of the total voting rights of that juristic person.



Corporate Governance

Corporate Governance Policy

PTG Energy Public Company Limited or “The Company” realized that the good corporate governance is the key factor to support the organization’s efficiency and transparency. This standard would lead the company’s business to achieve the international standard and raise the trust of all stakeholders. Thus, the Company has designated the good corporate governance policy in written since 2012 and set the annually appropriate review session for the policy and guideline.

Compliance with Good Corporate Governance Principles

The Company has been in compliance with the Good Corporate Governance Principles stated by SET as follows:

Section 1 Right of Shareholders

The Company recognizes the importance of supporting, promoting, and facilitating all shareholders groups evenly. The notable aspect is the basic rights of shareholders such as right to buy, sell and transfer securities held by them freely, to share profit of the Company, to sufficiently obtain news and information of the Company, to attend and exercise their votes at the meeting of shareholders. The Company has thus laid down pertinent policies and procedures in order to protect shareholder rights as well as to support and facilitate the exercise of their rights, as follows:

General Meeting of Shareholders

Actions prior to the Day of Shareholders General Meeting of Shareholders

- 1) The Company announced the criteria for the shareholder’s right to propose the agenda of the Annual General Meeting of Shareholders and the names of candidates for the 2017 director election in http://ptg-th.listedcompany.com/shareholder_meeting.html. The shareholders could review their rights, methods and timeline to propose the meeting agenda and/or the names of qualified candidates from November 10, 2016 until December 31, 2017.
- 2) To provide convenience and more lead time to review the agenda and information of the meetings for shareholders, the Company publicized the invitation letter of 2017 Annual General

Meeting of Shareholders and the meeting documents (in Thai and English version) at least 30 days before the meeting, such as the 2016 annual report, the financial statement ending December 31, 2016, the profiles of candidates for the director positions, the definition of independent directors, the proxy form A, B, and C, the registration conditions, the required documents for the shareholder meeting, the appointment of proxy holder and the vote casting, the information of the independent directors whom the Company proposed to be the proxies, the Company’s regulations related to the shareholder meeting and the map of the meeting venue, etc. in http://ptg-th.listedcompany.com/shareholder_meeting.html from March 23, 2017 onwards, and also in the Stock Exchange of Thailand’s news release.

- 3) In case that the shareholders were not be able to attend the meeting, the Company enables them to appoint Pol. Gen. Soontorn Saikwan, Mr. Supote Pitayapongpat or any person as a proxy to attend the meeting on their behalf by using one of the proxy forms attached with the invitation letter.
- 4) The Company has the policy to support and provide convenience to shareholders and institutional investors. In 2017, the Company held the meeting at the easy-for-travelling location, that is, the Meeting Room 1-2, Queen Sirikit National Convention Center, located at no. 60, New Ratchadapisek Road, Klong Toey subdistrict, Klong Toey district, Bangkok.

Actions on the Day of Shareholders General Meeting of Shareholders

- 1) The Company prepared the stamps, photo copy machines, and the company officers to help review the documents, provide information and convenience to the shareholders on the meeting day. The registration was opened for shareholders from 12 p.m. onwards.
- 2) The Company used the technology for the registration system and vote counting to provide convenience and time saving for shareholders. The process was VDO recorded to be publicized in the Company’s website.
- 3) The Company provided the auditor and the legal counsel to ensure the meeting was conducted in accordance with the law and the Company’s regulations.

- 4) The Company enabled all shareholders to have the equal rights to freely share their opinions, comments or questions in each agenda before the vote casting. The directors and executives related to the agenda were required to be present in the meeting to answer the questions. The questions, answers and significant comments were recorded in the minute of the meeting for further review by shareholders. The Company also provide an opportunity for shareholders to send questions in advance of the meeting as stated in the invitation letter.
- 5) Shareholders who are directors or executives with the concern and interest in any agenda shall not have the right to vote in such agenda.

Actions after the Day of Shareholders General Meeting of Shareholders

- 1) The Company disclosed the resolutions from the Annual General Meeting of Shareholders. The report of complete and accurate information shall be arranged for the further inspection of shareholders and publicized for all shareholders' awareness. In addition, the information regarding the meeting can be downloaded online for the Company website.
- 2) The Company took the shareholders' advice and comments into consideration and found the way to continuously improve the Annual General Meeting of Shareholders.

Section 2 Equitable Treatment of Shareholders

The Company takes into account the importance of each shareholder equally and fairly including the management shareholders, non-executive shareholders, minority shareholders, and foreign shareholders for the benefit of the shareholders as follows:

- 1) At a meeting where director election is considered, the Company shall give the shareholders an opportunity to cast their votes on an individual basis. Accordingly, the shareholders exercise the right to elect any nominees qualified as directors to safeguard their interests, thereby promoting diversity among directors who would truly represent the shareholders.
- 2) Directors, executives and staff being aware of inside information are prohibited from revealing said information to third or uninvolved parties. In addition, the Company has a policy preventing directors, executives and employees from using non-public inside information acquired as a result of their positions to trade the Company's securities. Directors and executives are also prohibited from trading the Company's

securities during the period of 1 month before the financial statements are publicly disclosed, which the Company announced this policy quarterly throughout 2017.

- 3) Directors and executives are informed of the duty to report changes in their securities holding to the Office of the SEC in pursuant to Section 59 of the Securities and Exchange Act of 1992 (as amended). In this regard, the Directors and the top Executives is required to report to the Board of Directors or an appointed person on selling or buying the Company's shares 1 day earlier.

Section 3: Taking into Account the Role of Stakeholders

The Company commits to conduct the business fairly with the equitable treatment of all stakeholders for the sustainable mutual benefits. The Company strictly follows the legal requirement and related rules and regulations. The Company sets policies and guidelines for all groups of stakeholders in the Good Corporate Governance Policy so that employees at all levels can use as the key principles for business conduction.

In 2017, the Company has implemented the policy by conducting activities and projects for all stakeholders' groups.

3.1 Treatment of Shareholders

The Company has a policy to treat all shareholders equitably and not to perform any action in violation or infringement of shareholders' rights. It endeavors to safeguard shareholder rights and maximize their satisfaction, taking into account the sustainable growth of the Company, addition of corporate value, consistent and proper returns, along with adherence to the good corporate governance principles.

In 2017, in addition to the content mentioned in "Section 1: The Rights of Shareholders" and "Section 2: The Equal Treatment to Shareholders", the Company also publicized the sufficient information to shareholders and strengthened the good relationship with shareholders and investors by communicating through many activities as follows:

- 1) Participated in the Stock Exchange of Thailand's activities to support the investment and publicized information of the Company, such as Opportunity Day and Thailand Focus.
- 2) Held an Analyst Meeting with investors and analysts every quarter.
- 3) Provided the Company Visits for investors to ask about the company's business direction and strategy.
- 4) Held the Road Show activities to meet investors in Thailand and abroad.

3.2 Treatment of Employees

The Company realized the importance of the employees which seeing them as the valuable assets of the company and the fundamental of success. Therefore, the Company not only provided employees welfare and safety, but also emphasized on the development of potential, knowledge, talent and skills of them and encouraged the good corporate culture and working atmosphere, including the suitable remuneration consideration. All employees were treated equally and fairly, regardless of their gender, nationality, race, religion, or believe with the following resolutions:

Communications and Activities for Employees

- 1) The Company had the policy of providing continuous treatment to employees and increasing two-way communications between the executives and employees, for example, the CEO Talk or the meetings between CEO and staff at each level to build the confidence and to communicate the company's policy, objectives, and direction to the low level staff who were the key drive of the organization.

- 2) The Company set up the "PTG WAY" project in order to build the fundamental of teamwork which is the corporate culture. The four company values which are unique key success factors were as follows:

Customer Service	Full quality, Full service
Teamwork	Grow together for tenable bond
Integrity & Ethics	Act righteously to achieve sustainable growth
Continuous Improvement	Have courage to think and act, learn for excellence

They are fundamental of the principle ideas, decision making and problem solving in order to create the same behavior for all that leads to the company's goal and vision. In 2017, the Company organized PTG Way Leadership Workshop to cultivate the Company's value to executives. Therefore, the executives could be role model of implementation of the corporate value to work and daily life.

- 3) The Company realized the importance of employee sustainability and set up the Employee Engagement Survey which let the company know the engagement level, the issues and the needs of employees. The survey result was utilized for further plans to build the employee engagement to the company every year.

- 4) The Company supported employees to develop their knowledge in both inside and outside the Company. Scholarships are offered to employees in a course that is consistent with the direction of the business to strengthen and improve the potential employees to bring knowledge to support the Company's growth.
- 5) The Company continuously provided the internal and external training courses to employees. In 2017, the average time of training that each employee took per year was 15.4 hours/person.

Remuneration and Employee's Welfare

The remuneration to employee policy is defined as appropriated and in compliance with the Company's business performance both in short term and long term as follows:

Short term incentive

The Company has policy to pay for performance which is deemed as the key strategy of compensation management at present time. This is to motivate employees in the organization to show their performances. The objectives and key performance indicators are clear evaluation factors to help improve the human resource management. The Company have various kinds of incentives as needed to meet employees' responsibilities as follows:

- 1) Annual Bonus is set as a variable pay which is considered from the Company's business performance as first priority in order to get employees in the whole organization to have the same goal. The payment is considered from the individual performance evaluation.
- 2) Incentive for the sales achievement or commission plan new branch expansion shall be paid to the sales in PT stations, coffee shops, and mini mart, or to sales team which is the significant drive for the organization's income. The payment is paid based on the monthly performance, quarterly performance or each short-term performance.
- 3) Oil loss control incentive is the reward for employee who are able to control the oil loss, counting from receiving oil to oil storage and oil supply to create the credibility in the process efficiency.
- 4) Incentive will be paid to employees for maintaining service standard. The Company has the policy to create excellent customer service by conducting random service check from the Mystery Shopper to gauge service standards. Service standard incentive is set to motivate employees to provide the best services to customers in order to achieve high customer satisfaction.

Long term incentive

The company has policy to motivate employees to deliver long term performance to the organization by providing the rights to buy stock option of the Company. The higher profit the company gets, the higher value the employees' stock option will be. So are earnings per share and dividends which continue to increase from the improving business performance.

- 1) The Company provides the welfare and basic benefits as required by law, including the social security and provident fund. Employees will continuously be informed.
- 2) The Company continuously joins the external party's survey of salary benchmarking and set salary structure for employees in order to build the confidence in the organization's compensation and welfare plan which is fair for both internal and external equity. This shall also give motivation for efficient performance to employees.
- 3) The Company has policy to provide better health care welfare and life insurance than the legal requirement to employees. Besides, the place for exercise along with training equipment is provided in the workplace in order to support them to be healthier and to deliver the performance with efficiency. The Company also set the Welfare Committee election in the organization to share the concept and suggestion for the good welfare of the personnel. Employees are also encouraged to participate in the internal activities and external activities with communities in neighborhood area.

The 2016-2017 compared statistics of the workplace hazard or illness at work is as follows:

Company Name	Y2017 (person)	Y2016 (person)
PTG Energy Public Company Limited	2	0
Petroleum Thai Corporation Co., Ltd.	17	7
Punthai Coffee Co., Ltd.	0	0
PTG Logistics Co., Ltd.	0	0
GFA Corporation (Thailand) Co., Ltd.	1	0
Total	20	7

Note: The increase in workplace hazard statistics compared to the year 2016 was derived from the Company's high business expansion with new employees every month. The strict control and strict safety policy helped reduce the degree of hazard to no-fatal cases. However, the Company has set the additional control measures to create the safety environment for operating employees and, at the same time, has continuously provided the safety training to create the safety consciousness to the employees.

Human Rights and Labor Policy

To realize the importance of human rights respect and labor practice for every person, the Company has set the human rights and labor policy for equal treatment to everyone and will support the human rights promotion and avoid all actions abusing the human rights. The Company will fairly treat employees according to the labor law and related regulations with the following rules for executives and employees:

- 1) Treat everyone with respect, honor and equality. Do not discriminate anyone by his/her physical appearance, mental condition, nationality, religion, gender, language, age, skin color, education, social status or any other differences.
- 2) Perform duty carefully to prevent the risks where the human rights are abused by business conduction. Watch the human rights respect and report to the upper level for prevention when facing the human rights abuse cases.
- 3) Perform equal treatment in every employment process, including recruitment, remuneration payment, working hours and holidays. Work assignment, performance evaluation, training and development, career path planning and other matters must be treated with non-discrimination.

- 4) No use of forced labor, labor from trafficking, illegal child labor and physically or mentally brutal punishment, including coercion, imprisonment, threatening, harassment, or violence in any forms.

3.3 Treatment of Customers

The Company focuses on strengthen customer satisfaction by delivering quality products that meet their demand, disclosing complete and up-to-date information of products and services without misleading them, and honoring contracts, agreements or conditions made with the customers on a transparent and equitable basis. Confidentiality of customers shall be preserved at all times, and not be exploited for personal gain or for the interests of other related parties. Moreover, the customers can send the complaints directly to PT call center at number 1614.

3.4 Treatment to Trading Partner

The Company sets the criteria to strictly evaluate and to select the trading partner according to contract, agreement or conditions without any demand for, receive or pay any dishonest benefits and to keep trading secrets of trading partners. If the Company cannot follow the conditions, agreement, and contract obligations, the Company has to inform trading partners at their earliest and find the common approaches to solve problems. The Company's policy to give or receive gifts or assets or other benefits is in compliance with the good corporate governance and anti-corruption policy, which the Company ask for collaboration from other related parties not to send any presents or offer any celebrating treats.

Procurement and Partner Selection Policy

PTG Energy ("The Company") has the procurement and partner selection policy for suppliers, operators, distributors, service providers or employees with the transparent and fair process. The Company supports partners who perform their business with ethics and follow the Company's procurement regulations. For the benefits of cost management, working efficiency, continuous business partnership, including social contribution and responsibility to community and environment, which will lead to the sustainable business growth, the Company sets the guidelines and selection criteria as follows:

- 1) The trading partners shall be selected, appraised and examined with fair, transparent and standard criteria. Selected partners must perform their business with ethics and be in compliance with the relevant legal requirement, have business security, credible

business conduction records and existing offices that can be examined. The Company shall conduct business with partners who do their businesses fairly, without human rights abuse and are aware of responsibility to society, community and environment.

- 2) The Company realizes the importance of the supply chain management focusing on product quality, accurate volume with fast and safe delivery, environment friendliness and transparent operations. This reflected in both the Company and partners. The Company also supports the value-added creation of the Company itself and partners involved in the supply chain.
- 3) The Company has the management and monitoring system in procurement and partner selection process, avoiding any actions leading to conflict of interest, corruption or discrimination that may cause damages to the Company's business.
- 4) The Company realizes the importance of the risk management when the risks can be caused by trading partners. The study and analysis on the transactions between the Company and any partners are regularly conducted. It includes the risk assessment caused by the Company's partners, considering the effect to the society and environment, in order to build the credibility to all stakeholders.
- 5) The Company commits to develop and maintain the relationship with its trading partners and contracted parties for the sustainable growth and benefits of both sides.

3.5 Treatment to Creditor

The Company commits to do business with principles and disciplines to create confidence to creditor by strictly following the trade agreement of every trade creditor and financial institution, especially the debt payment, terms of guarantee, responsibility, transparency, information disclosure, or any facts that will damage trade creditor. In any case when the Company cannot follow the condition, the staff who has direct responsibility of the case will communicate to creditor to assure that the creditor will fairly be informed.

3.6 Treatment to Trading Competitors

The Company has policy to conduct business in an ethical manner, treating competitors equally and competing fairly. The Company will not seek for confidential information of trading competitors with inappropriate approaches and does not support any action that discredits, alleges, incriminates or attacks competitors without any unfounded information.

3.7 Treatment to Community, Society and Environment

The Company emphasizes the sustainable coexistence with the community and society and recognizes the importance of all stakeholders, compliance of regulations, laws and other related rules. These incorporate with social development and environment are the crucial fundamental for the Company's sustainable growth. In order to achieve this, the Company encourages employees to develop their conscious mind and realize their roles, duties and responsibilities to the community, society and environment. The Company also sets and regularly reviews the policy and safety plan, occupational health, stability and environment to be able to control and evaluate employees' performance.

Responsibility in Safety and Environment

The Company set and regularly reviews the occupational health and safety, security and environment policy and plan in order to be able to control and assess the employees' performance. The CSR Safety activities by PT Station were created to be the channels for knowledge transfer to communities, schools and local governmental agencies. Moreover, the Company supports the natural resource and environment sustainable management throughout the business conduction process by using the appropriate technology to prevent the environment effect that may be caused by business operations. The Company also created the environmental consciousness and atmosphere to employees by providing the opportunity to participate in the environment management.

Quality, Occupational Health and Safety, and Environment Policy

The Company has committed to be the business leader in energy services by focusing on the development of quality, health and environmental safety. The Company, being aware of the responsibility to all groups of stakeholders, set the quality, occupation health and environmental safety as following details:

- 1) Commit to quality management all over the Company in product distribution and services that meet the requirements to increase the customer's satisfaction by meeting their demand and expectation.
- 2) Commit to manage the safety, occupational health and environment to be in compliance with the law, regulations and other international standards applied by the Company in order to prevent the accidents, injuries and illness of the operating employees.
- 3) Commit to improve the work process to be efficient for the continuous effectiveness.
- 4) Manage the corporate with social responsibility to reduce the effect, prevent the problems about the environment, and promote the living quality of employees, communities and other stakeholders.

Social and Community Development

Continuously expanding its business all over the country, the Company aimed at local employment, to have local people to provide suitable services to local customers. So, the Company has developed the education and participation with the community programs in variety of forms, such as educational support, relationship building with the communities living around the oil depot and service stations. Moreover, the Company gave importance to conducting business with social responsibility by creating corporate social responsibility activities that lead to the happy living society, together with the value creation to the business and all stakeholders.

Section 4 Information Disclosure and Transparency

Recognizing the significance of accurate, complete, sufficient and timely disclosure of information to shareholders, investors and the general public, the Company has a policy to publish via the SET's system and its website (www.ptgenergy.co.th) corporate information, namely financial reports and information, general information as required by the Securities and Exchange Commission and the Stock Exchange of Thailand, along with other information that may affect the price of the Company's securities or the decisions of shareholders, investors, and stakeholders, also to ensure that the law and regulations the Company was following are rightful and transparent, the examples are as follow;

- 1) The Company arranged the reports as required by the law related to the director or executive director of the Company and reported to SEC as follows:
 1. Shareholding report of the Company when the directors or executive directors were appointed (form 59-1) within 30 days of the effective date.
 2. Report of the change in the Company's shares holding when there was any purchases, sales or transfer transactions of the Company's shares (form 59-2) within 3 days of the change date.
 3. Disclosure of the names of the committees and executives of the Company issuing the securities (form 35-E1) in the data base within 7 days of the effective date.
- 2) The directors and executive directors must report the conflict of interest of their own or other related persons as follows:
 1. Report when appointed for the directors or executive directors for the first time.
 2. Report when there was any change in the conflict of interest information.
 3. Report annually
 4. Directors and executives must report their conflict of interest to the Company secretary offices and submit the copy to Internal Audit Department.
- 3) The Company's information was publicized through the following channels:
 1. Electronics system of SEC and SET
 2. Annual Statement (form 56-1) and Annual Report (form 56-2)
 3. Company's website www.ptgenergy@gmail.com
 4. Investor relation unit for the direct contact with investors inside and outside of the country.

In addition, all employees are required to discharge their duties solely for the maximum benefits of the Company. All actions and decisions shall be made in accordance with the Company's regulations and procedures, and not be influenced by personal intents of the makers or their family members, close relatives or other acquaintances.

All employees are also prohibited from exploiting or using inside information corruptly for personal gain or for the interests of their families or associates, and must safeguard the Company's inside information and documents without disclosing them to third and/or uninvolved parties. Use of shared inside information by employees must be in the scope of duties and responsibilities assigned specifically to each.

4.1 Investor Relations

The Company recognizes the importance of accurate, complete, and timely disclosure of information in accordance with the disclosure requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Another significant aspect of investor relations is to build strong relations between the Company and investors, analysts, financial institutions, and credit rating agency. Thus, the Company has set up the Investor Relations (IR) Department in order to be a centralized information management hub for the Company and to communicate these information through various channel such as telephone, email, and IR webpage. IR department is also responsible for regular activities arrangement including analyst meeting, and meeting with investors.

In addition, IR department has established a Code of Conduct for Investors Relations and information disclosure policy to comply with good corporate governance guideline Investor Relations activities are conducted in accordance with IR's mission, "swift communications, transparent information, service-minded, standing by investors". For further information, the IR Department contact information is as follows:

- PTG Energy Public Company Limited
Investor Relations Department
90 CW Tower A 33rd Floor, Ratchadaphisek Road,
Huaykwang, Bangkok 10310
- ir@pt.co.th
- Telephone: +66 2168 3377, +66 2168 3388
- Facsimile: +66 2168 3379, +66 2168 3389.

In 2017, the Company conducted the activities to present the information and business performance to the investors, shareholders and relevant parties as follows:

Summary of Customer Relation Activities in 2017

Activities	Number (times)
Annual General Meeting of Shareholders	1
Analyst Meeting	4
Company Visit	51
Opportunity Day (Thai version) (by SET)	4
Opportunity Day (English version) (by SET)	4
Domestic and International Road Show	4
Conference Call	9
Information queries via E-mail and phone calls	10 time/week
Press Conferences	2
Interview	19
Meet credit rating agency	1
Investors visit service stations	1
Information disclosure through SET	27

4.2 Internal Information Control

The Company realizes the importance of the internal control. Directors, executives and employees at all levels in the Company have duties to keep the internal information confidential. They must not disclose the internal information, the information received by work performing, or the key information not yet disclosed to the public and could influence the investment decision making, the investors' benefits, and the Company's stock values, to other persons or use it for personal benefits or in the way that may cause damages to the Company or its business partners both directly and indirectly. The Company has set the internal and confidential information control principles as follows:

- 1) Directors, executives and employees at all levels of the Company are prohibited to disclose the Company's confidential and/or internal information to non-relevant organization or persons.
- 2) Directors, executives and employees at all levels of the Company are prohibited to make use of the Company's confidential and/or internal information for personal benefits or other persons' benefits, either directly or indirectly, no matter if he/she would get benefits in return or not.
- 3) Directors, executives and employees at all levels of the Company who are informed of the Company's performance or internal information that may

have effect on the stock value change and not yet disclosed to the public are prohibited to buy or sell the Company's stock until such information are disclosed to the public. This prohibition includes their spouses and underage children. Anyone who violates such regulations will be considered a serious offense and be punishable by law.

- 4) Directors and executives must understand and be aware of the duty in reporting the securities holding of their own, their spouses and their underage children. Directors and executives are required to submit the report of securities holding and securities buying and selling transactions of the Company to the Company Secretary Office. The report shall be submitted to SEC according to Section 59, including the Penalties under the Securities and Exchange Act BE 2535 (as amended) and according to the regulations of the Stock Exchange of Thailand. The Company Secretary Office has to present the report of the change in directors' and executives' securities holding to the Company's Board Meeting by quarterly.
- 5) The Company set the disciplinary action for those who seek for benefits from the Company's internal information or disclose it and cause damages to the Company. The penalty will be considered as appropriated, such as verbal warning, written warning, probation or discharged from the directors or employees' status by dismissal, dismantle or resignation, etc.

Furthermore, the Company will not disclose the business performance one month before the financial quarterly review and annual financial statement are published. There will be no meeting or answering questions about the business performance to stockholders, investors, stock analysts and press media to avoid the information disclosure before the public awareness.

However, the Company will review the detail and the compliance with the governance of critical information and the confidentiality security within the corporate at least once a year to be align with the Company's business conduct and to follow the rules set by law for each period.

4.3 Whistle Blowing and Complaint Policy

According to the good corporate governance principles of the listed companies regarding the roles of stakeholders, the information disclosure and transparency, the Company provides channels for stakeholders to participate in the corporate governance system to support the Company's operation transparency. Employees and stakeholders are encouraged to monitor the Company's business conduct to see if there are any actions not in compliance with the law, good corporate governance related regulations, business ethics, or any flaws in financial report or internal control system. They could whistle blow through the assigned channels as follows:

E-mail : whistleblower@pt.co.th
 Letter Mail to : Audit Committee President
 PTG Energy (Public) Co., Ltd.
 CW Tower A, 33rd floor
 Ratchadapisek Road, Huay Kwang,
 Bangkok 10310

In case that the complaint is made against the Internal Audit Department, please use the following channel:

Letter Mail to: Chief Executive Officer and Managing Director
 90 CW Tower A, 33rd floor
 Ratchadapisek Road, Huay Kwang,
 Bangkok 10310

Scope of complaints and whistle blowing

- 1) When the corruption, illegal, not compliance with rules, regulations, morals, business ethics actions, were found.
- 2) When the actions against the Company's rules and regulations or affecting the internal control system and could lead to corruption, Company's disadvantages or damaged reputations, were found.

Whistle Blower and Confidentiality Protection

The Company protects the rights of a whistle blower or informant who act in good faith by keeping confidential the name, address or any information indicative of the whistle blower or the informant. The given information will be kept confidential with limited access for only the persons in charge of the complaints investigations.

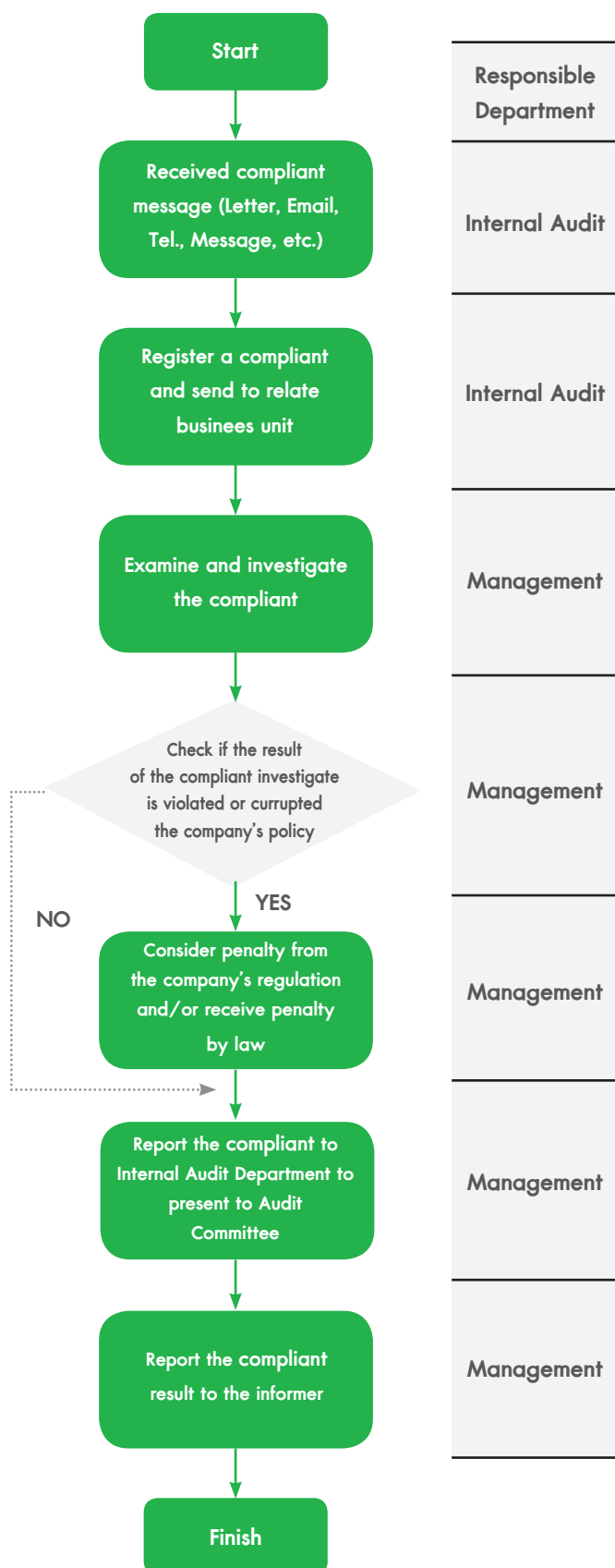
In case that the complaint is made against the CEO and/or the Board of Directors, the Audit Committee will protect the whistle blowers, witnesses and informants supporting the investigation from the troubles, dangers or illegitimacy caused by such clues, complaints, witness or given information. The complainants can submit the complaint to the Audit Committee directly.

CEO has duty in using appropriate discretion to protect the whistle blowers, complainants, witnesses, and informants supporting the investigation from the troubles, dangers or illegitimacy caused by such clues, complaints, witness or given information.

CEO can assign any executive to act on his behalf in using appropriate discretion to protect the whistle blowers, complainants, witnesses, and informants. The assigned executive must not be involved in such complaints or clues either directly or indirectly (for example, the accused is his/her direct report.)

The persons receiving the complaints have duty to keep confidential such information, complaints and evidence of both complainant and informant. They are prohibited to disclose such information to non-relevant persons, except for the disclosure according to the law.

Actions taken when receiving the clues or complaints



- 1) When the Internal Audit Department receives the clues or complaints from electronic mails or mailing letter, the information will be submitted to the Management, i.e. Chief Executive Officer and Managing Director or the assigned persons, within 2 working days.
- 2) Receiving the information, the Management has to find the evidence or supporting information as soon as possible and to inform the priority action to the Audit Committee within 3 working days. The Internal Audit Department is the representative in receiving and submitting the information to the Audit Committee.
- 3) In case that the Management needs to set up the investigation process, the investigative committee has to consist of the representatives from various department heads, such as the original affiliation department, human resource management department, law department, accounting and finance department or internal audit department, etc.

Section 5 Responsibilities of the Board of Directors

5.1 Sub-Committees

The Board of Directors has set up subcommittees, i.e. Audit Committee, Executive Director Committee and Risk Management Committee to assist the Board of Directors in governance. Scope of duties and authorities of each committee shall be clearly defined in writing. These committees consist of directors with expertise, competency and extensive background in business, as well as fully qualified under Section 68 of the Public Limited Companies Act of 1992 (including amendments thereto) and other applicable notifications.

The Company's Committees, as of December 31, 2017, were comprised of:

1) Audit Committee

The Board of Directors approved the establishment of Audit Committee, appointed from independent directors who were qualified for the securities law and SEC's regulations, on May 25, 2012. The Audit Committee Directors as of December 31, 2017 are as follows:

Name	Position in Audit Committee	Meeting Attendances	
		Attendance (time)	%
1. Mr. Supote Pitayapongpat ^{1/}	Chairman of the Audit Committee	12/12	100
2. Assoc. Prof. Dr. Wanchai Rattanawong	Member of the Audit Committee	12/12	100
3. Dr. Vuthichai Duangratana	Member of the Audit Committee	12/12	100

Notes : ^{1/} Member of Audit Committee who is capable of auditing reliability of financial statement

^{2/} Secretary of Audit Committee is Ms. Sumaree Panniyom

Scope of Authority and Duties of the Audit Committee

1. Committee Charter

- (1) Set up the Audit Committee Charter to state their duties.
- (2) The content stated in the charter shall have clear meaning, definition and direction, including the duties of the Audit Committee.
- (3) Review and make the Audit Committee Charter up to date, complied with the Company's direction and effectively executed, for at least once a year.

2. Financial Reporting

- (1) Review to ensure that the preparation and information disclosure of the Company's quarterly and annual financial reports are accurate, complete, sufficient, reliable and timely, by coordinating with the external auditors and executives responsible for preparation of the financial reports.

3. Related Transactions and Transactions with Potential Conflicts of Interest

- (1) Review that connected transactions and transactions with potential conflicts of interest are in compliance with the laws and the SET's regulations in order to ensure that these transactions are reasonable and in the best interests of the Company.

- (2) Review that the disclosure of information regarding connected transactions or related transactions or transactions that may involve conflicts of interest is accurate and complete.

4. Internal Control

- (1) Review to ensure that the Company's internal control system is appropriate and effective.
- (2) Consider audit results and recommendations of the external auditors and the internal audit office on the internal control system, propose said recommendations to the management for further improvements, and follow up the progress.
- (3) Considered the "Assessment of the adequacy of the internal control system" to ensure the Company had efficient control system for at least once a year.

5. Internal Audit

- (1) Review to ensure that the Company's internal audit unit is independent and the internal audit system is effective.
- (2) Review activities and structure of the Internal Audit Division, and approve the Charter of the Internal Audit Office.
- (3) Participate in the approval to the appointment, rewarding, transfer, removal or dismissal as well as the remuneration of the manager of Internal Audit Division, to ensure that the unit can perform duties independently.

- (4) Review with the manager of Internal Audit Division the internal audit plan, especially on matters concerning internal control system and financial management process.
 - (5) Consider and give opinions and remarks in relation to budget and staffing of the Internal Audit Division, to propose to the Management for approval.
 - (6) Consider the audit plans and the scope of works of internal auditors, external auditors as well as internal audit advisor (if any) to ensure that they are mutually supportive and to avoid duplication of works.
 - (7) The Audit Committee appoints the head of Internal Audit to be the secretary of the Audit Committee.
 - (8) Allow the head of Internal Audit to discuss or contact the Audit Committee immediately if there are any problems or issues, which can be a formal or informal discussion.
6. Auditing
- (1) Consider and propose the appointment of auditors and audit fees, including removal thereof. External auditors with independence are selected based on the credibility, adequacy of resources, work load of the audit firm, past experiences of staff assigned to audit the Company's statements, together with performance in the previous year. The Audit Committee shall propose the matter to the Board of Directors for approval.
 - (2) Review the scope and approach of audit proposed by the external auditors, and consider reasons for changes of audit plan (in case the plan is changed afterward).
 - (3) Suggest the external auditors to review or audit any transactions deemed necessary and material in the course of auditing the Company's and subsidiaries' statements.
 - (4) Review the auditors' reports, propose recommendations for improvements to the management, and follow up the progress.
 - (5) Consider the adequacy and efficiency of coordination between the external and internal auditors.
 - (6) Take due action and inspect the issue without delay upon being notified by the external auditors of any suspicious circumstance that the Chief Executive Officer and President or any person responsible for the Company's operations commits an offence under the second paragraph of Section 281/2, Sections 305, 306, 308, 309, 310, 311, 312 or 313 of the Securities and Exchange Act, as well as report results of preliminary inspection to the SEC and the external auditors within 30 days from the date being notified.
7. Compliance with Relevant Laws and Regulations
- (1) Review to ensure the Company's compliance with the Securities and Exchange Act, the SET's regulations or the laws relating to the Company's business.
8. Reporting of the Audit Committee
- (1) The Audit Committee shall submit performance report to the Board of Directors meeting for acknowledgement and consideration at least once a quarter.
 - (2) The annual performance report of the Audit Committee shall be prepared with details as specified by the SET and signed by the Chairman of the Audit Committee, as well as disclosed in the Company's annual report.
 - (3) During the discharge of duties, if a transaction or action that may materially affect the Company's status and performance is found or suspected, the Audit Committee shall immediately report the matter to the Board of Directors in order to rectify the circumstance within the period deemed appropriate. Such transactions or actions include:
 - (3.1) Transactions with conflicts of interest;
 - (3.2) Fraud, or irregularity or material defect in the internal control system;
 - (3.3) Violation of the Act, the SET's regulations or the laws relating to the Company's business.

- (4) If the Board of Directors or the executives fail to rectify the transaction or action identified in (3.1), (3.2) and (3.3) above within the appropriate period, any member of the Audit Committee may report such transaction or action to the SEC or the SET.
9. Good Corporate Governance
 - (1) Review to ensure the Company's continual process of good corporate governance development, as well as provide guidelines and recommendations necessary for improvement.
 - (2) Promote good corporate governance values by encouraging the Company to set the topic as a regular agenda for the Board of Directors meeting and annual general meeting of shareholders.
 10. Risk Management
 - (1) Review to ensure that the Company's risk management process runs systematically, effectively and efficiently under appropriate standards.
 - (2) Consider, jointly with the Risk Management Committee, the risk management panel and the management, and give opinions regarding reports on risk management results and progress.
 11. Anti-Corruption Measures

Review the Company's operations according to anti-corruption measures. If found or suspected any items, or any action that could result in a significant impact on the financial position and business performance of the Company, including fraud or corruption, the Audit Committee shall report such cases to the Board of Directors in order to rectify the situation within the period deemed appropriate by the Audit Committee.
 12. Other Responsibilities
 - (1) Carry out any other tasks as assigned by the Board of Directors with the concurrence of the Audit Committee. The Audit Committee is responsible to the Board of Directors according to the duties and responsibilities assigned by the Board of Directors, while the responsibilities for all corporate activities toward third parties still lie with the entire Board of Directors.
 - (2) Discharge duties as specified by additional notifications of the SET.
 - (3) Oversee that a whistleblower system is established, in case employees or stakeholders have doubts or discover any actions suspicious of being violation of or non-compliance with the laws, rules, regulations, business ethics or corporate governance policies, in order to ensure the whistleblowers that the Company has independent investigation process and appropriate monitoring activities.
 - (4) Oversee any special investigations as necessary.

Term of Office

1. Terms of office for the Audit Committee is in accordance with Directors' term as set out in the Articles of Association.
2. The Audit Committee member who retire by rotation may be re-elected without considering as a default renewal.
3. The Audit Committee member who resigns prior to term completion must inform and submit the resignation letter in advance to the Company as well as clarify the reason of resignation.
4. In the event that the positions on the Board becomes vacant for some other reason than rotation, the Broad of Directors may elect a qualified person as a replacement to fill that position only for the remaining term without delay. The new director will remain in his/her position only for the remaining term of the independent directors he/she replaces.
5. The Audit Committee shall vacate the office when:
 - (1) Term completion
 - (2) Disqualified
 - (3) Death
 - (4) Resignation
 - (5) Being removed
 - (6) Being sentenced by final judgment or the legal order for imprisonment except the offenses committed by negligence or minor offense
 - (7) Being incapacitated person or quasi-incompetent
 - (8) Bankruptcy

Meetings : at least once a quarter

2) Executive Committee

Board of Directors approved the establishment of the Executive Committee on May 25, 2012. They were appointed from the Company's independent directors who were qualified for the securities law and SEC's regulations. The list of the Executive Committee as of December 31, 2017 was as follows:

Name	Position in Executive Committee	Meeting Attendances	
		Attendance (time)	%
1. Mr. Pongsak Vachirasakpanich	Chairman of the Executive Committee	12/12	100
2. Mr. Pitak Ratchakitprakarn	Member of the Executive Committee	12/12	100
3. Mrs. Chatkaew Gajaseni	Member of the Executive Committee	11/12	92
4. Mr. Rangsun Puangprang	Member of the Executive Committee	12/12	100

Notes : Ms. Nattakitta Songnok appointed as Secretary of Executive Committee

Scope of Authority and Duties of the Executive Committee

1. Consider the business plan and annual budget for proposing to the Board of Directors.
2. Formulate the Company's financial and investment policies, determine investment policy direction in line with corporate policies, and approve investment criteria as well as investment proposals according to the Company's regulations.
3. Consider and take action on key matters relating to the Company's operations.
4. Consider and provide recommendations on projects of all types that are proposed to the Board of Directors.
5. Consider and appoint directors of subsidiaries or joint ventures, according to shareholding ratio of the Company or the terms agreed by shareholders of subsidiaries or joint ventures (if any).
6. Oversee and monitor that the Company's administration results comply with the policies, business plans, and annual budget determined and approved by the Board of Directors, as well as regularly report such results to the Board of Directors.
7. Consider matters that the Chief Executive Officer and President proposes to the Executive Committee for consent or approval.
8. Approve recruitment, appointment, removal and transfer of senior employees at the senior executive vice president level or other equivalent positions.
9. Approve matters concerning the Company's finances and assets in accordance with the approval criteria.
10. Assign or advise the Chief Executive Officer and President to consider or perform any activities as the Committee deems appropriate.
11. Appoint working panels to consider any matters as the Committee deems appropriate.
12. Consider and propose matters deemed appropriate to be notified to the Board of Directors for acknowledgement, consent, or approval.
13. Consider and approve matters concerning the opening or closing of bank accounts with all commercial banks at which the Company uses services, including requests for special or extra services in relation to all the accounts the Company has with all commercial banks.
14. Consider any other matters or perform any other duties as assigned by the Board of Directors.

The Executive Committee's authority as well as delegation of authority to other persons as the Committee deems appropriate shall not include the authority or delegation of authority to approve any transactions in which the Executive Directors and delegated persons or their related persons may have conflicts of interest or benefits in any other forms against the Company's or subsidiaries' interests, or transactions beyond the Company's or subsidiaries' normal business scope. Such transactions must be proposed to the Board of Directors meeting and/or the shareholders meeting for consideration and approval in accordance with the Company's articles of association or relevant laws.

Term of Office

1. The terms of service of the Executive Committee was equal to the terms of service of the Company's Directors. These terms of service shall end in the Annual General Meeting of Shareholders.
2. The Executive Committee whose term of service is ended will be allowed to be reappointed but will not be automatically renewed.
3. Apart from the expired term, the Executive Committee shall immediately be terminated from the position upon;

- 3.1 Death
- 3.2 Resignation
- 3.3 Lack of qualifications and being prohibited according to Public Limited Companies Act, B.E. 2535 (1992) (including any amendments)
- 3.4 The Board of Directors' resolution to vacate the position
- 3.5 The Court's resolution to vacate the position

Meetings : at least once a quarter

3) Risk Management Committee

The Board of Directors approved the establishment of the Risk Management Committee on May 25, 2012, appointed from directors and/or executives and/or professionals who had expertise on risk management or on the Company's business industry and were qualified for the securities law and SEC's regulations. The list of the Risk Management Committee as of December 31, 2017 was as follows:

Name	Position in Risk Management Committee	Meeting Attendances	
		Attendance (time)	%
1. Mr. Pitak Ratchakitprakarn	Chairman of the Risk Management Committee	4/4	100
2. Mr. Rangsun Puangprang	Member of Risk Management Committee	3/4	75
3. Mr. Chaiwat Lertvanarin	Member of Risk Management Committee	3/4	75
4. Mrs. Sukwasa Pooshutvanitshakul	Member of Risk Management Committee	3/4	75
5. Mr. Thatree Kerdboonsong	Member of Risk Management Committee	2/4	50
6. Mr. Surasak Songvorakulpan	Member of Risk Management Committee	4/4	100
7. Mr. Chaitas Wanchai	Member of Risk Management Committee	3/4	75
8. Flt. Lt. Satta Suparp	Member of Risk Management Committee	4/4	100
9. Mr. Suwatchai Pitakwongsaporn	Member of Risk Management Committee	3/4	75
10. Mr. Chalong Tiratraipusit	Member of Risk Management Committee	3/4	75
11. Mrs. Wipa Boonpalit	Member of Risk Management Committee	3/4	75
12. Ms. Patchanok Worasakyotin	Member of Risk Management Committee	2/4	50
13. Ms. Supapan Mahasarakul	Member of Risk Management Committee	3/4	75

Note : Mr. Tossaporn Nakayap appointed as Secretary of Risk Management Committee

Scope of Authority and Duties of the Risk Management Committee

1. Review and make recommendations on the Risk Management Policy and framework before presenting to the Board of Directors to consider for approval, assign the management to act in compliance with the policy and guidelines, and assign the management to report the performance to Risk Management Committee.
2. Review and recommend on the Risk Appetite and Risk Tolerance which are complied with the corporate strategy.
3. Review and improve the enterprise risk management system to be continuously effective and set an evaluation to monitor the risk management both in normal and crisis situation complying with the policy and guideline of the company.
4. Conduct an assessment and analyze risks in key areas in accordance with the current situation systematically and continuously in order to ensure that the risk assessment covers all stages of the business according to the good corporate governance, and make recommendations on how to prevent the risk when it occurs unexpectedly or reduce the risk to be at an acceptable level.
5. Review risk management reports focusing on the important risks to the company and manage risks appropriately.
6. The Risk Management Committee has the authority to request the management or related persons to clarify the information in written form or attend the meeting with the Risk Management Committee to clarify or provide information about risks, duties, and responsibilities verbally as this is their duties to cooperate with the Risk Management Committee.
7. Supervise and support on risk management against fraud and corruption through risk assessment regarding to fraud and corruption, and review how to prevent or protect the company from fraud and corruption.

8. To perform any other tasks as assigned by the Board of Directors.

Term of Office

1. The Risk Management Committee shall be in office for a three-year term from the date the Board of Directors has approved the appointment.
2. The Risk Management Committee, whose term has expired, can be re-appointed if approved by the Board of Directors.
3. Apart from the expired term, the Risk Management Committee shall immediately be terminated from the position upon;
 - 3.1 Death
 - 3.2 Resignation
 - 3.3 Lack of qualifications and being prohibited according to Public Limited Companies Act, B.E. 2535 (1992) (including any amendments)
 - 3.4 The Board of Directors' resolution to vacate the position
 - 3.5 The Court's resolution to vacate the position

Meetings : at least once a quarter

4) Corporate Governance Committee

The Board of Directors approved the establishment of the Corporate Governance Committee on November 13, 2014, appointed from the Company's directors who were qualified for securities law and SEC's regulations. The list of the Corporate Governance Committee as of December 31, 2017 is as follows:

Name	Position in Corporate Governance Committee	Meeting Attendances	
		Attendance (time)	%
1. Mr. Supote Pitayapongpat	Chairman of the Corporate Governance Committee	4/4	100
2. Assoc. Prof. Wanchai Rattanawong	Member of the Corporate Governance Committee	4/4	100
3. Mr. Krairawee Sirikul	Member of the Corporate Governance Committee	4/4	100

Note : Mr. Rangsun Puangprang appointed as Secretary of Audit Committee

Scope of Authority and Duties of the Corporate Governance Committee

1. Consider and make recommendations regarding the framework of Good Corporate Governance and Corporate Social Responsibility to ensure that it is appropriate for the structure of PTG Energy Group, as well as make adjustments to ensure agreement with the international guidelines and present to the board of directors for approval.
2. Give advice, suggestions, as well as recommendations to the management division concerning any operations according to Good Corporate Governance policy, corporate social responsibility, morality, and business ethics.
3. Conduct an audit together with the management concerning the Company's operations according to Good Corporate Governance policy and Corporate Social Responsibility as determined by the Corporate Governance Committee and disclosed in the annual report. If any matters are failed to be carried out accordingly, such matters must be notified with sufficient reasons given.
4. Consider and provide recommendations on policy framework, implementation plan, and development guidelines on corporate social responsibility aspect with good standard and sustainability.
5. Formulate operations procedure to follow the Good Corporate Governance policy, to be in accordance with the policies of the Group, as well as approve guidelines and related recommendations.

6. Appoint working panels or management division to consider any matters as the Corporate Governance Committee deems appropriate.
7. Consider the issues that may affect PTG Energy Group's image.

Term of Office

1. The terms of service of the Corporate Governance Committee was equal to the terms of service of the Company's Directors. These terms of service shall end in the Annual General Meeting of Shareholders.
2. The Corporate Governance Committee whose term of service is ended will be allowed to be reappointed but will not be automatically renewed.
3. Apart from the expired term, the Corporate Governance Committee shall immediately be terminated from the position upon;
 - 3.1 Death
 - 3.2 Resignation
 - 3.3 Lack of qualifications and being prohibited according to Public Limited Companies Act, B.E. 2535 (1992) (including any amendments)
 - 3.4 The Board of Directors' resolution to vacate the position
 - 3.5 The Court's resolution to vacate the position

Meetings : at least once a quarter

5) Nomination and Remuneration Consideration Committee

The Board of Directors approved the establishment of the Nomination and Remuneration Consideration Committee on January 29, 2016, appointed from the Company's directors who were qualified for securities law and SEC's regulations. The list of the Nomination and Remuneration Consideration Committee as of December 31, 2016 is as follows:

Name	Position in Nomination and Remuneration Consideration Committee	Meeting Attendances	
		Attendance (time)	%
1. Mr. Vuthichai Duangratana	Chairman of the Nomination and Remuneration Consideration Committee	4/4	100
2. Assoc. Prof. Dr. Wanchai Rattanawong	Member of the Nomination and Remuneration Consideration Committee	4/4	100
3. Mr. Krairawee Sirikul	Member of the Nomination and Remuneration Consideration Committee	4/4	100

Note : Mr. Surasak Songvarakulpan appointed as the Secretary of the Nomination and Remuneration Consideration Committee

Scope of Authority and Duties of the Corporate Governance Committee

Nomination

1. Set the policy, criteria and process of the nomination of the Company's Board of Directors, Committees, Chief Executive Officer and Managing Director and propose to the Board of Directors and/or the Annual General Meeting of Shareholders for consideration and approval.
2. Consider the qualification of the candidates for Executive Directors, Committees, Chief Executive Officer and Managing Director, based on knowledge, experiences and expertise relevant to the Company's interests, including time dedication and the attempt to perform the duties of directors, committees and Chief Executive Officer and Managing Director.
3. Set the process to recruit, select and nominate the candidates who were qualified for the corporate identity and ensure the compliance with the regulations and related law stating the nomination of the Board of Directors, Committees, Chief Executive Officer and Managing Director, and proposed to the Board of Directors and/or the Annual General Meeting of Shareholders for consideration and approval.
4. Consider the qualifications of the independent directors to meet the criteria of Capital Market Supervisory Board, SEC and other related announcements.

5. Supervise the Board of Directors and Committees to ensure the appropriate size and components that fit the organization and be updated to the changing environment. The Board of Directors and Committees must be comprised of the persons with knowledge, skills, talents and experiences.
6. Prepare the succession plan for Chief Executive Officer, Managing Director and authorized persons and propose to the Board of Directors for approval.
7. Disclose the policy and nomination process in the Company's annual report.
8. Consider or manage other matters as assigned from the Board of Directors.

Remuneration Consideration

1. Set up the payment policy of all remuneration and fringe benefits, including compensation and other benefits to Board of Directors, Committees, Chief Executive Officer and Managing Director, with the clear and transparent criteria and propose to Board of Directors for approval and/or propose to the Annual General Meeting of Shareholders for agreement on the case by case basis.
2. Review the appropriateness of all remuneration and other benefits payments based on the general practice of the same industry or the Company's business performance, business size and the expertise and experiences of the Board of Directors, Committees, Chief Executive Officer and Managing Director.

3. Review the proposal of the management on the remuneration payment policy, the compensation plan and other benefits, in addition to salary of employees in the Company group. Propose the proposal to the Board of Directors for approval.
4. Set the guideline for the performance evaluation of the Board of Directors, Committees, Chief Executive Officer and Managing Director in order to consider for their annual bonus.
5. Announce the policy and detail of the remuneration criteria in the Company's annual report.
6. Consider or manage other matters as assigned from the Board of Directors.

Term of Office

1. The terms of service of the Nomination and Remuneration Consideration Committee was equal to the terms of service of the Executive Director. These terms of service shall end in the Annual General Meeting of Shareholders.

2. The Nomination and Remuneration Consideration Committee whose term of service is ended will be allowed to be reappointed but will not be automatically renewed.
3. Apart from the expired term, the Nomination and Remuneration Consideration Committee shall immediately be terminated from the position upon;
 - 3.1 Death
 - 3.2 Resignation
 - 3.3 Lack of qualifications and being prohibited according to Public Limited Companies Act, B.E. 2535 (1992) (including any amendments)
 - 3.4 The Board of Directors' resolution to vacate the position
 - 3.5 The Court's resolution to vacate the position

Meetings : at least once a quarter

5.2 The Performance Evaluation of the Board, Committees, Chief Executive Officer and Managing Director

The Board of Directors required the regular performance evaluation of the Board of Directors and Committees, both as a group and as an individual, in order to monitor the working performance of the Board of Directors for at least once a year. The criteria of the performance evaluation on the percentage basis is as follows:

Performance Level	Performance Evaluation of Committee (%)	Performance Evaluation of Director (%)
Excellent	91-100	91-100
Very good	81-90	81-90
Good	61-80	61-80
Need improvement	41-60	41-60
Unsatisfied	≤40	≤40

The evaluation summary is as follows:

Performance evaluation of the Committee consisted of :

1. Structure and Qualifications of the Board of Directors
2. Roles and Responsibilities of the Board of Directors
3. Meeting of Board of Directors
4. Duties of Directors
5. Relations with Management
6. Director and Executive Development

Performance evaluation of the Directors consisted of:

1. Structure and Qualifications of the Directors
2. Meeting of the Directors
3. Roles and Responsibilities of the Directors

The performance evaluation result for the Board of Directors in 2017

Committee Name	Performance Evaluation of Committee (%)	Performance Evaluation of Director (%)
Board of Directors	96	96
Audit Committee	100	100
Executive Committee	100	100
Risk Management Committee	95	96
Corporate Governance Committee	98	100
Nomination and Remuneration Consideration Committee	93	95

Performance evaluation of the Chief Executive Officer and President

The Board of Directors has arranged to put in place a performance evaluation of the Chief Executive Officer and President in order to regularly review the performance of the Chief Executive Officer and President at least once a year, the detail is as follows:

Section 1 : Progress of the work plan

Section 2 : Performance Evaluation consisted of:

- 2.1 Leadership
- 2.2 Strategy
- 2.3 Strategy Execution
- 2.4 Financial Planning and Performance
- 2.5 Relations with Management
- 2.6 External Relations
- 2.7 Management and Relations with Employees
- 2.8 Position Succession
- 2.9 Knowledge of Products and Services
- 2.10 Personal Attributes

Section 3 : CEO Development

The criteria of the performance evaluation on the percentage basis is as follows:

Performance Level	Performance Evaluation (by committee) (%)
Excellent	91-100
Very good	81-90
Good	61-80
Need improvement	41-60
Unsatisfied	≤40

The performance evaluation score for the Chief Executive Officer and President was 96.11% in 2017.

5.3 The Orientation to Directors

The Company provided the orientation for all new directors with the orientation documents containing the following key information:

- 1) Presentation of the company business profile by Chief Executive Officer and Managing Director.
- 2) The Company structure and the names of Board of Directors, Committees and Management team.
- 3) Introduction of subsidiaries
- 4) The key meeting schedule of the Company
- 5) The Board of Directors Charter, the Committees Charter stating the effective committee positions and important policies, such as the criteria of significant information usage, the anti-corruption policy, the corporate governance policy, etc.
- 6) Company profile and annual report
- 7) The policy of Company's securities trading.

5.4 Director and Executive Development

Directors attended and passed the training courses from Thai Institute of Directors Association (IOD) which are as follow:

Name	Position	Director Certification Program (DCP)	Director Accreditation Program (DAP)	Audit Committee Program (ACP)	Role of the Compensation Committee (RCC)	Successful Formulation & Execution of Strategy (SFE)	Advance Audit Committee Program (AAP)	Chartered Director Class (CDC)	Others
1. Pol. Gen. Soontorn Saikwan	Chairman of the Board of Director Independent Director	DCP 201 / 2015	DAP 41 / 2005	ACP 42 / 2013					MFM 9 / 2013 MIR 14 / 2013 MIA 15 / 2013 MFR 18 / 2013
2. Mr. Supote Pityapongpat	Director Independent Director Chairman of the Audit Committee	DCP 197 / 2014	DAP 96 / 2012	ACP 42 / 2013					MFM 9 / 2013 MIR 14 / 2013 MIA 14 / 2013 MFR 17 / 2013 ITG 6 / 2017
3. Dr. Vuthichai Duangratana	Director Member of the Audit Committee Chairman of the Nomination and Remuneration Consideration Committee Independent Director	DCP 198 / 2014					AACP 23 / 2016		
4. Mr. Pitak Ratchakitprakarn	Director Member of the Executive Committee Chairman of the Risk Management Committee President & Chief Executive Officer	DCP 198 / 2014	DAP 92 / 2011			SFE 8 / 2010			
5. Mrs. Chaikaew Gajasen	Director Member of Executive Committee		DCP 198 / 2014	DAP 92 / 2011					
6. Mrs. Jansrak Nitayanurak	Director	DCP 198 / 2014	DAP 96 / 2012						
7. Mr. Pongsak Vachirasakpanich	Director Chairman of the Executive Committee	DCP 197 / 2014	DAP 96 / 2012						

Name	Position	Director Certification Program (DCP)	Director Accreditation Program (DAP)	Audit Committee Program (ACP)	Role of the Compensation Committee (RCC)	Successful Formulation & Execution of Strategy (SFE)	Advance Audit Committee Program (AAP)	Chartered Director Class (CDC)	Others
8. Assoc. Prof. Dr. Wanchai Rattana Wong	Director Member of the Audit Committee Member of the Corporate Governance Committee Member of the Nomination and Remuneration Consideration Committee Independent Director	DCP 201 / 2015	DAP10 / 2014				AACP 17 / 2014		
9. Mr. Krairawee Sirikul	Director Member of the Corporate Governance Committee Member of the Nomination and Remuneration Consideration Committee		DAP139 / 2017						
10. Mr. Rangsun Puangprang	Director Member of the Executive Committee Member of the Risk Management Committee	DCP 197 / 2014	DAP 79 / 2009		RCC 16 / 2013	SFE 21 / 2014		CDC 9 / 2015	BRP 10 / 2013 CRP 5 / 2013 CSP 50 / 2013

Training Courses attended by Board of Directors in 2017

Board of Directors list	Training Courses/ Seminars
1. Mr. Supote Pitayapongpat	- IT Governance 6 - Independent Director Forum 2017
2. Dr. Vuthichai Duangratana	- Global Business Leaders (GBL) 2 - Tourism Management Program for Executives (TME) 1
3. Mr. Pongsak Vachirasakpanich	- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives 21
4. Mr. Rangsun Puangprang	- Logistics in Thailand 4.0 - Top Executive Program in Commerce and Trade (TEPCoT) 10

5.5 Nomination and Appointment of Independent Director

Nomination of Independent Directors

The Company has a policy to appoint independent directors in a number not less than one-third of the total directors, yet not less than 3 persons. In nominating persons for independent directors, the Board of Directors shall jointly select qualified persons based on knowledge, abilities, past experiences and other appropriate qualities, including required qualifications and prohibited characteristics according to the Public Limited Companies Act, Securities and Exchange Act., notifications of the Capital Market Supervisory Board along with relevant notifications, regulations and/or rules. The Board of Directors shall subsequently propose selected persons to the shareholders meeting for approval to the appointment thereof.

Qualifications of independent directors are as follows

- 1) Holding shares not exceeding 1% of the total shares with voting rights of the Company, its parent company, subsidiary, affiliate, the Company's major shareholders or controlling persons, including shares held by related persons of such independent director.
- 2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary or controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company, unless the foregoing status has ended for not less than 2 years.

- 3) Not being a person related by blood or legal registration as father, mother, spouse, sibling and child, including spouse of child of the executive, major shareholder, controlling person or person to be nominated as executive or controlling person of the Company or its subsidiary.
- 4) Having no business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company in the manner which may impede his/her independent discretion; and neither being nor used to be a significant shareholder, or a controlling person of those having business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing status has ended for not less than 2 years.
- 5) The business relationships mentioned in the first paragraph include ordinary course of business transactions, leasing out or taking lease of immovable assets, transactions related to assets and services, providing or receiving of financial assistance including lending, borrowing, guarantees, or pledging assets to secure debts or any other similar action, which result in the company or contractual parties incur debt burden that must be repaid to other party with values from 3% of net tangible assets or Baht 20 million, whichever is lower. The debt burden calculation shall be in accordance with the method of calculating the value of connected transactions and comply with the Notification of the Capital Market Supervisory

Board regarding the rules on connected transactions, mutatis mutandis. However, debt calculation includes debt burden incurred during the year before the date of business relationship with the same person.

- 6) Neither being nor used to be an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and not be a significant shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing status has ended for not less than 2 years.
- 7) Neither being nor used to be a professional service provider of any kind, including legal or financial advisor, who receives an annual service fee exceeding Baht 2 million from the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person of the Company; and not being a significant shareholder, controlling person or partner of such professional service provider, unless the foregoing status has ended for not less than 2 years.
- 8) Not being a director appointed as a representative of the Company's directors, major shareholder or shareholder who is related to major shareholder.
- 9) Not operating any business of the same nature as and in competition with that of the Company or its subsidiary to a significant extent; or not being a significant partner in a partnership, or an executive director, employee, staff or advisor who receives salary or a shareholder holding more than 1% of the total shares with voting rights of any other company that operates any business of the same nature as and in competition with that of the Company or its subsidiary to a significant extent.
- 10) Not having any other characteristics that make him/her incapable of giving independent opinions on the Company's business operations.
- 11) Independent directors of the Company have a term of office of not more than 9 years.

After an independent director being appointed with qualifications as stated in 1) to 10) above may be assigned by the Board of Director to make decisions on business operations of the Company, its parent company, subsidiary, affiliate, same-level subsidiary,

major shareholder or controlling person of the Company, provided that it is in the manner of collective decision where such independent director shall not be regarded as an executive director.

In case an independent director involves or used to involve in a business relationship or provision of professional services for a consideration exceeding the amount specified in 4) and 6) above, he/she shall be granted a relaxation thereof if the Board of Directors has considered, based on Section 89/7 of the Securities and Exchange Act of 1992, and opined that the appointment of such person does not affect his/her performance and independent opinions. The notice of shareholders meeting shall disclose in the agenda on appointment of independent director the following information:

- (a) The nature of business relationship or professional services that makes such person lack the specified qualifications;
- (b) Reasons and necessity for retaining or appointing such person as an independent director;
- (c) Opinions of the Board of Directors regarding the proposal to appoint such person as an independent director.

Scope of Authority and Duties of the Independent Directors

Make decisions on business operations of the Company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company, provided that it is in the manner of collective decision where such independent director shall not be regarded as an executive director.

5.6 The Separation of Position of Chairman of the Board, Chief Executive Officer and Managing Director

The Independence of Chairman of the Board

The Scope, Authority and Duty of Chairman of the Board

- 1) Supervise the operation of Board of Directors, Committees, Chief Executive Officer, Directors and General Manager to ensure the compliance with the law, the Company's objectives and regulations, and the shareholder's meeting resolutions with honesty, for the interest of the Company and the accountability to shareholders.
- 2) Supervise the operation to be in accordance with the Company's policy and direction. Monitor and supervise the Board of Directors, Committees, Chief Executive Officer and Managing Director

to follow the Company's policy and regulations efficiently and effectively under the good corporate governance to maximize the economic value and shareholders' wealth.

- 3) Preside the Board of Directors meetings with following duties:
 - 3.1) Consider the meeting agenda together with Chief Executive Officer and Managing Director.
 - 3.2) Ensure that the Board of Directors receive the accurate and complete information about the meetings in time.
 - 3.3) Conduct meetings according to the agenda, the company's regulations and the law.
 - 3.4) Encourage all directors to the full discussion and opinion sharing.
 - 3.5) Control the meeting efficiency and state clear meeting resolutions to the meetings.
 - 3.6) Cast the vote in case there is a tie vote in the Board of Directors meeting.
- 4) Preside the shareholder meetings in accordance with the agenda, the company's regulations and the law. Allocate appropriate time and open the chances for the fair share of shareholder's opinions. Conduct the questions and answers session for shareholders as appropriate and transparent.
- 5) Encourage the directors who were not in executive positions to have the meetings among themselves as necessary in order to discuss about the management issues of their interests with no involvement of management team.
- 6) Encourage and support the efficient anti-corruption and assign Chief Executive Officer and Managing Director to lead the anti-corruption measure implementation to ensure that the anti-corruption is recognized by Chief Executive Officer and Managing Director as the corporate culture.
- 7) Support the good relationship between the Board of Directors and management team.
- 8) Supervise the Board of Director for the appropriate structure and components.
- 9) Supervise the performance evaluation of the Board of Directors, Committees, Chief Executive Officer and Managing Director for at least once a year.
- 10) Conduct other duties as stated in the law, the related company's rules and regulations, and the shareholder meeting's resolutions.

Scope, Authority and Duty of Chief Executive Officer and Managing Director

- 1) Establish and propose the policy, objectives, and strategy of the Company's business for the Board of Directors' approval.
- 2) Execute the Company's operation according the policy, objectives, business plan and strategic plan as approved by the Board of Directors.
- 3) Delegate and/or give authority to other persons to work on his/her behalf in some cases within the scope of the approved authority guideline, regulations or orders stated by the Board of Directors.
- 4) Arrange the company operation report and propose the important issues to the Executive Board regularly.
- 5) Be representative of the company in the contact with external parties.
- 6) Set up the operation guideline for anti-corruption measures and procedures. Support the resources and communications to ensure that staff in all levels and related departments know and understand the anti-corruption policy, guideline, measures and procedures. Encourage the company groups to consider and apply these anti-corruption measures and procedures at the appropriate level. Take the comments or suggestions of the Board of Directors and Committees into consideration. Review the appropriateness of the systems, measures, and procedures to ensure the update to the changes in business, rules, regulations and legal requirements. Report the examination result of the anti-corruption measures to the Corporate Governance Committee for at least once a quarter or as deem appropriate. Have authority to conduct all other transactions related to the anti-corruption.
- 7) Conduct other duties as assigned from the Executive Committee and/or the Board of Directors.

5.7 Nomination of Top Executives/ Succession Plan

PTG Energy Group ("The Company") has the transparent recruitment plan for Chief Executive Officer and Chief Managing Director and Managing Director ("Chief Executive of the Organization"). The Company is confident to get the professional chief executive who was independent from major shareholders. The Nomination and Remuneration Consideration Committee arranges the succession plan and propose to the Board of Directors for consideration. The recruitment

process starts from selecting the talented and good persons, focusing on the young talents. The Company provides development and career path for them to be the future leaders. High potential persons passing the performance evaluation process will be developed following the Individual Development Plan. High potential persons will be offered challenging assignments and job rotation to develop their leadership skills and all aspects of work. This arrangement will help the organization fill in the Chief Executive Officer vacancy whenever it happens.

As for the recruitment of the Company's Chief Executive Officer, the Nomination and Remuneration Consideration Committee shall consider the candidates who have skills and professional experiences that meet the Company's business requirements and bring benefits to the Company and must not have potential conflict of interest. The candidate's names will be proposed to the Board of Directors for approval.

In addition to recruitment and nomination of the Chief Executive Officer, the Company also prepare the succession plan by selecting the persons who are qualified for the succession consideration. They will be developed to be ready for the position in the future. This process will give confidence in the Company's business operation and performance to shareholders, investors and all stakeholders.

The Board of Directors set the policy of Chief Executive Officer Nomination stating that the candidate could be external person or internal person as long as he/she is qualified in order to be updated with the situation during such period. The qualified person shall be selected by the Nomination and Remuneration Committee which clearly sets the criteria and process of the nomination.

Furthermore, in order to maximize the benefits out of the Chief Executive Officer selection, the Board of Directors assigned management team to supervise "Human Resource Management Department" to provide skill development training to Chief Executive Officer, executives, and other high potential positions. The Board of Directors also set the development direction to create the role and responsibility rotation to provide well-rounded

experiences to executives. Employees from the director level ("Executive") or higher can apply for the Chief Executive Officer candidates if they are qualified for the stated criteria.

The process of recruiting top executives

- 1) The Nomination and Remuneration Consideration Committee identifies the positions that need succession plan, including Chief Executive Officer and Chief Managing Director, Managing Director, Deputy Managing Director, and Director of every department.
- 2) The Nomination and Remuneration Consideration Committee identifies the required qualifications and competency of Chief Executive Officer.
- 3) The Nomination and Remuneration Consideration Committee identifies the Executive from the Director level or higher who has potential to fill in the succession plan of Chief Executive Officer.
- 4) Chief Executive Officer and Chief Managing Director or Managing Director is assigned to do capability and performance evaluation of the Executives whose qualifications meet the required competency level in order to prepare his/her individual development plan in order to reduce the competency gap.
- 5) Management team is assigned to supervise the training and development of the potential executives' competency.
- 6) Chief Executive Officer and Chief Managing Director or Managing Director manages to set the role and responsibility rotation of the potential executives and have Deputy Managing Director attend the Board of Directors meetings to gain experiences and readiness for the corporate management.
- 7) Chief Executive Officer and Chief Managing Director or Managing Director reports the result of the individual development plan of the potential executives to the Nomination and Remuneration Committee periodically.
- 8) The Nomination and Remuneration Committee shall regularly review the details and conclude the result of Chief Executive Officer's succession plan every year and report to the Board of Directors for at least once a year.

5.8 Corporate Governance of Subsidiaries and Associates

Policy of Director and Executive to hold positions in other company

Policy of Director to hold positions in other company
Board of Directors shall be able to hold the Director positions in no more than 5 other listed companies. This shall be in compliance with the policy and practice of the director position holding in other company and shall get prior approval of the Board of Directors with the detail as follows:

- 1) Inform the position holding in other company or organization to the Nomination and Remuneration Committee.
- 2) The Nomination and Remuneration Committee proposes to Board of Directors for approval.
- 3) The Company's Secretary discloses the information in the annual information report (form 56-1) and annual report (form 56-2).

Policy of Chief of Executive and President to hold positions in other company

Chief of Executive and President shall be able to hold the Director positions in no more than 5 other listed companies. This shall be in compliance with the policy and practice of the director position holding in other company and shall get prior approval of the Board of Directors with the detail as follows:

- 1) Inform the position holding in other company or organization to the Nomination and Remuneration Committee.
- 2) The Nomination and Remuneration Committee proposes to Board of Directors for approval.
- 3) The Company's Secretary discloses the information in the annual information report (form 56-1) and annual report (form 56-2).

In order to maximize the Company's benefit, the President and Chief of Executive is required to dedicate time for effective performance of the position. Therefore, the Company sets the policy stating that prohibit the President and Chief of Executive to hold position of President and Chief of Executive, Managing Director, manager, or hold any other position of similar position in other company.

In addition, the Company prohibits Directors or President and Chief of Executive to serve as Director, manager, or similar position in other same business nature company, or business with significant competition of the Company, subsidiaries or associated company. However, being a

member of a government organization, private sector establishing for the public common good can be accepted.

5.9 Business Code of Conduct

To conduct the business for the highest benefits of shareholders and stakeholders, the Board of Directors have the policy to focus on both goal achievement and how to achieve the goal.

Thus, the Board of Directors stated the goal and how to achieve the goal in the vision, mission, values, principles, policy and ethics in order for the Board of Directors, Executives, and employees of PTG Energy Group to acknowledge and practice accordingly in treating employees, shareholders, investors, customers, partners, competitors, stakeholders and society according to PTG Energy Group's standard.

Furthermore, the Company has communicated and promoted the corporate governance and business code of conduct to ensure that employees at all levels have knowledge and understanding of the rules, regulations and business code of conduct and be able to perform their duties as appropriate. The communications were done through the Company's channels, such as website, intranet, e-mail and training for 12 times per year.

Conflict of Interest

The Company shall consider the potential conflict of interest transaction for the best interest of the Company and shareholders. The Company has policy to prevent conflict of interest that could occur from connected transactions. The persons who connect to or have conflict of interest in the connected transactions must inform the Company about their relationship or connection and must be abstain from considering or making comments or approving the transactions. The connected transactions are considered base on price and condition with the same approach as the transactions with external persons and need to be in compliance with the securities and exchange law and rules, announcement, order or requirements of the Capital Market Supervisory Board. The Audit Committee has duty to consider and comment on the connected transactions and proposes to the Board of Directors. The Company requires the disclosure of the detail of connected transactions in the annual information report (form 56-1) and the annual report (form 56-2).

Use and Care of Intellectual Property

The Company has a policy to be in compliance with the intellectual property or copyright law and requires directors, executives and employees to follow the following practices:

- 1) Protect the Company's Intellectual Property, i.e. patent, copyright, trademark, trade secrets, etc. from being made public, reproduced, adapted, or done otherwise without permission from the Company.
- 2) Respect and do not infringe on the intellectual property of others by examining the work of external persons thoroughly before receiving or using in the Company's business.
- 3) In doing the contract or any lawful acts, the agreement on the intellectual property rights must be made clearly. Should there be any questions, consult with the Company's intellectual property administrator or legal counselor.
- 4) Show rights or request for the intellectual right protection for the Company's own intellectual property.
- 5) Report to the line manager or the Company's intellectual property administrator when finding any case considered violating or leading to violate the rights or any actions that could lead to the dispute on the Company's intellectual property.

Report generation of conflict of interest of Directors, Executives, and related parties

The Company approved to conduct the conflict of interest report of Director, Executives and related parties in order to follow the related transaction of the report and perform the duties cautiously.

Campaigns encouraging Good Corporate Governance and Business Ethics

Corporate Governance Committee has authority to encourage and consider the procedure related to corporate governance not only by appointing the Corporate Governance Committee which has President and Chief Executive Officer as the Chairman of the Committee, but also conducting good corporate governance plan in order to be a guideline of good corporate governance, code of conduct, and continuously create confidence among stakeholders.

5.10 Anti-Corruption

The Company commits to doing business with honesty, transparency, morality, social responsibility and responsibility to all stakeholders. The board of directors set the Anti-Corruption Policy on October 25, 2014 to be in compliance with the Good Corporate Governance Policy and shall never compromise for any form of corruption directly or indirectly.

The Company showed intention to join the Collective Action Coalition project of Thai private sector in anti-corruption by signing up in the declaration of intent of the Collective Action Coalition of Thai Private Sector in Anti-Corruption on October 28, 2014. The Company became a certified member on July 10, 2015, certified by the Thai Institute of Directors Association (IOD). The membership will be ended on July 10, 2018. The Company required all employees to seriously follow the Company's Anti-Corruption Policy. The Company intends not to do any actions with the government and private sector officials to create the business advantages or to gain improper business and will resist those involved in corruption including making request for or offer the bribery, extortion, conflict of interest, money laundering, embezzlement of gift voucher, allowance, travel expense, donation, sponsorship, facilitation expense, political support, social and community investment expense, contact with government officials, trading with business partner, agent and other middleman, joint venture, use of business assets, merger of minority shareholders. The Company shall not allow any corruption behavior in the corporate. The risk assessment and principles in compliance with the law and ethics are set for employees at all levels including directors and executives.

To achieve such intention and be assured that the Company has a policy defining the roles and responsibilities, practical guidelines and appropriate measures to prevent the corruption that may possibly be caused by any forms of business conduct and to ensure that the decision making of any business conduct with potential risk of corruption will be considered and conducted with cautions, the Company sets the Anti-Corruption Policy defining the roles and responsibilities and principles to prevent and anti the corruption in written. It is aimed for the clear practices and the corporate sustainability.

Anti-Corruption Policy

The Company has a policy for directors, executives and employees at all levels not to act or accept any forms of corruption and to comply with the Anti-Corruption Policy strictly. The Company will review and revise the compliance with the policy regularly in order to be align with the changing business, rules, regulations and legal requirements.

Anti-Corruption Policy Compliance

The Company requires directors, executives, and employees at all levels to strictly comply with this Anti-Corruption policy as follows:

- 1) Directors, executives and employees at all levels must understand and comply with the Anti-Corruption Policy by not conducting or getting involved with any forms of anti-corruption directly or indirectly.
- 2) Directors, executives and employees at all levels shall not neglect or ignore when finding the action that is in the scope of corruption to the Company. They must inform their line manager or the department/ person in charge immediately and shall be cooperative for the fact investigation. Should there be any doubts or questions, they shall consult with the line manager or the person responsible for monitoring the Company's code of conduct compliance through the assigned channels. The Company will provide the fairness and protection to the complainants, whistle blowers and persons supporting the corruption investigation immediately.
- 3) The Company will provide the fairness and protection to the employees who deny or inform the Company's related corruptions by applying the Protection Policy for Complainants, whistle blowers and persons supporting the whistle blowing as stated in the policy.
- 4) The Company communicates the Anti-Corruption Policy to its directors, executives and employees at all levels through many channels, such as the new employee training session, the annual corporate communication meeting, in order to build the understanding of the effect and the necessity of the policy's compliance. The Company also provides the appropriate channels for the whistle blowers and complainants to submit their suggestions or complaints about corruption as soon as possible.
- 5) The Company will publish the information of the Company's regulations according to the Anti-Corruption Policy to people outside the company in the website and annual report (form 56-2). The anti-corruption principles brochures were also printed and distributed to the Company's business partners and customers for their understanding of the effect and practicality of the policy. The channels for complaints and whistle blowing were informed to the public, related business partners and stakeholders.
- 6) The Company set the process of accurate and transparent financial reporting according to the international accounting standard. The Company's expenses of its finance or assets must be paid for the Company's name only and must identify the clear objectives and have verifiable evidences to prevent the inappropriate actions and to follow the Company's regulations and process. It must be assured that any donation or sponsorship is done for pure charity, not for corruption.
- 7) Directors, executives, and employees at all levels shall not accept or give any gifts, receptions or any other benefits that are not necessary or inappropriate to the government officials or relevant business partners. Before accepting any souvenir, they have to be assured that it is legal and in compliance with the Company's regulations. The work-related souvenir must be justifiable, not extravagant and suitable for the occasion.
- 8) The Company set up the internal control process to prevent the corruption. The process covers the area of sales, marketing, procurement, human resource management, finance and accounting, information system, operations and others relevant to the Anti-Corruption Policy.
- 9) This policy and principle is applied for the human resource management process, including recruitment, selection, promotion, training, performance assessment and remuneration. The line managers of all levels are required to communicate to and ensure the understanding of the employees. They have to follow the policy and apply to their responsible tasks effectively to reflect their commitment to the Anti-Corruption Policy.

- 10) The Company has the risk management measures which measure the business risks at the level of business unit and corporate. The risk management measures will be reviewed and monitored regularly to prevent the corruption and to assess the risks from the operations that may cause corruption for at least once a year.
- 11) The Company conducts the internal audit to be assured that the established internal control system and the risk management are efficient and help the Company achieve its goal. The Company's internal working process is also assured to be in compliance with the rules and regulations.

Gift Giving, Receptions and Other Expenses

The Company requires that the giving and receiving of gifts, receptions, assets or other benefits must strictly be in compliance with the Company's Gift, Receptions or Assets Giving and Receiving Policy. The disbursement for cash, gifts, or assets must follow the process identifying the budget and approval criteria and requiring the evidences in order to be assured that they will not be in relation with the corruption or political support. The documents and process will be examined by the internal audit department.

- 1) Directors, executives and employees at all levels shall not request for the receiving or giving of any gifts, expenses or other benefits from customers, partners or persons relevant to the Company's business in any cases that shall have influences on the receiver's business decision making.
- 2) Directors, executives and employees at all levels are prohibited to receive or make promises to receive or give any cash, asset, stuff or other benefits to any person who has intention to induce them to follow or ignore the actions that are wrong and dishonest either in the front or behind the back.
- 3) No Gift Policy is communicated in all occasions via e-mail and on the Company's website to create the good standard for working without expecting any gift in return. Should there be any gift, remuneration or other benefits at the value of over 3,000 Baht or cash or cash equivalent, such as gift voucher, the employees who receive such gift must report to the line manager and give such gift to the Human Resource Department to be the Company's asset accordingly.
- 4) The evidence of the gift or other benefit expense shall be kept for further examination.

- 5) The policy implementation shall be in compliance with the Announcement of the National Anti-Corruption Commission regarding the criteria for accepting property or other benefits. The expenses must be considered thoroughly to be assured that they are not used to induce the government officials or persons doing business with the Company to do any unlawful actions or to make any decisions for the benefits of the Company.

Charitable Donations

Donations for charity in the form of financial support or others, such as knowledge providing for the public, are considered as part of Corporate Social Responsibility (CSR). The Company has CSR Policy to ensure that such activities will not be for business purposes and will not give a way to the corruption. The process and control are set explicitly, concisely and effectively. All documents can be examined and monitored at all time. The details are as follow:

- 1) The donations must be made for the public charity or have clear objectives and must not be the bribery or for latent benefits. The process must be transparent and in accordance with the applicable law.
- 2) The donation activities must be provable for charity purposes and shall not be relevant to any benefits returned to any person or unit, except for the honor accreditation in general practice.
- 3) The donation must be approved by the authorized person and be under the good corporate governance policy and code of conduct.
- 4) The evidence with the clear donation value and the identified receiving person/ department names shall be kept for further examination.

Financial Sponsorship

The Company has the policy of financial sponsorship control to ensure that such activities will not give way to any corruption. The process and control are established clearly, concisely and effectively. The documents can be examined and monitored at all time. The financial sponsorship must be made for the clear purposes and not for the bribery or other latent benefits by transparent actions according to the applicable law as follows:

- 1) The financial sponsorship must be recorded in the internal memorandum and must identify clear objectives which shall be for the business support purpose, product brand promotion or the Company's reputation promotion, which will create the credibility for the trade, strengthen business relationship and be in compliance with the Company's Code of Conduct guidelines focusing on the righteousness, transparency and Good Corporate Governance Policy without any inappropriate latent purposes.
- 2) The financial sponsorship must be considered by the approval process specifying in all the approval criteria.
- 3) The financial sponsorship activity can be clearly evaluated and followed up within the time frame identifying the clear beginning and ending period.
- 4) The place taken for the financial sponsorship activity shall be identified clearly and can be examined accordingly. There must be the official receipt or certified document from the receiving organization for such cash support or sponsorship both from the government and private sector. The expenses shall be made under the budget control and be used for the best benefits of the Company.
- 5) There must be the assigned person responsible for the financial sponsorship activity to follow up and report to the line manager regularly and can be examined.
- 6) The benefits from such activity shall be identified clearly. They shall be both direct and indirect benefits and shall be identified in both quantitative and qualitative aspects.
- 7) The information about the financial sponsorship activities shall be recorded according to the fact for further analysis, plan and consideration for future action.

Political Support within the Constitutional Framework

The Company has the Political Neutrality Policy which does not allow any support or action of any political party's interest either directly or indirectly. This includes the way of using the Company's resources in any activity that could make the Company's lose its political neutrality and/or receive the damage from getting involved with such activities. The principles are as follow:

- 1) Directors, executives and employees have political rights according to the constitutional law to participate in or support the political activities in private, not during working hours and not on behalf of the Company.
- 2) No authority exercise is allowed to induce, pressure, or force colleagues or subordinates to support any political activities of any political party, political group or politician either directly or indirectly.

The Monitoring and Evaluation of the Anti-Corruption Policy Compliance

The Company set the monitoring and evaluation of the Anti-Corruption Policy compliance principles to prevent the corruption involvement as follows:

- 1) The Company requires directors, executives and employees at all levels to be aware of, understand and strictly follow the regulations in the Anti-Corruption Policy. Executives at all levels in the corporate have duties in monitoring and being responsible for the employees' compliance according to their duties and responsibilities. The policy and practices are reviewed by the Company regularly every year.
- 2) The internal audit department has duty in reviewing the Company's business conduct according to the Anti-Corruption Policy, including the financial report, internal control system and internal audit work, to be assured that each business unit has performed efficiently, lawfully and in compliance with the regulations and the good ethical standards.
- 3) The Corporate Governance Committee has duty in reviewing the policy as necessary to make it be in compliance with the changing business, rules, regulations and relevant law and providing the approval on the revision to be proposed for the Board of Directors' approval, giving comments and advices that are useful for the Management to plan and execute the principles.

- 4) The Risk Management Committee is required to supervise and support the risk management and anti-corruption implementation by assessing the corruption risk and reviewing the anti-corruption measures as appropriate.
- 5) When the Internal Audit Department receives the clues or complaints from e-mail or letter, they have to submit such information to the Management, i.e. CEO and MD or assigned persons, for further consideration and investigation. Should there be any evidence convincing to be noncompliant with the anti-corruption principles or the Company's business code of conduct, the Audit Committee shall report such case to the Board of Directors within the timeframe that the Audit Committee deems appropriate.

5.11 Remuneration of Auditor

The Annual General Meeting of Shareholders of 2017 approved the appointment of 4 auditors who were approved by the Audit Committee and the Board of Directors. The consideration was made on their performance, the independence and the remuneration. The auditors from Price Waterhouse Coopers ABAS Co., Ltd. were approved and appointed to be the Company's and subsidiaries' auditors for the financial year ending December 31, 2017. The names of the auditors were as follows:

1. Ms. Amornrat Permpoonvatanasuk
C.P.A. (Thailand) No.4599
2. Mr. Vichien Khingmontri
C.P.A. (Thailand) No.3977
3. Mr. Prasit Yuengsirikul
C.P.A. (Thailand) No.4174
4. Mr. Somchai Jinnovert
C.P.A. (Thailand) No.3271

The auditors mentioned above have neither relations nor any stake in the Company, subsidiaries, the Executives, major shareholders or other related person. Thus, the auditors are free to audit and express their opinions. Currently, Ms. Amornrat Permpoonvatanasuk has signed in the Financial Statements for 3 years since 2014 while Mr. Vichien Khingmontri, Mr. Prasit Yuengsirikul, and Mr. Somchai Jinnovert have never signed in the Company's Financial Statements.

In addition, in the case that the assigned auditors are unable to perform the work, the audit company will provide other authorized auditors to perform the work instead and set the audit fee of Baht 4,328,000 (Four million three hundred twenty eight thousand baht) which includes quarterly review of the Company's Financial Statements and its subsidiaries'. However, the annual audit fees and quarterly review of financial statement was Baht 5,158,000 (Five million one hundred fifty eight thousand baht). The audit fee increased by Baht 1,496,875 (One million four hundred ninety six thousand eight hundred and seventy five baht) or up by 41% from last year due to higher number of transactions and number of subsidiaries. The audit fee of the year 2017 is shown below:

Fees	2017
Annual Audit fees and quarterly review of financial statement (Baht)	5,158,000.00
Other services	223,278.01
Total	5,381,278.01

Other services fee apart from audit fee : transportation expand, allowance for traveling to other province, and postel expense

5.12 Evaluation of Corporate Governance Compliance

Board of Directors commits to follow the good corporate governance to ensure the transparent and efficient management and responsibility for all stakeholders. The evaluation of the Corporate Governance Report (CGR) has 5 unaccomplished issues which the Company will take into action as follow:

Group	Unaccomplished issues		Reasons
Taking into account the role of stakeholders	C29	Did the Company prepare the Integrated Report? (Bonus)	The Company does not have the policy to do that at the moment. The Company is studying to consider the direction and appropriateness of the Integrated Report.
Board of Directors' Responsibility	E9	Did the Board of Directors state in the Company's Corporate Governance Policy that each director can take position in no more than 3 listed companies? (Bonus)	The Company's Corporate Governance Policy states that each director can take position in no more than 5 listed companies. Currently each director takes position in no more than 3 listed companies.
	E12	Did the Board of Directors put the limit on the Independent Director position period for no more than 6 years? (Bonus)	The Company's policy limits the period of the Independent Director position for no more than 9 years. Currently each Independent Director is in his position for no more than 6 years.
	E35	Did the Board of Directors use the Professional Search Firm or Director Pool in the new director recruitment? (Bonus)	The Board of Directors considers the qualification in various aspects including experiences and expertise in various occupations and performance in the past.
	E97	Did the Board of Directors consist of at least one female Independent Director?	The Company does not have the policy for this issue but does provide equality for all Directors. Currently the Company's Board of Directors consists of 10 Directors, of which 4 are Independent Directors and 2 are female.



Corporate Social Responsibilities : CSR

Over the past 30 years, the group of Companies have always been aware of the significance of operating the business with the corporate social responsibility mindset, focusing on the benefits of stakeholders; economic, social and environmental aspects, together with the development of business growth that adheres to the principle of corporate governance, moral and ethical operations with transparency and code of conduct, through excellent management for sustainable development.

The corporate social responsibility execution undertaken by the Company is as follows:

Operating Business with Integrity

The key is to operate the business with fairness, honesty, transparency, ethics and dedication in the commercial competition under the ethical, legal and fair competition concepts. Any conducts that induce obstruction of fair competition shall be denied, i.e., seeking confidential information of competitors or request for and receipt of dishonest benefits. The Company is committed to creating good operating performance with adherence to the principle of good governance.

Anti-Corruption

The Company complies with relevant laws concerning prevention and prohibition of corruption, by prescribing policy and ways of practice. Directors, executives and staff members of all levels are encouraged to acknowledge and refrain from conducting or accepting corruption of all sorts, with no exception. The Company ensured that the inspection and policy compliance review protocols are in place and are being executed regularly so that they are aligned with the changes in the business, legal rules and regulations.

Respect of the Human Rights

The Company is aware of the significance of human rights and fair treatment of labor, thus encouraging human rights and avoiding any acts that violate human rights. The Company ensures that employees are fairly treated based upon the labor law and relevant regulations.

Fair Treatment of Labor

The Company encourages equal opportunity in every step of the hiring process; from recruitment, remuneration, work hours, holidays, work assignment, performance evaluation, training and development, career path and other aspects without discrimination. The Company is against forced labor, labor acquired from human trafficking, or unlawful child labor, as well as punishment that involves physical or mental torture.

Responsibility towards Consumers

The Company focuses on creating customer satisfaction by delivering quality products and disclosing information related to products and services comprehensively and timely, without distorting the fact. The emphasis is placed on compliance with the contract, agreement or conditions with transparency and fairness, as well as on the retaining of customers' confidential information without utilizing such information for one's own benefits/or benefits of other relevant parties.

Environmental Conservation

The Company is dedicated to conserving the environment throughout the course of business operations, by incorporating suitable technology to prevent environmental impact from the business, and by fostering consciousness in this issue to employees or related parties to abide by ways of practice in different dimensions; legal compliance, standard, regulations, direction, cooperation and assistance in environmental management for the benefits of stakeholders. Information related to environmental execution shall be disclosed with transparency via different channels appropriately.

Participation in Social and Community Development

The Company is aware of its responsibility towards the community and society, and provides assistance that the community or the society may need, especially communities located around the Company's premises. Educational support is provided to children in the forms of scholarships, educational media and teaching equipment to enhance skills and learning for schools. School buildings are renovated and refurbished to improve the quality of lives of community members and the society along with the Company's growth.

Responsibility to Customers

Maximum Quality with Every Liter

Creating the highest level of satisfaction for the customers is one of the Company's missions. This includes forging a long-lasting relationship with the customers. The Company is determined to provide premium quality products and high standard services by meeting the needs of each target group. Thus, all petroleum products sold at PT service stations only come from a refinery with the highest standard.

Fuel Quality Inspection

The Company has a dedicated Quality Control Department, working at a fuel testing laboratory at Mae Klong Tank Farm, to inspect the quality of petrol randomly retrieved during its operating process, starting from a tanker truck prior to its delivery to an oil tanker all the way to the PT stations. In this regard, the Company has dispatched testing staff from the fuel oil testing laboratory to inspect fuel quality at its stations, using a mobile lab equipped with mandatory fuel testing equipment, to collect random samples during various processes as specified by the Company's guidelines for further testing at the fuel testing laboratory. Thus, the testing laboratory staff can perform on-site quality tests at all PT stations without prior notice. This will ensure that PT customers will receive highest quality fuel that meets the Company's standards.

Full-liter Petrol Station

All of the Company's petrol stations have been registered as part of the "full-liter petrol station program" conducted by the Department of Internal Trade, Ministry of Commerce, to uphold customers' benefits as set out by Measurement Act of 1999 and to ensure that its customers receive full amount of petrol purchased through PT stations.

Fair Treatment of Employees and Potential Development

The Company is aware of the significance of all staff members and adheres to the principle of corporate governance, thus prescribing the fair treatment policy in appointment, transfer, remuneration and welfare, as well as the arrangement of special projects or activities; My Boss My Friends & My Birthday, Maha Songkran, Continuing Thai Tradition with PT, PT Flea Market, 12 Zodiac Signs Spiritual Enhancement, PT Inner Cup, Smile Friday, Fitness Made Easy with PT Gym, etc., in order to get employees to engage with the Company, encourage a sense of unity among everybody and create mutual benefits. If any employees are caught violating

the discipline or rules, punishment or disciplinary actions must be carried out with fairness, transparency and appropriateness. Furthermore, development of employee potential is to be continuously executed, by integrating suitable training courses for business expansion in the future. Employees are encouraged to participate in the knowledge and competency development sessions held internally and externally via provision of scholarships, leading to continuous organizational development. Opportunities are open for employees to submit opinions or suggestions that might help improve work execution in different functions. For new joiners, there is a mentor system whereby seniors will be mentoring newcomers. In August 2017, the Company received the Outstanding Organization Award in labor relations and labor welfare from the Ministry of Labor.



PT Songkarn Festival



My Boss My Friends & My Birthday Activity



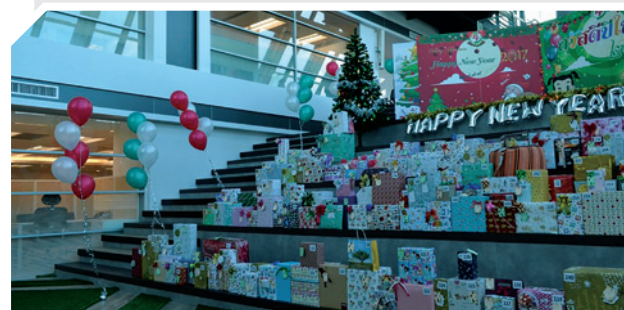
Employees Training



Outstanding Premise in Labor Relations & Welfare



PT Inner Cup



Gifts Exchange and Executives' Gifts Activity



Make Merit at Temples



PT Gym

The Company is devoted to delivering several projects with an emphasis on developing quality of workforce, effectiveness, conscious mind with discipline and knowledge, as well as the improvement of environment for better quality of lives. Employees are encouraged to participate in different projects to foster good thinking and sacrifice for the common good, which will eventually lead to strong and sustainable self-reliance of the community and the society.

Occupational Health, Safety and Environment

The Company is committed to become a leading provider of energy services by focusing on the development of safety quality, health safety, and environment. The Company also recognize its responsibility for all stakeholders in a fair and equitable manner. The details are as follows:

1. Committed to manage safety, occupational health and environmental to comply with the law as well as requirements and other international standards. The company applied to prevent accidents, injuries and occupational illnesses.
2. Operate the Company with social responsibility by reducing the environmental impact, protecting the environment, and promoting the quality of life of employees and the community as well as other stakeholders.
3. Sustainably manage natural resource and the environment. The Company focuses on to the use of natural resources and maintaining the environment throughout the process of conducting business through applying appropriate technology to protect the potential impact on environment of the business operation.
4. Promote environmental awareness for employees. The Company offer an opportunity for employees to be involved in environmental management and care which help to create participation and channel for employees to share their power and environmental awareness.



Throughout the course of business operations, the Company has been inspected by governmental offices that supervise industrial and environmental operations, and received certificates in various areas relevant to the safety and environment of premises, for instance, the participation in the project held by the Department of Labor Protection and Welfare, Drug-Free Organization project, participation in the membership of the Oil Industry Environmental Safety Group Association: IESG, with the objective of uplifting the standard and developing employees' awareness in safety and environment. Other key objectives are to encourage collaboration among entrepreneurs in the large-size petroleum business, to solve oil leakage in water sources and underground, and to put a stop to emergency incidents.

Besides, the Company's 6 oil storage sites have been certified ISO 9001:2008 for the receiving, storing and dispensing of the oil inventory. It has also designated the oil tank farms and service stations to prepare the reports of statistics and data on performance of the wastewater treatment system 1 and 2, so that the overall management of the environment meets the requirements of the law. The other 3 storage sites will also be certified of the same standard by the year 2018. In the year 2017, the company leverages environmental management. It is planned to certify environmental management standards in accordance with ISO 14001, with the goal of certification by 2019.

Efficient Use of Resources

In the year 2017, the Company undertook to control the use of resources to reduce and prevent pollution to the environment and community as follows:

- Protect the environment and surrounding communities around the oil tank farm. The Company organizes the guideline for sorting and dumping of garbage at service stations and oil tank farms, maintain and clean the work area, and keep equipment in good condition.
- The Company focuses on energy saving, and efficient and effective use of resources. Therefore, the goal to reduce water bill, electricity bill and recycle used paper is set.
- Turn off the lights at lunch break or when they are out of use or out of necessity, and set the time duration for switching the power to suit the working time.
- Calculate interior lighting in the office and service stations to use the appropriated lamp size, and promote the use of LED lamps to save energy.
- Promote the use of alternative energy sources including PPP Green Complex, a biodiesel (B100) business from palm oil that is used in diesel fuel. In addition to reducing the cost of raw materials, it also helps farmers in the area.
- The Vapor Recovery Unit (VRU), oil steam control system, is installed at the oil tank farm, fuel station, and fuel transportation for areas where oil vapor is controlled.
- There is a gas meter at the oil tank farm to check the vapors of the oil.
- Use contaminated oil from the oil tank farm in the fire service plan at the service station.
- Recycle old tires to make a new one by sculpting new tire tread.
- Control working in confined spaces for the safety of workers in confined spaces.
- People working in areas where noise is higher than 85 dB must wear ear protection, such as ear cushion, ear muffs, etc.
- Exhaust emission control of fuel truck by maintenance fuel truck according to plan, and use a new car with efficient fuel consumption.

Educating and Training Employees on the Environment Matters

The Company practices the quality, safety, occupational health, and environment policy to become the leading service provider of energy sector. The focus is on the development of quality, safety and environment, and recognition of fair responsibility for all stakeholders. In order for all employees to be involved in the implementation of the policy, the Company encourages employees to be aware of safety, occupational health and environment by organizing the training provided by internal and external staff. The details are as follow:

1. Staff Orientation Course for new employees, everyone will be trained in Basic Safety and Basic Fire content and practice.
2. Educate employees on the environment matters such as control of oil vapor, management of spilled oil, control of wastewater discharge, energy saving, reuse of waste resources, and waste separation.
3. The Company arranges a training on writing CSR Report and Sustainable Report.
4. The Company arranges a practice plan on removal of pollutants in ports for oil transportation every year to prepare for emergencies since the Company operates oil transportation via ships.

Preliminary Firefighting Project

The Company has a dedicated division responsible for safety and environment. The key roles are to conduct analyses and inspect operations that might have impact on employees' safety in service stations, oil storage sites, relevant parties' safety and nearby communities. Operations and incident prevention manuals were developed, including the provision of knowledge and emergency drills for employees and outsiders by holding activities in collaboration with the government bodies to provide knowledge regarding emergency incidents that involve petroleum products on a continuous basis.



Rayong Technical College - June 9, 2017



Thung Saliam Chanupatham School - June 20, 2017



Kho Tai Subdistrict Administrative Organization - July 20, 2017



Chaiyarat District - June 6, 2017



Saraburi Transportation Office - September 28, 2017



Pak Tong Chai Tank Farm - December 21, 2017



Collaboration Project - Public Toilets, Planting Mangrove Forest

The Company, together with the Oil Industry Environmental Safety Group Association (IESG), collaborated to identify the resolution with the objective of minimizing the severity of wind waves and inducing mud sediment behind the bamboo ranges in order to plant mangrove forest in the area. The site is located in Thammachat Pa Chailen School, Bangkaew Sub-District, Samutsongkram. Public toilets were also built to facilitate visitors. The activity was held on October 18, 2017 at Thammachat Pa Chailen School, Samutsongkram.



Safe Driving "Wear Your Helmet by PT" Project

The Company collaborated with PT Prachuab FC in providing knowledge on disciplines and traffic rules to educate road users to drive safely and to reduce the rate of accidents, build an awareness of respecting traffic rules, encouraging children to participate in preventing and taking responsibility in reducing loss of lives and properties. Helmets were granted to students of Prachuab Khirikhan Technical University at Administration Organization Conference Room, Prachuab Khirikhan.

Social and Community Development

The Company operates with the notion of social responsibility through effectively-arranged activities for highest efficiency, leading to happy co-existence in the society, together with value creation for the business and all groups of stakeholders for better quality of lives.

Building and Developing Skills for the Community project

In addition the Company support local communities to increase local work by providing opportunities for SMEs in each locality to sell their product in PT service stations around the country to strengthen the local entrepreneurs and grow the community

Educational Development

The Company emphasizes on the development of children as it is the 'foundation of social and country's development'. The Company encourages the learning skills and development of the environment to facilitate learning both inside and outside of classrooms, so that children grow up to be quality adults who are effective, well-groomed, disciplined and knowledgeable for their quality of life, as a way of preparing them to be good members of the society.



Building School Fences for Children

The Company provided support and recovery for Baan Donthong School, Kamnerd Noppakun Sub-District, Bang Saphan District, Prachuab Khirikhan that got damaged by the flood in early 2017, by granting scholarships, renovating the landscape and improving learning environment to encourage suitable learning atmosphere, with educational media, facilities and sports equipment to improve physical, mental and emotional development to foster physical, mental and wisdom learning.





Collaboration Project for Young Children's Happiness

The Company supported the construction of playground based on the concept of brain-based learning (BBL), which encourages learning from the essence of the brain. The key component is the mind which is the spirit, consciousness and happiness. The objective is to improve children development as the learning and development of the brain in each age range is highly necessary. The playground is divided into 3 zones; 1) development of physical awareness, comprising of movement and rhythmic or outdoor activities that allow children to take off their shoes and feel different ground texture; soil, sand and grass 2) improvement of balance to improve writing and reading and the awareness of position. Activities in this area feature physical movement, rotating around oneself, swinging activity, sliding board, climbing, swaying, and keeping balance 3) improvement of physical relativity, aiming to improve decision-making, as organs that involve physical relativity are underneath the skin. Activities are ones that trigger muscular tension; hanging on a bar. Also, the canteen was renovated and repainted, while the educational media was provided, with the provision of seeds for the vegetable plantation demonstration project and improvement of landscape. Stationery and scholarships were granted to students of Baan Chuhee School, Bangjakreng Sub-District, Muang District, Samutsongkram.



PT Football Clinic Project

The Company, in collaboration with PT Prachuab FC, arranged the basic football skill training session for children aged 12-15 years, reflecting the Company's support in sports as part of social activity to encourage children to be aware of and take interest in playing sports. Sports are important in improving children's quality of lives physically and mentally, and they are a good way of spending time, help reduce the tendency of using drugs and other social problems. Playing sports also enable children to develop themselves towards becoming professional athletes. This particular activity was held at the Main Stadium, Prachuab Khirikhan (Sam Ao Stadium).



PT Scholarship for Education

The Company recognizes the importance of education for young people who are the future main influencer of the country development. Therefore, the Company has a policy to support young people to have better chance of education by granting 4 scholarships, 40,000 Baht each, for engineering students of Kasetsart University. Scholarship can be classified into 2 types which are 2 scholarships for students with excellent academic record, and 2 scholarships for students with inadequate finance. The scholarships are grating with no obligation with the hope that these young people will be able to bring their knowledge and experience to benefit themselves, their families, communities and the nation.

Building a Society of Happiness by Giving

The Company held several volunteer activities to encourage employees to devote themselves in conducting good deeds, sacrificing their time and doing good things for the public without expecting anything in return. The only expectation is for the outcomes of doing good things to create a generous, sacrificing, and harmonious society, with an awareness of acknowledging the values of giving.

The 19th Quality of Life Enhancement Project, Sharing Happiness to Children in Remote Areas

The Company held a volunteer activity together with Mai Keed Fai group, a group of people dedicating themselves to improve children, recruiting volunteers to participate in the quality of life enhancement project for children living in remote areas. The Children's Day activity was held, with recreational activities and sports competition, whereby the Company provided scholarships and learning equipment to enhance educational opportunities for children at Piang Luang 3 School (Baan Muang Rae E Tong), Baan Mai Rai Pa Classroom, Thong Pha Phoom District, Kanchanaburi.





PT Volunteer Project

The activity was held at Baan Sub Yang School, Khoak Phet Pattana Sub-District, Bumned Narong District, Chaiyaphum. The Company provided teaching media and sports equipment, with the participation of volunteering employees to help paint school buildings, improve the first-aid room with medicine cabinet, sharing happiness and smiles with children.



PT's Generosity for Baan Prachuabchoke Project

The Company granted 50 wheelchairs, 500 'PT's Generosity for Baan Prachuabchoke' t-shirts and other essentials for the disabled and the elderly at the Shelter for the Homeless Prachuab Khirikhan (Baan Prachuabchoke).

PT Fulfilling Dreams for Children Project

The activity was held at Baan Nern Langtao School, Baan Chang Sub-District, Phanus Nikom District, Chonburi. Volunteering employees helped with painting the playground, the base of the Buddha image, and the school's slogan plaque. Besides, the Company granted scholarships and teaching equipment to improve educational opportunities.



Related Party Transactions

Summary of Related Transactions between the Company and Persons with Potential Conflicts to Interest in 2016 and 2017

The Company and subsidiaries had entered into related transactions with persons with potential conflicts of interest (as defined by the notification regarding issuance and offering of securities), relationships of which could be summarized as follows:

Person with Potential Conflicts of Interest	Relationships*
<p>1) P&C Petroleum Co., Ltd. ("P&C")</p> <p>P&C registered its incorporation on 18 June 1993 to operate fuel retailing and wholesaling businesses. P&C is one of the Company's dealers and jobber, buying or selling fuels with the Company.</p>	<ul style="list-style-type: none"> - P&C is related to the Company as its shares are held by the Company's related persons, as follows: <ul style="list-style-type: none"> o Mrs. Chatkaew Gajaseni (the Company's director), 20.92% of P&C's issued and paid-up capital as of 31 December 2017; o Closed relatives of Mr. Pitak Ratchakitprakarn and Mrs. Chatkaew Gajaseni, 44.46% of P&C's issued and paid-up capital as of 31 December 2017. - The Company and P&C have 1 joint director namely: Mrs. Chatkaew Gajaseni, who is the elder sister of Mr. Pitak Ratchakitprakarn (the Company's director, and the President & Chief Executive Officer), directly holds 0.72% and indirectly holds about 0.63% of the Company's issued and paid-up capital (through Ratchakit Holding Co., Ltd.).
<p>2) KTP Petroleum Co., Ltd. ("KTP")</p> <p>KTP registered its incorporation on 5 September 1996 to operate fuel wholesaling business. KTP is a jobber, buying and selling fuels with the Company.</p>	<ul style="list-style-type: none"> - KTP is related to the Company as its shares are held by the Company's related persons as follows: <ul style="list-style-type: none"> o Mrs. Chatkaew Gajaseni (the Company's director), 15.70% of KTP's issued and paid-up capital as of 31 December 2017; o Close relatives of Mr. Pitak Ratchakitprakarn and Mrs. Chatkaew Gajaseni, 33.35% of KTP's issued and paid-up capital as of 31 December 2017; o P&C, 25.00% of KTP's issued and paid-up capital as of 31 December 2017. - The Company and KTP have 1 joint director namely: Mrs. Chatkaew Gajaseni, who is the elder sister of Mr. Pitak Ratchakitprakarn (the Company's director, and the President & Chief Executive Officer), directly holds 0.72% and indirectly holds about 0.63% of the Company's issued and paid-up capital (through Ratchakit Holding Co., Ltd.).

Person with Potential Conflicts of Interest	Relationships*
<p>3) Pubadin Co., Ltd. ("Pubadin")</p> <p>Pubadin registered its incorporation on 25 September 1992 to operate petrol station business. Pubadin is one of the Company's dealers.</p>	<ul style="list-style-type: none"> - Pubadin is related to the Company as its shares are held by the Company's related person as follow: <ul style="list-style-type: none"> o Mrs. Lertlak Nadtasomboon (the Company's director), 65.00% of Pubadin's issued and paid-up capital as of 31 December 2017. - The Company and Pubadin has 1 joint director namely: Mrs. Lertlak Nadtasomboon, who holds 4.66% of the Company's issued and paid-up capital.
<p>4) RD Kasetpattana Co., Ltd. ("RD")</p> <p>RD registered its incorporation on 5 April 2005 to the Company to operate palm cultivation and distribution business.</p>	<ul style="list-style-type: none"> - RD is related to the Company as its directors and shareholders are related as follows: <ul style="list-style-type: none"> o Mr. Pitak Ratchakitprakarn is a director of the Company, who directly holds 2.50% and indirectly holds about 5.47% of the Company's share through Ratchakit Holding Co., Ltd. and directly holds 9.60% and indirectly holds about 5.76% of RD's share (through Ratchakit Corporation Co., Ltd.) as of 31 December 2017; o Mrs. Chatkaew Gajaseni is a director of the Company, who directly holds 0.72% and indirectly holds about 0.63% of the Company's share through Ratchakit Holding Co., Ltd. and is a director of RD, who directly holds 6.40% and indirectly holds about 9.60% of RD's share (through Ratchakit Corporation Co., Ltd.) as of 31 December 2017. - Notes : Ratchakitprakarn Family directly holds 7.91% and indirectly holds 25.12% of the Company's issued and paid-up capital, Ratchakitprakarn Family directly and indirectly holds 100% of RD's shares.
<p>5) A.M.A. Logistics Co., Ltd ("AMAL")</p> <p>AMAL registered its incorporation on 10 July 2014 to operate liquid products transportation service by tank truck.</p>	<ul style="list-style-type: none"> - AMAL is a subsidiary of AMA Marine Co., Ltd., which is a connected party of the Company, having a major shareholder and directors who are a close relative of directors and managements of the Company as follows; <ul style="list-style-type: none"> o Ratchakitprakarn Family o Gajaseni Family o Phiboonthammasak Family o Pooshutvaniitshakul Family
<p>6) CK Five Trading Co., Ltd. ("CK5")</p> <p>CK registered its incorporation on 29 September 1993 to operate fuel retailing and wholesaling businesses.</p>	<ul style="list-style-type: none"> - CK Five Trading Co., Ltd. ("CK5") CK registered its incorporation on 29 September 1993 to operate fuel retailing and wholesaling businesses. <ul style="list-style-type: none"> o Mrs. Chatkaew Gajaseni, Managing Director of CK5, holds 28.00% of CK5's shares as of 31 December 2017; - The Company and P&C have 1 joint director namely: Mrs. Chatkaew Gajaseni, who is the elder sister of Mr. Pitak Ratchakitprakarn (the Company's director, and the President & Chief Executive Officer), directly holds 0.72% and indirectly holds about 0.63% of the Company's issued and paid-up capital (through Ratchakit Holding Co., Ltd.).

Person with Potential Conflicts of Interest	Relationships*
<p>7) PPP Green Complex Co., Ltd. (“PPP”) PPP registered its incorporation on 11 June 2013 to operate a comprehensive palm oil complex to produce oil palm products.</p>	<p>- PPP is related to the Company as the Company holds share of 40% of PPP total shares and appointed representatives to be PPP’s directors. As a result, the Company and PPP have the following directors:</p> <ul style="list-style-type: none"> o Mr. Pongsak Vachirasakpanich holds positions of a director of the Company and PPP; o Mr. Pitak Ratchakitprakarn holds positions of a director of the Company and PPP; o Mr. Rangsun Puangprang holds positions of a director of the Company and PPP.
<p>8) Sammitr PTG Pro Truck Solution Center Co., Ltd. (“PRO TRUCK”) registered its incorporation on 23 March 2017 to operate a comprehensive service and maintenance center for trucks.</p>	<p>- PRO TRUCK is related to the Company as the Company holds share of 40% of PRO TRUCK total shares. The Company appointed representatives to be PRO TRUCK’s directors as follows:</p> <ul style="list-style-type: none"> o Mrs. Sukwasa Pooshutvanitshakul holds positions of a executive of the Company and a director of PRO TRUCK; o Mr. Surasak Songvorakulpan holds a position of a executive of the Company and a director of PRO TRUCK.
<p>9) Siam Autobacs Co., Ltd. (SIAM AB) registered its incorporation on 16 May 2006 to operate a comprehensive service and maintenance center for passenger cars.</p>	<p>- SIAM AB is related to the Company as the Company holds share of 38.26% of SIAM AB total shares. The Company appointed representatives to be SIAM AB’s directors as follows:</p> <ul style="list-style-type: none"> o Mr. Chaitas Wanchai holds positions of a executive of the Company and a director of SIAM AB; o Mr. Suwatchai Pithakwongsaporn holds positions of a executive of the Company and a director of SIAM AB.

Note : * Shareholding in the Company is the proportion as of 31 December 2017, unless stated.

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
1. P&C Petroleum Co., Ltd. ("P&C")	Revenue from sales of goods	373.16	209.76	- Fuel sale to P&C is conducted in a normal course of business. The Company sells fuels to P&C, one of its dealers, at a daily quantity ordered by P&C at the price and under the trading conditions specified in the Dealer Appointment Agreement between the Company and P&C. The price and trading conditions given to P&C are set based on the same principles as to other dealers.
	o By the Company	373.16	209.76	
	o By subsidiaries	-	-	
	- The Company sells fuels wholesale to P&C, which is the Company's dealer.			
	Revenue from promotional activities	1.25	1.11	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. The Customers can redeem the points at participating PT stations throughout the country. Therefore, the Company has charged the promotional fee, which calculated from monthly points accumulation, to the participating dealers. The fee is charged based on the Company's actual costs and it is charged in the same rates as to other dealers.
	o By the Company	1.25	1.11	
	o By subsidiaries	-	-	
	Revenue from Training	0.06	-	- The Company provided safety training services to P&C employees. Prices are subjected to normal term and conditions, and market price
	o By the Company	0.06	-	
	o By subsidiaries	-	-	
	Other revenues	0.01	0.01	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. Thus, the Company has provided EDC machines to the participating dealers. In this regard, the rate for EDC, charged to P&C, and other trading conditions are set based on the same principles as to other dealers.
	o By the Company	0.01	0.01	
	o By subsidiaries	-	-	

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
1. P&C Petroleum Co., Ltd. ("P&C") (continued)	Trade account receivable	2.92	-	- The Company grants P&C a credit line based on such factors as nature of business, financial status, operating performance, duration as the Company's customer and payment record. The term of payment is 7 days.
	o <i>The Company</i>	2.92	-	
	o <i>Subsidiaries</i>	-	-	
	- P&C is liable for trade account payable incurred from fuel purchase from the Company under the payment terms agreed between the Company and P&C.			
	Cost of goods purchased	1,740.44	1,869.83	- The Company needs to buy fuels from jobbers for sale to customers operating fuel retailing and wholesaling businesses in the lower South (from Nakhon Si Thammarat to Narathiwat) as there are no Thai Oil tank farms or distribution facilities in the said area. The Company is therefore unable to purchase fuels from Thai Oil, and transport of fuels from other Thai Oil tank farms or other distribution facilities is not worthwhile. The sales price and trading conditions are as specified in the Fuel Supply Agreement between the Company and P&C, which are approximate to the trading conditions and wholesale prices offered by other jobbers in such area.
	o <i>The Company</i>	504.61	499.25	
	o <i>Subsidiaries</i>	1,235.83	1,370.58	
	Trade account payable	-	-	- The Company receives a credit line from P&C for purchase of fuels for further distribution in the lower South. The credit term granted by P&C is 7 days according to the Fuel Supply Agreement between the Company and P&C.
	o <i>The Company</i>	-	-	
	o <i>Subsidiaries</i>	-	-	
	- The Company is liable for trade account payable incurred from fuel purchase from P&C under the payment terms agreed between the Company and P&C.			

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
2. KTP Petroleum Co., Ltd. ("KTP")	Revenue from sales of goods	78.66	39.23	- Fuel sale to KTP is conducted in a normal course of business. The Company sells fuels wholesale to KTP, one of its dealers, in a daily quantity ordered by KTP at the price and under the trading conditions specified in the Petroleum Dealer Appointment Agreement between the Company and KTP. The price and trading conditions given to KTP are set based on the same principles as to other dealers.
	o <i>The Company</i>	78.66	35.39	
	o <i>Subsidiaries</i>	-	3.84	- The Company sells fuels wholesale to KTP, which is the Company's dealer.
	- The Company sells fuels wholesale to KTP, which is the Company's dealer.			
	Revenue from promotional activities	0.27	0.24	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. The Customers can redeem the points at participating PT stations throughout the country. Therefore, the Company has charged the promotional fee, which calculated from monthly points' accumulation, to the participating dealers. The fee is charged based on the Company's actual costs and it is charged in the same rates as to other dealers.
	o <i>By the Company</i>	0.27	0.24	
	o <i>By subsidiaries</i>	-	-	
	Revenue from Training	0.01	-	- The Company provided safety training services to KTP employees. Prices are subjected to normal term and conditions, and market price
	o <i>By the Company</i>	0.01	-	
	o <i>By subsidiaries</i>	-	-	
	Other revenues	0.002	0.002	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. Thus, the Company has provided EDC machines to the participating dealers. In this regard, the rate for EDC, charged to KTP, and other trading conditions are set based on the same principles as to other dealers.
	o <i>By the Company</i>	0.002	0.002	
	o <i>By subsidiaries</i>	-	-	

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
2. KTP Petroleum Co., Ltd. ("KTP") (continued)	Trade account receivable	0.67	-	- The Company grants KTP a credit line based on such factors as nature of business, financial status, operating performance, duration as the Company's customer and payment record. The term of payment is 7 days.
	<ul style="list-style-type: none"> o <i>The Company</i> o <i>Subsidiaries</i> - KTP is liable for trade account payable incurred from fuel purchase from the Company under the payment terms agreed between the Company and KTP. 	0.67 -	- -	
	Cost of goods purchased	0.01	30.58	- The Company needs to buy fuels from jobbers for sales to customers operating fuel retailing and wholesaling businesses in the lower South (from Nakhon Si Thammarat to Narathiwat) as there are no Thai Oil tank farms or distribution facilities in the said area. The Company is therefore unable to purchase fuels from Thai Oil, and transport of fuels from other Thai Oil tank farms or other distribution facilities is not worthwhile. The sales price and trading terms are agreed between the Company and KTP, which are approximate to the trading conditions and wholesale prices offered by other jobbers in such area.
	<ul style="list-style-type: none"> o <i>The Company</i> o <i>Subsidiaries</i> - Company and subsidiaries also purchase fuels from KTP for sales at PT petrol stations operated by PTC (COCO petrol stations) and to the Company's dealers in the lower South. 	0.01 -	1.21 29.37	
3. Pubadin Co., Ltd. ("Pubadin")	Revenue from sales of goods	131.15	121.73	- Fuel sales to Pubadin is conducted in a normal course of business operation of the Company in which the Company sells fuel wholesale to Pubadin, one of its dealers, at a daily quantity ordered by Pubadin at the price and under the trading conditions specified in the Dealer Appointment Agreement between the Company and Pubadin. The price and trading conditions given to Pubadin are set based on the same principles as to other dealers.
	<ul style="list-style-type: none"> o <i>By the Company</i> o <i>By subsidiaries</i> - The Company and subsidiaries sell fuels wholesale to Pubadin, which is the Company's dealer. 	131.15 -	121.73 -	

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
3. Pubadin Co., Ltd. ("Pubadin") (continued)	Revenue from asset rental	0.72	0.72	<ul style="list-style-type: none"> - The Company agrees to rent out one service to Pubadin to operate its business by stipulating that Pubadin must become one the Company's dealers. According to the Service Station Rental Agreement and the Petroleum Dealer Appointment Agreement between the Company and Pubadin, Pubadin is required to buy fuel at no less than the minimum amount specified in the agreement. Thus, aside from the monthly rental fee received, the Company also makes profits from selling fuel to Pubadin as one of its dealers. In this regard, the Company considers the rental fee based on expected income and various risks by making a comparison between operating the station on its own and allowing a dealer to operate the station. - The Company agrees that target customer groups in such area are mostly industrial operators who would like long-term line of credit. If the Company operated the service station in said area, it would have to maintain higher working capital than operating in other areas. In addition, the Company would also bear a risk from debt collection from each of its customers. While agreeing to let Pubadin rent out the station, in which the Company sells fuel to Pubadin, eliminates said debt collection risk.
	<ul style="list-style-type: none"> o By the Company o By subsidiaries - The Company receives petrol station rental from Pubadin under the terms and conditions specified in the Petrol Station Rental Agreement between the Company and Pubadin (details are disclosed in Part 2, No. 5 re operating assets, No. 5.2.2 significant agreements on renting and renting out spaces for business operations) 	0.72	0.72	
	Revenue from Transportation	0.61	0.66	<ul style="list-style-type: none"> - In selling fuel to Pubadin, the Company also provides fuel transport service for each transaction as Pubadin has no tanker trucks of its own. Pubadin, therefore, hires the Company's fuel transport services. The fees charged by the company are based on market rates and are of the same rates charged to customers in general. The fees vary according to the distance of delivery.
	<ul style="list-style-type: none"> o By the Company o By subsidiaries - The Company charges Pubadin transport and loading/unloading fees for each delivery of fuels to Pubadin. 	0.61	0.66	

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
3. Pubadin Co., Ltd. ("Pubadin") (continued)	Revenue from promotional activities o <i>By the Company</i> o <i>By subsidiaries</i>	0.19 0.19 - -	0.13 0.13 - -	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. The Customers can redeem the points at participating PT stations throughout the country. Therefore, the Company has charged the promotional fee, which calculated from monthly points accumulation, to the participating dealers. The fee is charged based on the Company's actual costs and it is charged in the same rates as to other dealers.
	Other revenues o <i>By the Company</i> o <i>By subsidiaries</i>	0.001 0.001 -	0.001 0.001 -	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. Thus, the Company has provided EDC machines to the participating dealers. In this regard, the rate for EDC, charged to Pubadin, and other trading conditions are set based on the same principles as to other dealers.
	Land Rental Cost o <i>By the Company</i> o <i>By subsidiaries</i>	0.06 - 0.06	0.06 - 0.06	- Punthai Coffee Co., Ltd, a subsidiary of the Company, rent Pubadin space in its petrol station under PT brand to operate Punthai coffee shop. In this regard, the rental fee and conditions are set based on the agreement between the Company and Pubadin, are considered from the cost occurred.
	Electricity Cost o <i>By the Company</i> o <i>By subsidiaries</i>	0.09 - 0.09	0.07 - 0.07	- Punthai Coffee Co., Ltd, a subsidiary of the Company, used the utility services in DODO stations (under PT brand which managed by Pubadin) to operate Punthai coffee shop. In this regard, the rate of utilities and conditions are set based on the agreement between the Company and Pubadin, and considered from the cost occurred.

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
3. Pubadin Co., Ltd. ("Pubadin") (continued)	Trade Account Receivable	4.39	4.47	- The Company grants Pubadin a credit line based on such factors as nature of business, financial status, operating performance, duration as the Company's customer and payment record. The term of payment is 30 days which is conducted in a normal course of business.
	o By the Company	4.39	4.47	
	o By subsidiaries	-	-	
	- Pubadin is liable for trade account payable incurred from fuel purchase from the Company and subsidiaries under the payment terms agreed between the Company and Pubadin.			
	Other Trade Account Receivable	0.36	-	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. Thus, The Customers has provided EDC machines to the participating dealers. In this regard, the rate for EDC, charged to Pubadin and other trading conditions are set based on the same principle as to other dealers.
	o The Company	0.36	-	
	o Subsidiaries	-	-	
	Other Trade Account Payable	-	0.01	- Other trade account payable was the rental (Accrued Expenses) and utility expenses for Punthai Coffee Co., Ltd. a subsidiary of the Company. The payment term is conducted in a normal course of business which the Company have received from renting and using utilities as to Other parties.
	o The Company	-	-	
	o Subsidiaries	-	0.01	
4. RD Kasetpattana Co., Ltd. ("RD")	Revenue from sales of goods	2.59	2.05	- Fuel sales to R&D is conducted in a normal course of business operation of the Company in which the Subsidiaries sell fuel retail to R&D for use in its operations. In this regard, the price and trading conditions are specified according to Petroleum Sales Agreement, upon which the Company and R&D agree, based on the same conditions given to other customers.
	o The Company	-	-	
	o Subsidiaries	2.59	2.05	
	- Subsidiaries sells fuel retail to RD for use in operations.			

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
4. RD Kasetpattana Co., Ltd. ("RD") (continued)	Trade Account Receivable	0.08	0.14	- The Company grants RD a credit line based on such factors as nature of business, financial status, operating performance, duration as the Company's customer and payment record. The term of payment is conducted in a normal course of business.
	o <i>The Company</i>	-	-	
	o <i>Subsidiaries</i>	0.08	0.14	
5. A.M.A. Logistics Co., Ltd ("AMAL")	Revenue from sales of goods	94.78	61.58	- Fuel sale to AMAL is conducted in a normal course of business. The Company sells fuels to AMAL, one of its customers, at a daily quantity ordered by AMAL at the price and under the trading conditions specified in the Appointment Agreement between the Company and AMAL. The price and trading conditions given to AMAL are set based on the same principles as to other transport customers.
	o <i>The Company</i>	75.79	-	
	o <i>Subsidiaries</i>	18.99	61.58	
	Revenue from asset rental	0.30	-	- Fuel sale to AMAL is conducted in a normal course of business. The Company sells fuels to AMAL, one of its customers, at a daily quantity ordered by AMAL at the price and under the trading conditions specified in the Appointment Agreement between the Company and AMAL. The price and trading conditions given to AMAL are set as based on the same principles as to other transport customers.
	o <i>By the Company</i>	-	-	
	o <i>By subsidiaries</i>	0.30	-	
	- Rental and electricity bill			
	Other revenues	0.78	-	- The Company's subsidiaries agrees to lease space at the service station for the AMAL's oil transportation management. The Company consider the rental base on the expected benefits. The rental conditions are in line with normal business operation obtained from space rental and utilities services from other parties
	o <i>By the Company</i>	0.03	-	
	o <i>By subsidiaries</i>	0.75	-	
	Trade Account Receivable	5.07	1.95	- The Company grants AMAL a credit line based on such factors as nature of business, financial status, operating performance, duration as the Company's customer and payment record. The term of payment is 7 days.
	o <i>The Company</i>	4.73	-	
	o <i>Subsidiaries</i>	0.34	1.95	
	Cost of Transportation (Petroleum Products)	377.40	243.74	- The Company hires AMAL to service petroleum transportation, between refinery and depots, as a normal course of the Company's business. The service fee is charged in line with the market rate.
	o <i>The Company</i>	5.66	139.84	
	o <i>Subsidiaries</i>	371.74	103.90	

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
5. A.M.A. Logistics Co., Ltd. ("AMAL") (continued)	Trade Account Payable (Accrued Expenses) o <i>The Company</i> o <i>Subsidiaries</i> - The Company is liable for trade account payable incurred from receiving services from AMAL according to an agreement with AMAL.	35.78 3.05 32.73	23.47 - 23.47	- The Company receives a credit line from AMAL for fuel transportation service based on the payment term in a normal course of business that AMAL gives to its clients.
6. CK Five Trading Co., Ltd. ("CK5")	Income from sales of goods o <i>The Company</i> o <i>Subsidiaries</i> - The Company sells fuels wholesale to CK5, which is the Company's dealer.	304.85 302.35 2.50	96.33 96.33 -	- Fuel sale to CK5 is conducted in a normal course of business. The Company sells fuels wholesale to CK5, one of its dealers, in a daily quantity ordered by CK5 at the price and under the trading conditions specified in the Petroleum Dealer Appointment Agreement between the Company and CK5. The price and trading conditions given to CK5 are set based on the same principles as to other dealers.
	Revenue from asset rental and other services o <i>By the Company</i> o <i>By subsidiaries</i> - Revenue from other services and training	0.07 - 0.07	- - -	- The Company's subsidiaries provided condinate services of purchase of Punthai Coffee franchise for CK5 prices are based on normal price and condition, as well as on the franchises.
	Revenue from promotional activities o <i>The Company</i> o <i>Subsidiaries</i>	0.81 0.81 -	0.41 0.41 -	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. The Customers can redeem the points at participating PT stations throughout the country. Therefore, the Company has charged the promotional fee, which calculated from monthly points accumulation, to the participating dealers. The fee is charged based on the Company's actual costs and it is charged in the same rates as to other dealers.

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
6. CK Five Trading Co., Ltd. ("CK5") (continued)	Other revenues	0.12	0.005	- The Company has organized promotional activities by launching PT Max Card in the participating petrol stations under PT brand nationwide. The customers, who subscribe to the member card, can collect and redeem the points for variety products specified by the Company. Thus, the Company has provided EDC machines to the participating dealers. In this regard, the rate for EDC and trading condition are set based on the same principles as to other dealers.
	o The Company	0.01	0.005	
	o Subsidiaries	0.11	-	
	Trade Account Receivable	6.06	0.89	- The Company grants RD a credit line based on such factors as nature of business, financial status, operating performance, duration as the Company's customer and payment record. The term of payment is conducted in a normal course of business.
	o The Company	3.17	0.89	
	o Subsidiaries	2.89	-	
	- CK5 is liable for trade account payable incurred from fuel purchase from the Company under the payment terms followed a normal course of business.			
	Cost of goods purchased	1,527.21	579.90	- The Company needs to buy fuels from jobbers for sales to customers operating fuel retailing and wholesaling businesses in the lower South (from Nakhon Si Thammarat to Narathiwat) as there are no Thai Oil tank farms or distribution facilities in the said area. The Company is therefore unable to purchase fuels from Thai Oil, and transport of fuels from other Thai Oil tank farms or other distribution facilities is not worthwhile. The sales price and trading terms are agreed between the Company and CK5, which are approximate to the trading conditions and wholesale prices offered by other jobbers in such area.
	o The Company	488.38	163.50	
	o Subsidiaries	1,038.83	416.40	
	- Company and subsidiaries also purchase fuels from CK5 for sales at PT petrol stations operated by PTC (COCO petrol stations) and to the Company's dealers in the lower South.			
	Trade Account Payable (Accrued Expenses)	49.07	3.26	- The Company receives a credit line from CK5 for fuel transportation service based on the payment term in a normal course of business that CK5 gives to its clients.
	o The Company	-	3.26	
	o Subsidiaries	49.07	-	
	- The Company is liable for trade account payable incurred from receiving services from CK5 according to an agreement with CK5.			

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
7. PPP Green Complex Co., Ltd. ("PPP")	Short - term loans to Related Parties	-	-	- The Company provided short-term to PPP loans during the approval period of loans from the financial institution. The loan interest rate is based on the market interest rate and specify the terms of payment as normal. PPP already repaid the loans.
	o Brought forward	99.78	-	
	o Additional loans during the year	(99.78)	-	
	o Loans repayment during the year			
	Interest Revenue	6.75	-	- The Company charged loan interest rate based on the market interest rate.
	Other Revenue	0.005	-	- The Company charged PPP on the provision travel expenses paid by the Company.
	o By the Company	0.005	-	
	o By subsidiaries	-	-	
8. Sammitr PTG Pro Truck Solution Center Co., Ltd. ("PRO TRUCK")	Revenue from asset rental	0.13	-	- The Company's subsidiary agreed to let PRO TRUCK lease space in the service station to provide full-service and maintenance center for trucks. In this regard, the Company considers the rental fee based on expected income other trading conditions are set based on the same principles as to other tenants.
	o By the Company	-	-	
	o By subsidiaries	0.13	-	
	- The Company receives petrol station rental from PRO TRUCK under the terms and conditions specified in the Petrol Station Rental Agreement between the Company and PRO TRUCK.			
	Trade account receivable	0.13	-	- PRO TRUCK rents space in the service station. Subsidiaries determine the monthly rental payment period on the terms of payment which is the same as those of the subsidiaries to other tenants. However, the debtor's age is still in the prescribed time frame.
	o The Company	-	-	
	o Subsidiaries	0.13	-	
	- KTP is liable for trade account payable incurred from renting space in service stations under the payment terms agreed of normal operation.			

Person with the Potential Conflicts of Interest	Nature of Transaction	Value of Related Transactions (Million Baht)		Necessity and Appropriateness of Related Transaction
		2017	2016	
9. Siam Autobacs Co., Ltd. ("SIAM AB")	Revenue from sales of goods	0.71	-	- The wholesale of PT Maxnitron lubricant oil to SIAM AB is the normal business operation of the Company. SIAM AB is the lubricant oil change service provider for its customers. The lubricant oil price and trading conditions are in accordance with the criteria that the Company considers and assigns to other partners.
	o By the Company	0.71	-	
	o By subsidiaries	-	-	
	- The Company and its subsidiaries wholesale PT Maxnitron to SIAM AB.			
	Other revenues	0.04	-	- Subsidiaries did marketing promotion for SIAM AB. The service rate follows normal business conditions.
	o By the Company	-	-	
	o By subsidiaries	0.04	-	
	Trade account receivable	0.60	-	- The Company grants SIAM AB a credit line based on several factors according to the policy, which is in line with a normal course of business.
	o The Company	0.60	-	
	o Subsidiaries	-	-	
	- SIAM AB purchased lubricant product from the Company with the payment conditions according to a normal course of business			
	Other account receivable	0.04	-	- The subsidiary did marketing promotion for SIAM AB. In this regard, the payment term is according to a normal course of business.
	o The Company	-	-	
	o Subsidiaries	0.04	-	
	Revenue from maintenance services	0.01	-	- SIAM AB provided maintenance services for the Company's subsidiaries. The maintenance service of SIAM AB is a normal operation of the business. Prices that the subsidiaries pay are based on the market price.
	o The Company	-	-	
	o Subsidiaries	0.01	-	
	Other trade payable	0.003	-	- The payment conditions of maintenance expenses of subsidiaries are based on the normal business operation of subsidiaries as well as the services provided by others.
	o The Company	-	-	
	o Subsidiaries	0.003	-	

Note : The transaction mentioned above is a normal business transaction and/or supporting business transaction which had been reviewed by the Audit Committee. The Company prepared a summary of related transaction report to present to the Audit Committee and the Board of Directors on a quarterly basis.

The Procedures for Related Party Transaction Approval

According to the Board of Directors' resolutions No. 10/2555 on 26 November 2012 stating that in the case that the Company enters into the related party transaction with a person, who may have a conflict of interest, and related person, the Company has to follow the regulations of the Securities and Exchange Commission, rules, announcement, and orders from Capital Market Commission, the Stock Exchange of Thailand, and related partners, and appoint the Audit Committee to address the comments of transaction reasonableness, as well as the price and trading conditions of the transactions before submitting to the Board of Directors and/or the meeting of the shareholders. The stakeholders will not be able to participate in that transaction approval process. In addition, the Company and its subsidiaries can enter into a related party transaction, e.g. purchase or selling of goods, and/or receive or provide service, and/or entering into any transactions involving a normal course of business with Directors, Executives, and/or related party in the future. Therefore, the Board of Directors has set the policy for the Executive Directors to approve the transactions as follows:

1. The trading agreement is reasonable and would be conducted in the same situation with the bargaining power without the individual influence in the status as the Directors, Executives, or related person or
 - a. The transaction that the Company and/or subsidiaries purchase or sell goods or receive or provide services to other partners besides the Directors, the Executives, and/or the related person, or buyer or seller or providing services in the market. The products and services must have standard characteristics and prices, or the Company can find data regarding the products and services using the same standard in comparison with the transactions with Directors, Executives, and/or related person, and
 - b. The transaction that has price and trading conditions and other agreements similar to the Company's transactions and/or subsidiaries' transactions made with other entities.

The Company will prepare a related party transaction report to present to the Audit Committee and the Board of Directors on a quarterly basis.

Policy or the trend of related party transaction in the future

The transactions, which may occur in the future, must be reviewed by the Audit Committee and/or the Board of Directors regarding the reason(s) for the transaction, prices, terms and conditions of the transaction according to a normal course of business practice. The Board of Directors must ensure that the company adheres to the rules and regulations of the Securities and Exchange Commission, rules, announcement, orders, or requirements of the Capital Market Supervisory Board, the Stock Exchange of Thailand, and related agencies. The Company must comply with the requirements of related party transactions disclosure, and/or the acquisition or disposition of assets of the Company or its subsidiaries, or associated companies including compliance with accounting standards as defined by the Federation of Accounting Professions.

If there is a connected transaction of the Company and its subsidiaries with a person who might have conflict of interests in the future, the Company will have the Audit Committee provide suggestion on the necessity of the transaction and the reasonable price for those transactions by considering the conditions, which must follow its normal business practices in the marketplace and must compare the price with other parties. In the case that the Audit Committee has no expertise in the transactions, the company must have an independent expert or an auditor of the Company comment on the transaction in order to implement the resolution from the Audit Committee and/or the Board of Directors and/or shareholders. In addition, the Company may disclose the related party transaction in the notes to the financial statements, which have been audited by the auditors of the Company, annual information disclosure report (Form 56-1), and the annual report.

The Company has transactions with companies in the group and/or connected persons in a manner to carry out normal course of business and to support normal business and the provision of financial assistance or receiving financial assistance. This can be summarized as follows:

1. Buying or selling of fuel between the Company and persons who may have a conflict, or connected persons, in which the transaction is a normal business of the Company and its subsidiaries. The price and trading conditions or other agreements have the same characteristics, which are being sold to other entities or received from other oil traders.
2. Transportation services transaction and unloading of fuel between the Company, its subsidiaries, and persons who may have a conflict, or connected persons, which support a normal business operation of the Company and its subsidiaries. The costs and trading conditions or other terms are similar to those of other transportation costs. The cost of services must be determined by taking into account the cost of providing the service and reasonable profit rate.
3. Providing services and/or obtaining services related to the business operations among the Company, its subsidiaries and persons who may have a conflict of interests, or connected persons which support a normal business transaction. The cost of services and trading conditions or other agreements are similar to those received and paid to other parties.
4. Rental or property lease, which is utilized in operations among the Company, its subsidiaries, and persons who may have a conflict of interests, which support a normal business operation. Rental price determination must take into account the cost of acquisition and the market price. The rental agreement and lease contract must be clearly identified and comparable with the rest of the industry.
5. Loans and inter-company loans among the Company and its subsidiaries must align with the liquidity management policy within the Company Group. In this regard, the interest on the aforementioned loans must be in line with the financial costs of the PTG group, which are issued by financial institutions.



Management Discussion and Analysis in 2017

Executive Summary

PTG Energy PCL (“the Company” or “PTG”) dedicated and committed to be the country’s leading integrated energy services provider with the expansion of the network along with the extension to the related businesses. The purpose is to build a growth and make regular and sustainable returns in the long run by adhering to the principles of good corporate governance along with community, social and environmental development.

Market Summary and Business Performance in 2017

Year 2017 was a challenging year, with fuel consumption through service stations which grew only 3.50% from last year, a figure lower than the compound annual growth rate (CAGR) for years between 2015 - 2017 at 6.4% per year. This was the result of several factors such as severe flood in many areas in the nation, lower prices for agricultural products; especially livestock, and the increase in fuel prices, disturbing the rate of growth of fuel consumption of the country. With such disturbances in the industry however, the competition in the oil retail business continues, with player’s in the industry establishing ambitious expansion plans to increase the number of service stations in year 2017, and launching of a variety of marketing campaigns such as points collection and prize draw competitions to attract more customers to their service stations. Moreover, oil retailers continue to provide more non-oil business services.

As a result of the aforementioned competition, the cost of renting new service stations is anticipated to increase, therefore it is imperative that PTG increases its stringency in considering its investments in constructing or renting new service stations in each area in accordance with the Company’s policy to obtain the returns in line with its standard. By the end of year 2017, PTG had a total of 1,696 petrol and gas stations, less than the target set at the beginning of the year at 1,800 stations. However, the total sales volume must meet the target even though the expansion is less than expected.

With the strength of PTG’s COCO¹ service station expansion strategy in which PTG has been a leader over the past years, PTG has been able to rapidly and flexibly expand its non-oil business in the service station. The goal is to create a

different service experience from other service providers. Non-oil business expansion under PTG’s networks and strong partners are:

1. LPG service station of 86 stations,
2. Punthail Coffee of 129 branches,
3. Coffee World, Cream & Fudge, New York 5th Av. Deli, and Thai Chef Express in total of 80 branches,
4. Max Mart of 101 branches,
5. Full commercial car service and maintenance center namely PRO TRUCK of 1 branch, and
6. Full passenger car service and maintenance center namely Autobacs of 9 branches

Business Performance Summary in 2018

Currently, the oil business remains the core business of the Company. The total oil sales volume continues to grow to 3,377 million liters, or an increase by 18% YoY which is greater than the country’s oil consumption growth. However, the rate of growth of sales through PT service station is even greater, with sales volume at 3,188 million liters, or an increase by 24% YoY. Retail sales accounted for 94% of total sales since the Company has a strategy to focus on sales through the retail market. The increase in sales volume is driven from to the continuous expansion of service stations. Hence, PTG has become the second largest service station in term of number of station in the country. In addition to the service station expansion, the same store sales continues to rise to 0.22 million liters per month per station or up by 5.1% YoY.

In addition to the growth in oil business, PTG’s LPG business continues to increase exponentially. The sales volume grows to 62 million liters, or increased by 111% YoY. The increase in sales comes from the expansion of LPG station and from the growth of same store sales, similar to PTG’s petrol service station.

However, during Q1 and Q2 of 2017, there was the imbalance adjustment of oil retail price to the increase in oil price among oil providers in the retail industry. Therefore, the marketing margin in year 2017 is also lesser than the average in year 2016.

¹ Company Owned Company Operated (COCO) is the service that the Company solely owns and manages

With reasons aforementioned above, PTG's revenue grows by 31% YoY as a result of the increase of sales volume and the rise of oil retail price of 10% YoY. The gross profit grows by 20%, while SG&A expenses increase by 29% as a result of a rise in the total number of employees and rental expenses. PTG's EBITDA is 3,067 million Baht, reflecting a 12% growth, and net profit is 913 million Baht, reflecting a 15% decrease YoY. In the Q4 of 2017, PTG recorded profit gain from the share offering of its associate (AMA Marine Public Company Limited) amounting to 94 million Baht. The after taxed profit was 68 million Baht. If this underlying profit was not counted in the net profit of 2016, the net profit of the year 2017 decreased by 9% from the previous year.

Market Outlook in 2018

With anticipation to the recovery of the overall economy in the country, PTG expects the total fuel consumption in the country to increase accordingly. This would enhance PTG's market share in oil business since PTG has expanded its network and continued to build confidence in its products and services. PTG will focus on expanding its network in Bangkok and vicinity to reduce the impact of slow recovery in the fundamental economy of the country.

In addition, PTG will focus on increasing its non-oil business revenue to reduce the risk of reliance on the oil business alone. PTG persists to focus on adding new products and services to its network and its new partners. The purposes are to create excellent experience for customers, and to increase the revenue from existing assets with a stronger customer base.

Existing non-oil businesses such as the LPG business is expected to continue to grow due to the continuous expansion in branches in potential areas and the accompanying marketing at petrol stations. In addition, the convenience store business and the food and beverage business will continue to develop its products and services to meet the needs of each customer group, especially Coffee World in which the brand has adjusted its image, marketing strategy, and all management procedures. After the investment of the Company in the third quarter of year 2017, Coffee World's business direction is clearer. The new look of Coffee World was opened the first two stores at Central Rama 3 and Central Mahachai. The response from the customers is excellent with the sales growth of 20-25% which better than the average growth of normal branch. Moreover, the Company expects to expand 15-20 branches by 2018.

Furthermore, the commercial car service and maintenance center business (PRO TRUCK) currently opened in PT service station in Si Kheu, Nakhon Ratchasima and Phayuhakhiri, Nakhon Sawan. The Company has plan to expand 10-20 more branches in 2018. For the passenger car service and maintenance center business (AUTOBACS), the Company currently operate 9 branches, and will expand 40 branches more inside the PT station and outside the station in Bangkok and vicinity areas by 2018. Another business is the lubricant oil change center business (PT MAXNITRON LUBE CHANGE). The business will be featured 20-30 branches more in PT service stations by 2018 to give customers more alternatives for better standard, faster and greater value services than other service centers. PTG plans to link all networks with PT Max Card and PT Application - Max Rewards for convenience and fast access to PTG's campaigns.

As for the renewable energy business such as the Palm Complex project, the production will commence in the first quarter of year 2018. In this business, PTG holds 40% of the total shares. The project will operate and generate 450,000 liters of biodiesel per day, as well as 200,000 liters of vegetable oil per day.

In year 2018, PTG expects the volume of oil sales to increase by 20-25% from the previous year. This, combined with cost management and the driving of high-margin business, would affect the projected EBITDA to increase by 40-45% from last year. The investment budget is expected to be 4,000-5,000 million Baht for business expansion and to create added value in the long run. The budget will mainly come from the Company's cashflow and the rest will be funded by the appropriated financial instruments. However, the Company strictly monitor the financial ratios and maintain the balance of funding for growth in accordance with the strength of the Company's financial position.

Operational Business Plan in 3-5 years

PTG's aim is to be a fully integral service provider. Therefore, PTG will not only expand its' core businesses, but also other related businesses which support the core business. PTG plans to increase its net profit margin to ensure stable long-term cash flow. For this reason, investment in new business must be cautiously taken to ensure that the target of non-oil portion of the net profit increase to 60% of the net profit.

PTG's Important Events in 2017

1. Investment in service and maintenance center businesses

In March 2017 – PTG jointly invested with Sammitr Motors Manufacturing PCL which the Company held 40% of the total or accounted for 40 million Baht. This was to establish a comprehensive service and maintenance center for trucks with a standard service all over the nation under the “PRO TRUCK” brand.

In September 2017 – PTG engaged in holding shares in Siam Autobacs Co., Ltd. in proportion of 38.26% of total shares, investment value is 65 million baht. AUTOBACS is recognized as the number one service and maintenance center for automobiles in Japan that provides quality and comprehensive services from Japan, which can also render world-standard quality service to automobile users in Thailand.

2. Investment in waste management business for electricity generation

In March 2017 – PTG Green Energy Company Limited, a subsidiary of PTG (with 99.99% shareholding) invested in Palangnang Pattana 5 Company Limited with the shareholding of 51.00% of the total shares. This project has been supported by the government's policy on the management of wastes which could not be recycled but could be turned into electricity. Currently, this project is under the process of contract signing with the municipality, and the project would be started its construction Phase 1 in Q3/2018.

3. Investment in food and beverage business

In July - Punthai Coffee Co., Ltd., a subsidiary of PTG (with 99.99% shareholding) purchased common stocks of GFA Corporation (Thailand) Co., Ltd. (“GFA”) of 99.99% of the total number of shares. GFA operates the food

and beverage business under the brands, such as, Coffee World, Cream & Fudge, and New York 5th Av. Deli. In this regard, PTG foresees the long-term potential growth, and opportunities to venture into the food and beverage business in potential areas outside of PT service stations such as leading department stores, community malls, and airports both in Thailand and overseas. The investment in GFA is to expand new customer base. However, PTG has a policy to maintain the brand Punthai Coffee and Coffee World to serve all customer groups.

4. Debenture Issuance

The Company issued and made an offering debentures of totaling 1,700 million Baht which consisted of 1,000 million Baht debentures with the maturity of 2020 and interest rate of 3.38%, and 700 million Baht debentures with the maturity of 2022 and interest rate of 3.75%. The offering was made for institutional investors and/or major investors. The capital acquired from this issuance is for the investment in business expansion which could generate return and long-term stability in accordance with the Company's goal. Moreover, this capital is used to fund the Company's operating cash flow. However, PTG considers the best source of funding to support the growth of the business.

Business Performance Analysis

The Company's current revenues are still derived from the oil business. Oil sales volume continued to grow to 3,377 million liters, or increased by 18% YoY. The proportion of oil sales through retail channels has increased continuously, accounted for 94% of total sales volume, as a result of the focus on sales through retail market channel.

Fuel Sales Volume (Million Liters)	2017	2016	2015	% chnges from 2016 to 2017
Sales by Channel				
Retail Channel	3,188	2,562	1,979	24%
Wholesales Channel	189	298	259	(36%)
Total	3,377	2,860	2,237	18%
Proportion of Sales by Channel				
Retail Channel	94%	90%	88%	
Wholesales Channel	6%	10%	12%	
Total	100.0%	100.0%	100.0%	

Moreover, diesel is still the main selling product which represents 72% of the total sales volume. Nevertheless, PTG expects to increase the proportion of gasoline sales through the expansion of petrol and LPG stations in Bangkok and vicinity areas every year, and increase customers' confidence and trust in the PT brand. The increase in sales volume is driven from the continuous expansion of service stations, hence, PTG has become the second largest service station in terms of number of station in the country at 1,696 stations. In addition to the service station expansion, same store sales continue to rise to 0.22 million liters per month per station or up by 5.1% YoY and 11.2% QoQ. This corresponds to the higher growth of the country's oil consumption of 2.6%.

2017 Financial Summary

Financial Summary (Baht Million, unless stated)	2017	2016	2015	% chnges from 2016 to 2017
Revenue from sales and services	84,625	64,591	53,678	31.0%
Cost of sales and services	(78,371)	(59,360)	(49,724)	32.0%
Gross profit	6,254	5,232	3,954	19.5%
SG&A	(5,278)	(4,106)	(3,249)	28.5%
Selling expenses	(4,475)	(3,356)	(2,617)	33.3%
Administrative expenses	(803)	(750)	(632)	7.1%
EBITDA	3,067	2,749	1,718	11.5%
Net profit	913	1,073	651	(14.9%)
Gross profit margin	7.4%	8.1%	7.4%	
SG&A as a % of revenue	6.2%	6.4%	6.1%	
% Selling expenses	5.3%	5.2%	4.9%	
% Administrative expenses	0.9%	1.2%	1.2%	
Operating profit margin	1.5%	2.3%	1.6%	
EBITDA margin	3.6%	4.3%	3.2%	
Net profit margin	1.1%	1.7%	1.2%	
Earning per share (Baht)	0.55	0.64	0.39	
Return on Equity	18.8%	25.0%	17.1%	
Return on Total Assets	6.0%	10.6%	9.0%	
IBD to equity ratio (time)	1.58	0.87	0.36	

Revenue from sales and services

PTG obtained revenue from sales and services of 84,625 million Baht, reflecting an increase of 31% YoY. The 98% of the total revenue from sales and services were from the oil business. The increase in revenue came from three main factors: 1. sales volume, which rose to 3,377 million liters or an increase of 18% YoY. However, PTG's sales volume through its service stations has increased to 3,188 million liters or up by 24% YoY. The retail sales accounted for 94% of the year's sales, reflecting an increase of 90% YoY. 2. Retail oil prices rose 10% from last year. And 3. Revenue from non-oil sales and services continued to grow. The revenue from this component increased 78% from last year. The revenue from sales and services can be divided into the following details:

Revenue from sales was 84,574 million baht, increasing by 20,032 million baht or 31% from the previous year. The revenue from sales accounted for 100% of total revenue from sales and services which could be categorized into 2 major types including the revenue from petroleum products (oil business) and the revenue from gas and other products (LPG, food and beverages, convenience stores and other businesses).

- **Revenue from petroleum products (oil business)** was 82,686 million baht, increasing by 19,202 million baht or 30% from the previous year. This revenue accounted for 98% of the total revenues, mainly driven by 18% higher sales as well as 10% higher oil price, comparing to the previous year. The revenue from petroleum products can be classified as follows.

Revenue from petroleum product by channel	2017		2016		2015	
	Baht Million	%	Baht Million	%	Baht Million	%
1. Revenue from fuel retailing through the Company's petrol stations (COCO petrol stations)	68,805	83	49,941	79	40,476	76
2. Revenue from fuel wholesaling through the Company's dealers (DODO petrol stations)	9,559	12	7,521	12	6,828	13
3. Revenue from fuel wholesaling to other fuel traders and industrial operators	4,322	5	6,022	9	5,865	11
Total revenue from sales of fuel product	82,686	100	63,484	100	53,169	100

According to PTG's policy focusing on the oil sales distribution throughout service stations, the proportion of retailed sales increased to 83% in 2017 from 76% in 2015. PTG had been continuously expanding service stations to serve customers with high quality services. Currently, there are 1,610 service stations (excluding LPG stations) in total, increasing by 1,118 stations in 2015.

Regarding the revenue from fuel oil wholesales to other and industrial traders, PTG expected that this revenue would decline due to the price competition leading to the low gross profit. However, the Company had still delivered such wholesales to other and industrial trader with the fair price for both buyers and sellers.

- **Revenue from gas and other products (LPG, food and beverages, convenience stores and other businesses)** was 1,887 million baht, increasing by 830 million baht or 78%. This revenue includes 1. Revenue from gas business with the total current LPG stations of 86 stations, increasing from 32 stations in 2015; 2. Convenience stores in a station area; 3. Revenue from food and beverages business; 4. Revenue from sales of lubricant products; and 5. Revenue from sales of other products in each PT station. Such revenue accounted for only 2% of the total sales revenue; therefore, PTG would aim to increase this revenue by delivering a variety of products and quality services throughout the existing service stations.

Revenue from LPG and other products	2017		2016		2015	
	Baht Million	%	Baht Million	%	Baht Million	%
1. Revenue from LPG retailing through the Company's LPG stations (COCO LPG stations)	737	39	356	34	43	9
2. Other revenues*	1,150	61	701	66	419	91
Total revenue from LPG and other products	1,887	100	1,057	100	462	100

Remark : * Revenue from other products includes 1) Revenue from convenience stores 2) Revenue from food and beverages business 3) Revenue from other products such as lubricant products.

Revenue from services was 51 million baht, increasing by 1 million baht or 2% from the previous year. PTG also had the increasing in revenue from the warehouse rental service but mitigated by the decreasing in revenue from oil and gas transportation service due to the price competition leading to the lower oil sales to other and industrial traders.

Revenue from asset leasing and other services and other revenues

PTG's revenue from asset leasing and other services and other revenues were 280 million baht, decreasing by 55 million baht or 16% from the previous year. The main driver was that last year, there was the dilution gain from the public offering of associated company, AMA Marine Public Company Limited, amounting to 94 million baht before tax or 68 million baht after tax. In addition, the revenue from dividend received decreased by 5 million baht because companies in which PTG invested required the funds for their business expansion. However, the revenue from rental space in PT service stations, interest revenue from financial institutions and revenue from the use of points of PT Max Card had been constantly increasing.

Cost of sales and services

PTG had cost of sales and services of 78,371 million Baht, reflecting an increase of 32% YoY correlating with the rise in volume of sales as mentioned above and the increase of cost by 11% YoY. Cost of sales and services can be divided as follows:

Cost of goods sold, PTG's major cost, was 78,330 million baht, increasing by 19,012 million baht or 32% from the previous year, and could be categorized into 2 types including cost of sales from fuel oil (oil business) and cost of sales from LPG and other products.

- **Cost of sales from petroleum products (oil business)** was 76,904 million baht, increasing by 18,409 million baht or 31% from the previous year due to the higher sales as well as 11% higher cost of oil. However, 98% of the cost was still mainly from the cost of oil. Moreover, PTG expected that annual cost of fuel products would increase in accordance with the higher sales volume with regards to the expansion of service stations and the same store sales.
- **Cost of sales from LPG and other products (LPG, food and beverages, convenience stores and other businesses)** was 1,426 million baht, increasing by 603 million baht or 73% from the previous year. The cost of LPG sales contributed the higher proportion along with the higher sales volume by 111% from the previous year. Furthermore, such increasing in cost was due to the target of the Company to expand other businesses such as convenience stores under Max mart brand, PunThai Coffee, engine oil and auto maintenance equipment. Hence, the costs of these businesses increased along with the business expansion.

Cost of service was 41 million baht, decreasing by 1 million baht or 2% from the previous year, mainly from the cost management in warehouse business in order to support all PTG's owned businesses.

Gross Profit

PTG's gross profit was 6,254 million baht, increasing by 1,022 million baht or 20% from the previous year, mainly from the higher sales as mentioned earlier. However, the change in retail price that was not appropriate with the higher oil cost, resulted in 7% gross profit, decreasing from 8% last year.

In addition, the gross profit of gas and other businesses would be likely to increase so that PTG would further expand business in this segment in order to help increase the overall gross profit. Currently, PTG's gross profit from gas and other businesses was 8% of the total gross profit, increasing from 5% last year.

Cost of sales and administration

PTG's cost of sales and administration was 5,278 million baht, increasing by 29% from the previous year, mainly from the higher cost of sales derived from the Company's target of business expansion in oil as well as gas and other businesses. However, PTG had been aware on the higher cost during the early stage of business expansion so that PTG had strictly controlled all the costs as well as maximized the revenue generated from existing assets for the returns to the existing service stations in accordance with the Company's policy. The increased cost of sales and administration is as follows.

- Employee-related expenses was 2,030 million Baht, reflecting an increase of 24% YoY. The increase in costs is consistent with the increase in the number of service station and the accommodation of these new stations. However, PTG has a policy to manage its business by itself to control quality and standard to be in the same direction.
- Rental and leasehold right expenses was 991 million Baht, reflecting a growth of 42% YoY, in correspondence with the increase in the number of COCO service stations, in which at the end of 2017, the number of COCO service station was 1,471 stations. With PTG's interest in renting service stations in potential areas in Bangkok and vicinity areas to support the company's non-oil business however, the decision to lease service stations in each area must be considered concisely and carefully, in order to obtain the returns determined by the Company.
- Depreciation cost was 822 million baht, increasing by 49% from the previous year, mainly from the oil as well as gas and other businesses due to the increasing in fixed assets of PTG and its affiliates. Moreover, such depreciation cost tended to be higher along with the Company's target of business expansion.

Financial cost

PTG's financial cost was 188 million baht, increasing by 64 million baht or 51% from the previous year, mainly from the issuance of debentures amounting to 1,700 million baht and long-term loans from financial institutions amounting to 1,200 million baht to be the sources of funds for investments in oil and other businesses related to the core business. Moreover, businesses in which PTG invested would help support the overall operation, reduce costs, enhance capability in profit making and increase long-term cash flows. However, PTG had been carefully considering and selecting each investment with various financial tools to be the source of fund with appropriate interest rate with regards to the Company's requirement.

Corporate income tax

PTG's corporate income tax was 154 million baht, decreasing by 108 million baht or 41%, mainly from tax incentives to promote domestic investment in 2017 in accordance with the cabinet's resolution on January 24th, 2017, stating that a company could deduct its capital expenditure for investment up to 1.5 times.

Net profit

PTG's net profit was 913 million baht, decreasing by 160 million baht or 15% from the previous year, mainly from the lower market value but higher expenses at the early stage of business expansion to cover all areas for the future expansion to other businesses. Therefore, the net profit per share was 0.55 baht, decreasing from 0.64 last year. Moreover, PTG had the dilution gain from the public offering of associated company (AMA Marine Public Company Limited), amounting to 94 million baht before tax and 68 million baht after tax. Therefore, if such special item was excluded, the net profit for the year 2017 would decrease by 92 million baht or 9% from the previous year.

Financial Position

PTG's total assets, liabilities, and shareholders' equities were 17,985, 12,867 and 5,118 million baht, respectively. The details are as follows.

Financial Position (Baht million)	2017	%	2016	%	Amount changes	% changes
Cash and current investment	926	5%	640	5%	286	45%
Trade, other receivables, short-term lending	994	6%	676	5%	318	47%
Inventories	1,989	11%	1,525	12%	464	30%
Total current assets	3,909	22%	2,841	22%	1,068	38%
Investment properties	278	2%	209	2%	69	33%
Property, plant, and equipment	8,865	49%	5,800	46%	3,065	53%
Rental and leasehold rights	2,311	13%	1,404	11%	907	65%
Investment in a joint venture	696	3.7%	644	5%	52	8%
Investment in associate	804	4%	757	6%	47	6%
General investment	723	4%	723	6%	0	0%
Intangible assets	193	1%	80	1%	113	143%
Goodwill	53	0.3%	-	0%	53	100%
Other non-current assets	153	1%	69	1%	84	123%
Total assets	17,985	100%	12,527	100%	5,458	44%
Trade and other payables	4,520	25%	3,654	29%	866	24%
Short-term loans & loans due within 1 year	3,693	21%	1,325	11%	2,368	179%
Other current liabilities	62	0.24%	99	1%	(37)	(38%)
Total current liabilities	8,275	46%	5,078	41%	3,197	63%
Financial lease liabilities	572	3%	314	2%	258	82%
Long-term loans	3,834	21%	2,370	19%	1,464	62%
Deferred tax liabilities	55	0.31%	75	0.5%	(20)	-26%
Other non-current liabilities	131	1%	100	0.5%	31	30%
Total liabilities	12,867	72%	7,937	63%	4,930	62%
Retained earnings	2,171	12%	1,636	13%	536	33%
Others	2,947	16%	2,954	24%	(7)	0%
Total equity	5,118	28%	4,590	37%	528	12%
Total liabilities and equity	17,985	100%	12,527	100%	5,459	44%

Assets

As of December 31st, 2017, PTG's total assets were 17,985 million baht, increasing by 5,459 million baht or 44% in 2016. The significant changes in assets were property, plant and equipment, leasehold and prepaid expenses, inventories, trade and other receivables, investments in joint venture companies, intangible assets and goodwill. The details are as follows.

- **Property, plant and equipment** was 8,865 million baht, increasing by 3,065 million baht or 53% from the previous year, mainly from the expansion of oil business to cover all areas over the country as planned for the future business expansion of gas and other businesses. In addition, the strategy of COCO (Company owned company operated) would rapidly help increase products and services of existing service stations with the same pattern, and PTG also expected that property, plant and equipment would continue growing at the early stage of business expansion.
- **Leasehold and prepaid expenses** were 2,311 million baht, increasing by 907 million baht or 65% from the previous year, mainly from the strategy of focusing on providing service stations with high quality and standards of the Company from the landlords who did not want to continue their businesses, leading to the rapid expansion of PTG's service stations. In addition, PTG aimed to further expand the stations into potential areas including Bangkok and Bangkok metropolitan region to fully support the future expansion of gas and other businesses.
- **Inventories** were 1,989 million baht, increasing by 464 million baht or 30% from the previous year, mainly from 20% increase of numbers of service stations as well as 10% increase of average oil price, comparing to last year. PTG expected that this asset would increase in accordance with the business expansion; however, PTG significantly focused on efficient inventory management to be sufficient with the higher sales volumes.
- **Trade and other receivables** were 994 million baht, increasing by 319 million baht or 47% from the previous year, mainly from PTG's customers who were leading customers in the country plus the higher average selling price. However, PTG also had the strict process to follow all receivables complying with the Company's policy.
- **Investments in joint venture companies** were 696 million baht, increasing by 52 million baht or 8% from the previous year, mainly from the investment in Siam Autobacs Company Limited with 38% shareholding and share of losses in PPP Green Complex Company Limited which had not yet been commercially operated with 40% shareholding.
- **Investments in associates** were 804 million baht, increasing by 47 million baht or 6% from the previous year, mainly from 1. Share of profit from AMA Marine Public Company Limited with 24% shareholding; 2. Investment in Sammitr PTG Pro Truck Solution Center with 40% shareholding; and 3. Investment in Palangngan Pattana 5 Company Limited with 51% shareholding.
- **Intangible assets** were 193 million baht, increasing by 113 million baht or 143% from the previous year, mainly from the investment in software system for the efficiency of data management and analysis
- **Goodwill** was 53 million baht, increasing by 53 million, mainly from the acquisition of GFA Corporation (Thailand) Company Limited, the food and beverage operator under the brands of Coffee World, Cream & Fudge, New York 5th Ave. Deli II: Thai Chef Express.

Liabilities

As of December 31st, 2017, PTG's total liabilities were 12,867 million baht, increasing by 4,930 million baht. The significant changes in liabilities were long-term loans from financial institutions, short-term loans and bank overdrafts and trade and other payables. The details are as follows.

- **Long-term loans from financial institutions** were 5,147 million baht, increasing by 2,502 million baht or 95% from the previous year, mainly from the investments in oil business, gas and other businesses as well as the acquisitions and investments in potential partners in various fields in order to increase the Company's capability in profit making and future cash flows as mentioned earlier.
- **Short-term loans and bank overdrafts from financial institutions** were 2,120 million baht, increasing by 1,313 million baht or 163% from the previous year, mainly from the expansion of service stations as well as the higher sales volume and higher average oil price per liter.

- **Trade and other payables** were 4,520 million baht, increasing by 867 million baht or 24% from the previous year. Most of trade payables were from the purchase of fuel oil from Thai Oil Public Company Limited (“Thaioil”) due to the higher annual sales volume. The Company also expected that trade payables would increase in accordance with the growth in retail sales in which the Company currently provided the credit limit as appropriated.

Cash Flow

PTG has sources of fund and uses of fund in the following table.

Sources and uses of funds statement for 2017 (Baht million)			
Sources		Uses	
Cash from operations	3,336	Investment in leasehold rights and PP&E	5,393
Received from loans, net	3,797	Investment in a subsidiary, and an associate	325
Received from dividend, interest, and loans for related business	36	Short-term investment and secured deposit	19
Received from assets sold	11	Dividend payment	334
		Financial lease paid	281
		Interest paid, and tax payment	554
		Cash increase	274
	7,180		7,180

For the year 2017, PTG had net cash flow from operations of 2,790 million Baht, net cash flow from investing activities of 5,698 million Baht, and net cash flow from financing activities of 3,182 million Baht. As a result, PTG increased its cash and cash equivalents by 274 million Baht. With the beginning cash on January 1, 2017 of 637 million Baht, therefore PTG had net cash of 911 million Baht as on December 31, 2017.

Key financial ratios

Current ratio

PTG’s current ratio was 0.47x, slightly decreasing from 0.53x in the previous year, mainly from the utilization of operating cash flow for the expansion of service stations. Moreover, as PTG’s business is in the same manner as the retail business, trade payables would increase in accordance with the higher annual sales. However, PTG had planned to utilize long-term loans more appropriated and issued debentures for new projects.

Shareholders’ equities

As of December 31st, 2017, PTG’s shareholders’ equities (excluding non-controlling interests) were 5,105 million baht, increasing by 529 million or 12% from the previous year, mainly from the unappropriated retained earnings that increased by 536 million baht from the net profit for the year 2017 of 913 million baht and dividend payments of 334 million baht.

Return on equity ratio

PTG’s return on equity ratio was 18.8%, decreasing from 25.0% in the previous year, mainly from the lower market value leading to the lower net profit, comparing to last year. However, PTG attempted to expand other businesses to reduce the dependency on core business and to enhance the return in the future.

Return on asset ratio

PTG’s return on asset ratio was 6.0%, decreasing from 10.6% in the previous year, mainly from the early stage of business expansion, but PTG had planned to maximize the efficiency of asset utilization.

Interest coverage ratio

PTG's interest coverage ratio was 17.7x, decreasing from 28.7x in the previous year, mainly from the lower profit from the lower market value plus the rapid business expansion so that PTG's liabilities increased from loans and issuance of debentures. However, PTG always focused and be aware of investments that could generate high and rapid return but would not impact on the Company's financial liquidity.

Interest-bearing debt to equity ratio

At the end of 2017, PTG's interest-bearing debt to equity ratio was 1.58x, increasing from 0.87x in the previous year, mainly from the long-term loans and issuance of debentures to be the sources of funds for investments in partners as mentioned above. PTG also expected that the interest-bearing debt to equity ratio would increase over the next 1-2 years due to the rapid business expansion that could enhance the future net profit and stability of cash flow; however, this ratio would be controlled not to exceed 2x.

Factors and influences that may affect the future operation or financial position

Volatility of marketing margin

The Company is focused on investing in several oil tank farms located in various areas across the country to quickly distribute oil to customers. Moreover, the investment in a large number of tank truck is made to be able to transport and transfer fuel to the oil tank farm, petrol station, and oil delivery points to customers in the oil wholesale business promptly and on time. The investment also included the COCO type of PT station which enable the Company to access and sell oil to the retail oil market in each area appropriately, and to manage the inventory more efficiently. The investment in such fixed assets resulted in the increase of rental fees, leasehold right payment, utility bill, depreciation expense, and repair fee which are significant part of cost of sales and management. The number of employees also increased as a result of investment in such fixed assets. However, employee expense which is another important type of cost of sales and management does not change with the amount of oil sold and revenue from the sale of oil. Therefore, if the future fuel sales of the Company and its subsidiaries drop rapidly and marketing margin of fuel decrease significantly, as the government has imposed measures to control oil prices, the operation of the Company and its subsidiaries will be affected.

However, the Company considers that the average sales volume per station has potential to grow because the Company's petrol stations are known for only niche customers. The improvement the image of the petrol station, the recent advertising, the promotion through PT Max Card, the registration in Stock Exchange of Thailand, and the expansion of service stations in Bangkok and its vicinity help the Company's petrol station become more widely known. As a result, the average sales volume per service station increased. For marketing margin risk, the Company expects that if there is an impact, it will only a short-term effect. This is because the government has set a price control scheme on oil retail price which will not last long. And if it is necessary to control prices in the long run, the government needs other programs to assist retailers and the fuel wholesale traders. This is to ensure that the effect does not impact the sale of fuel to the public. The programs are included reducing the rate of contribution to the fuel fund and contribution to the fuel fund to compensate the entrepreneur. After the implementing of government program, the market will adjust to the appropriate level again. In addition, the government has a policy to restructure the price of fuel to reflect the actual cost.

Report of the Board of Directors' Responsibility for Financial Statements

The Company's Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and all financial information disclosed in the annual report. These financial statements have been prepared in accordance with generally accepted accounting standards applicable in Thailand, using appropriate accounting policies applied consistently and with adequate disclosure of important information in the notes to the financial statements in order to provide the shareholders and general investors with reliable and adequate information of financial status.

In this regard, the Board of Directors has appointed the Audit Committee, comprising skilled independent directors, to review the quality of the financial statements and to assess the internal control system. The Audit Committee's Report regarding these matters has been presented in this Annual Report.

The Board of Directors views that the Company's internal control system can assure that the Company's financial statements have reflected its financial status and operating performance accurately in all material aspects.

Pol. Gen. 
(Soontorn Saikwan)
Chairman of the Board of Directors
PTG Energy Public Company Limited

Independent Auditor's Report

To the shareholders and the Board of Directors of PTG Energy Public Company Limited

My opinion

In my opinion, the consolidated financial statements of PTG Energy Public Company Limited ("the Company") and its subsidiaries ("the Group") and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRS").

What I have audited

- The consolidated financial statements and the separate financial statements comprise:
- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of income for the year then ended
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then end; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing ("TSA"). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Business combination. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Business combination</p> <p>As disclosed in Note 36 - Business Combination, the Group paid cash consideration of Baht 205 million to acquire a 99.98% shareholding interest in GFA Corporation (Thailand) Limited ("GFA"), which engages in food and beverage services. Management assessed that the acquisition of shareholding qualifies as a business combination according to the definition in TFRS 3 (revised 2016) "Business Combination".</p> <p>Management engaged a qualified external valuer to appraise the fair value of GFA's assets. The valuer determined that the fair value of the identifiable assets acquired was Baht 202.32 million, mainly comprising Baht 53.34 million relating to equipment and Baht 53.26 million relating to intangible assets (service marks) and the fair value of the liabilities assumed was Baht 50.30 million. The valuation of net identifiable assets acquired was performed as a part of the purchase price allocation.</p> <p>The valuation of the service marks is being done by the management and as of the reporting date the value of the service marks has only been provisionally determined in accordance with TFRS 3.</p> <p>I focused on the identification of the fair value of equipment and service marks arising from the business combination because the valuation methodology and assumptions used in the model involves significant judgment made by management. Key assumptions used to value the equipment included estimated replacement costs adjusted with the remaining useful life and the service marks, included revenue growth rates, royalty rates and discounted rates.</p>	<p>I performed the following procedures in order to obtain evidence of the management's assessment of the business combination and the determination of fair value of the net identifiable assets acquired:</p> <ul style="list-style-type: none"> ● Reviewed management's assessment that the acquisitions of 99.98% of shareholding in GFA should be accounted for as business combination. ● Assessed the appropriateness of the identifiable assets acquired and the liabilities assumed at the acquisition date, and also evaluated management's procedures for determining the fair value of the net identifiable assets acquired. ● Evaluated the competency, qualifications, experience and independence of management's experts. ● Tested the calculation of fair values of the equipment and service marks and also challenged management's judgement in relation to the following: <ul style="list-style-type: none"> - the assumptions used in the fair value estimation of the equipment which comprises estimated replacement costs and remaining useful lives, - the assumption used in the fair value estimation of the service marks which comprises revenue growth rates and royalty rates, and also compared these assumptions to the available public information, and - the discounted rate by assessing the model of the cost of capital and other inputs into the model. <p>As a result of the procedure performed, I determined that the assessment of the acquisition of the investment as business combination is appropriately performed in accordance with the definition set out in TFRS 3 and the assumptions used in identifying the fair values of equipment and service marks were reasonable and in line with the accounting for the business combination.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSA, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



Amornrat Pearmpoonvatanasuk
Certified Public Accountant (Thailand) No. 4599
Bangkok
21 February 2018

PTG Energy Public Company Limited
Statement of Financial Position
As at 31 December 2017

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	910,997,936	636,962,412	281,126,037	162,149,383
Short-term investments - Available-for-sale	8	14,999,885	2,745,404	-	793,499
Trade and other receivables, net	9	994,247,195	675,325,972	519,746,107	434,494,051
Short-term loans to related parties	34.5	-	-	3,180,906,353	2,128,840,353
Current portion of long-term loans to third parties		180,000	780,000	-	600,000
Current portion of long-term loans to related parties	34.6	-	-	190,000,000	15,000,000
Inventories, net	10	1,989,033,407	1,525,149,704	290,908,459	255,634,849
Total current assets		3,909,458,423	2,840,963,492	4,462,686,956	2,997,512,135
Non-current assets					
Deposits at financial institutions used as collateral	11	9,932,444	-	-	-
Long-term loans to third parties, net		2,380,000	2,560,000	-	-
Long-term loans to related parties, net	34.6	-	-	570,000,000	10,000,000
Investments in subsidiaries	12	-	-	1,251,394,322	1,177,644,322
Investments in joint ventures	12	696,195,304	644,208,790	704,999,990	640,000,000
Investments in associates	12	803,794,602	757,241,615	20,000,000	-
Other long-term investment	13	723,093,785	723,093,785	-	-
Investment property, net	14	277,819,496	209,407,866	130,002,260	131,685,083
Property, plant and equipment, net	15	8,864,716,242	5,800,009,818	1,894,960,038	1,985,137,724
Prepaid leasehold right and land rental, net	16	2,310,664,144	1,403,511,056	1,833,821	2,319,758
Intangible assets, net	17	193,044,985	79,561,360	134,769,352	72,434,090
Goodwill		52,982,548	-	-	-
Deferred tax assets, net	26	42,049,138	14,171,583	-	-
Other non-current assets	18	99,245,783	51,842,981	10,581,254	9,438,363
Total non-current assets		14,075,918,471	9,685,608,854	4,718,541,037	4,028,659,340
Total assets		17,985,376,894	12,526,572,346	9,181,227,993	7,026,171,475

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Financial Position
As at 31 December 2017

		Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
Notes		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts from a financial institution	19	519,507,655	306,225,068	-	-
Trade and other payables	20	4,520,212,444	3,653,628,137	765,858,630	648,049,271
Short-term loans from financial institutions	21	1,600,000,000	500,000,000	-	-
Short-term loans from related parties	34.7	-	-	48,530,900	233,120,900
Current portion of finance lease liabilities, net	22	260,693,086	244,392,348	116,754,651	207,540,627
Current portion of long-term loans from financial institutions	23.1	1,313,266,448	274,678,781	476,886,448	158,068,781
Income tax payable		61,791,201	99,079,184	9,564,099	6,852,492
Total current liabilities		8,275,470,834	5,078,003,518	1,417,594,728	1,253,632,071
Non-current liabilities					
Finance lease liabilities, net	22	572,412,036	314,039,897	58,509,635	175,264,333
Long-term loans from financial institutions, net	23.1	441,743,823	678,769,270	310,493,823	260,229,270
Debentures, net	24	3,391,806,850	1,691,597,388	3,391,806,850	1,691,597,388
Retirement benefit obligations	25	76,852,881	49,650,399	47,613,477	36,226,252
Deferred tax liabilities, net	26	55,055,253	74,901,873	31,412,234	46,448,027
Other non-current liabilities	27	53,491,972	50,339,185	24,564,307	19,680,910
Total non-current liabilities		4,591,362,815	2,859,298,012	3,864,400,326	2,229,446,180
Total liabilities		12,866,833,649	7,937,301,530	5,281,995,054	3,483,078,251

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Financial Position
As at 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Notes		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital	28				
Authorised share capital					
- 1,670,000,000 ordinary shares					
at par value of Baht 1 each		1,670,000,000	1,670,000,000	1,670,000,000	1,670,000,000
Issued and paid-up share capital					
- 1,670,000,000 ordinary shares					
paid-up of Baht 1 each		1,670,000,000	1,670,000,000	1,670,000,000	1,670,000,000
Premium on share capital	28	1,185,430,000	1,185,430,000	1,185,430,000	1,185,430,000
Retained earnings					
Appropriated					
- Legal reserve	29	116,065,920	81,305,616	116,065,920	81,305,616
Unappropriated		2,171,474,407	1,635,827,602	927,737,019	606,340,366
Other components of equity		(38,418,813)	2,684,968	-	17,242
Total equity attributable to owners					
of the parent		5,104,551,514	4,575,248,186	3,899,232,939	3,543,093,224
Non-controlling interests		13,991,731	14,022,630	-	-
Total equity		5,118,543,245	4,589,270,816	3,899,232,939	3,543,093,224
Total liabilities and equity		17,985,376,894	12,526,572,346	9,181,227,993	7,026,171,475

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Income
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenue from sales and services		84,624,590,364	64,591,400,891	11,185,535,433	9,352,765,228
Costs of sales and services		(78,370,937,171)	(59,359,526,420)	(10,384,338,573)	(8,579,047,818)
Gross profit		6,253,653,193	5,231,874,471	801,196,860	773,717,410
Revenue from assets for lease and other services		94,412,436	84,431,559	515,714,141	477,995,122
Dividends income		1,398,556	6,224,448	484,147,691	311,982,020
Other income		142,133,611	112,252,526	184,291,106	158,985,669
Selling expenses		(4,475,032,531)	(3,356,179,205)	(546,814,914)	(534,622,305)
Administrative expenses		(803,462,138)	(750,381,926)	(571,388,930)	(445,631,353)
Finance costs		(188,441,618)	(124,903,770)	(126,345,331)	(109,418,436)
Dilution gains in investment in an associate	12.1	-	94,454,099	-	-
Share of profit from investments in joint ventures and associates, net	12.1	42,245,269	37,772,532	-	-
Profit before income tax		1,066,906,778	1,335,544,734	740,800,623	633,008,127
Income tax	31	(153,832,571)	(262,149,172)	(45,594,536)	(57,396,473)
Profit for the year		913,074,207	1,073,395,562	695,206,087	575,611,654
Profit (loss) attributable to:					
Owners of the parent		913,098,000	1,073,447,288	695,206,087	575,611,654
Non-controlling interests		(23,793)	(51,726)	-	-
Profit for the year		913,074,207	1,073,395,562	695,206,087	575,611,654
Earnings per share					
Basic earnings per share	32	0.55	0.64	0.42	0.34

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Profit for the year		913,074,207	1,073,395,562	695,206,087	575,611,654
Other comprehensive income					
Item that will not be reclassified to profit or loss					
- Remeasurements of retirement benefit obligations	25	(10,863,613)	-	(6,311,413)	-
- Income tax on item that will not be reclassified		2,172,722	-	1,262,283	-
Total item that will not be reclassified to profit or loss		(8,690,891)	-	(5,049,130)	-
Items that will be reclassified subsequently to profit or loss					
- Change in value of available-for-sale financial assets	8	(48,048)	15,780	(17,242)	4,078
- Share of other comprehensive income (expense) of a joint venture and an associate accounted for using the equity method		(41,055,733)	2,120,595	-	-
- Income tax on items that will be reclassified		-	(172,147)	-	-
Total items that will be reclassified to profit or loss		(41,103,781)	1,964,228	(17,242)	4,078
Other comprehensive income (expense) for the year, net of tax		(49,794,672)	1,964,228	(5,066,372)	4,078
Total comprehensive income for the year		<u>863,279,535</u>	<u>1,075,359,790</u>	<u>690,139,715</u>	<u>575,615,732</u>
Total comprehensive income attributable to:					
Owners of the parent		863,303,328	1,075,411,516	690,139,715	575,615,732
Non-controlling interests		(23,793)	(51,726)	-	-
Total comprehensive income for the year		<u>863,279,535</u>	<u>1,075,359,790</u>	<u>690,139,715</u>	<u>575,615,732</u>

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2017

	Notes	Separate financial statements									
		Issued and paid-up share capital					Retained earnings			Other components of equity	
										Other comprehensive income (expense)	
		Baht	Premium on share capital	Legal reserve	Unappropriated	Available-for-sale investments	Total other components of equity		Total equity		Baht
			Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Opening balance as at 1 January 2016		1,670,000,000	1,185,430,000	52,525,033	560,487,588	13,164	13,164	13,164	3,468,455,785		
Changes in equity for the year											
Dividend paid		-	-	-	(500,978,293)	-	-	-	(500,978,293)		
Legal reserve	29	-	-	28,780,583	(28,780,583)	-	-	-	-		
Total comprehensive income for the year		-	-	-	575,611,654	4,078	4,078	4,078	575,615,732		
Closing balance as at 31 December 2016		1,670,000,000	1,185,430,000	81,305,616	606,340,366	17,242	17,242	17,242	3,543,093,224		
Opening balance as at 1 January 2017		1,670,000,000	1,185,430,000	81,305,616	606,340,366	17,242	17,242	17,242	3,543,093,224		
Changes in equity for the year											
Dividend paid	33	-	-	-	(334,000,000)	-	-	-	(334,000,000)		
Legal reserve	29	-	-	34,760,304	(34,760,304)	-	-	-	-		
Total comprehensive income for the year		-	-	-	690,156,957	(17,242)	(17,242)	(17,242)	690,139,715		
Closing balance as at 31 December 2017		1,670,000,000	1,185,430,000	116,065,920	927,737,019	-	-	-	3,899,232,939		

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax for the year		1,066,906,778	1,335,544,734	740,800,623	633,008,127
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation and amortisation	30	1,811,279,323	1,288,924,038	174,215,496	169,150,015
- Amortisation of deferred financing fee		4,054,462	3,149,400	4,054,462	3,149,400
- Provision for decommissioning costs		351,976	754,517	113,195	621,049
- (Reversal of) allowance for doubtful accounts, net		3,541,943	(5,803,711)	499,479	(6,168,924)
- Revenue from dividend income		(1,398,556)	(6,224,448)	(484,147,691)	(311,982,020)
- Retirement benefit expenses		16,682,698	9,162,953	5,842,420	5,506,206
- Gains on disposals of assets		(822,303)	(6,077,013)	(7,401,131)	(8,610,446)
- Loss on write-off of assets	15, 17	9,049,260	10,837,524	98,967	1,719,547
- Gains on disposals of short-term investments		(65,288)	(56,989)	(23,650)	(56,989)
- (Reversal of) impairment charge of assets	14, 15	2,646,923	(12,683,689)	-	(12,683,689)
- Reversal of allowance for decrease in inventory value and obsolescence		1,055,186	(5,026,218)	253,599	(4,363,248)
- Interest income		(7,799,615)	(1,122,199)	(110,637,743)	(94,894,875)
- Interest expenses		294,432,759	117,632,237	122,290,870	106,269,036
- Dilution gains in investment in an associate	12.1	-	(94,454,099)	-	-
- Share of profit from investments in joint ventures and associates, net	12.1	(42,245,269)	(37,772,532)	-	-
Cash flows before changes in operating assets and liabilities		3,157,670,277	2,596,784,505	445,958,896	480,663,189
Changes in operating assets and liabilities:					
- Trade and other receivables		(135,051,427)	3,439,865	(25,625,094)	240,053,978
- Inventories		(445,928,029)	(537,182,304)	(35,527,209)	15,920,976
- Other non-current assets		(13,091,034)	(10,688,637)	(1,142,891)	(4,328,784)
- Trade and other payables		774,989,019	1,514,830,723	101,557,194	68,017,757
- Retirement benefit obligations paid	25	(892,624)	-	(54,046)	-
- Other non-current liabilities		(1,993,187)	15,746,942	4,770,203	1,373,366
Cash generated from operations		3,335,702,995	3,582,931,094	489,937,053	801,700,482
- Interest received		7,799,617	1,122,199	50,511,511	64,592,250
- Interest paid		(291,436,029)	(117,185,969)	(119,585,749)	(98,835,680)
- Income tax paid		(262,158,921)	(241,795,121)	(56,656,439)	(50,043,278)
Net cash receipts from operating activities		2,789,907,662	3,225,072,203	364,206,376	717,413,774

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Payments for deposits at financial institutions used as collateral		(6,560,000)	-	-	-
Payments for leasehold right and land rental	16	(1,926,441,622)	(1,335,212,340)	(273,685)	(252,579)
(Payments for) proceeds from short-term investments, net		(12,237,241)	400,000	799,907	400,000
Payments for purchases of invesment property		(70,373,678)	(41,642)	(601,127)	-
Payments for purchases of property, plant and equipment		(3,327,131,237)	(1,841,273,277)	(273,666,489)	(209,922,043)
Proceeds from disposals of plant and equipment		11,110,525	77,712,278	219,100,297	77,702,750
Payments for purchases of intangible assets		(70,029,874)	(42,139,641)	(68,626,872)	(39,013,368)
Dividends received		27,298,556	6,224,448	484,147,691	311,982,020
Proceeds from short-term loans to related parties	34.5	99,777,600	-	20,522,568,600	16,586,306,210
Payments for short-term loans to related parties	34.5	(99,777,600)	-	(21,574,634,600)	(17,494,355,500)
Proceeds from long-term loans to related parties	34.6	-	-	15,000,000	15,000,000
Payments from long-term loans to related parties	34.6	-	-	(750,000,000)	-
Proceeds from a short-term loan to a third party		-	1,000,000	-	-
Proceeds from a long-term loan to a third party		780,000	780,000	600,000	600,000
Acquisition of investments in subsidiaries, net					
cash acquired	12.1, 36	(201,342,043)	-	(73,750,000)	(577,250,000)
Acquisition of investments in joint ventures	12.1	(64,999,990)	(291,200,000)	(64,999,990)	(291,200,000)
Acquisition of investments in associates	12.1	(58,249,975)	(621,600,000)	(20,000,000)	-
Acquisition of other long-term investment	13	-	(723,093,785)	-	-
Net cash payments in investing activities		(5,698,176,579)	(4,768,443,959)	(1,584,336,268)	(1,620,002,510)
Cash flows from financing activities					
Payments for finance leases		(280,878,940)	(277,405,301)	(207,540,674)	(262,273,124)
Proceeds from bank overdrafts from a financial institution, net		199,988,470	119,157,229	-	-
Proceeds from short-term loans from financial institutions		21,300,000,000	6,300,000,000	-	-
Payments of short-term loans from financial institutions		(20,200,500,000)	(5,800,000,000)	-	-
Proceeds from short-term loans from related parties	34.7	-	-	1,151,629,000	1,694,637,000
Payments of short-term loans from related parties	34.7	-	-	(1,336,219,000)	(1,689,844,500)
Proceeds from long-term loans from financial institutions		1,200,000,000	491,400,000	600,000,000	200,000,000
Payments of long-term loans from financial institutions		(398,437,780)	(147,652,114)	(230,917,780)	(91,402,114)
Proceeds from debentures		1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Payments on deferred financing fee		(3,845,000)	(11,552,012)	(3,845,000)	(11,552,012)
Dividends paid to shareholders	33	(334,000,000)	(500,978,293)	(334,000,000)	(500,978,293)
Dividends paid to non-controlling interests of subsidiaries		(22,309)	(17,980)	-	-
Proceeds from paid-up shares of subsidiaries from non-controlling interests		-	14,000,075	-	-
Net cash receipts from financing activities		3,182,304,441	1,886,951,604	1,339,106,546	1,038,586,957

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Net increase in cash and cash equivalents	274,035,524	343,579,848	118,976,654	135,998,221
Beginning balance	636,962,412	293,382,564	162,149,383	26,151,162
Ending balance	<u>910,997,936</u>	<u>636,962,412</u>	<u>281,126,037</u>	<u>162,149,383</u>
Cash and cash equivalents are made up as follows:				
- Cash on hand and deposits at financial institutions - maturities within three months	910,997,936	636,962,412	281,126,037	162,149,383
	<u>910,997,936</u>	<u>636,962,412</u>	<u>281,126,037</u>	<u>162,149,383</u>
Non-cash transactions				
- Purchases of investment property by payables	4,080,756	243,967	-	-
- Purchases of plant and equipment by payables	185,679,371	122,436,507	9,734,638	3,930,539
- Purchases of equipment under finance lease agreements	555,551,817	188,469,190	-	1,637,756
- Purchases of intangible assets by payables	14,203,575	7,173,190	14,203,575	7,173,190

The accompanying note are an integral part of the financial statements

PTG Energy Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

1 General information

PTG Energy Public Company Limited (the “Company”) is a public limited company, incorporated and resident in Thailand. The address of its registered office is 90, CW Tower A Building, 33rd Floor, Ratchadapisek Road, Huay Kwang, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Group engages in business of trading of petroleum products, gas product, supplies and equipment for oil service station and consumable products and transportation.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 21 February 2018.

2 Accounting policies

The principal accounting policies adopted in the preparation of these consolidated and separate financial statements are set out below.

2.1 Basis for preparation

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

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

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

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

2.2 Revised financial reporting standards and accounting standards and related interpretations (collectively “the accounting standards”)

2.2.1 The accounting standards are effective for accounting periods beginning on or after 1 January 2017

The Group adopted the accounting standards, which are effective for accounting period beginning on or after 1 January 2017. There is no significant impact to the financial statements being present from the adoption of those standards by the Group.

PTG Energy Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

2 Accounting policies (continued)

2.2 Revised financial reporting standards and accounting standards and related interpretations (collectively "the accounting standards") (continued)

2.2.2 The accounting standards are effective for accounting periods beginning on or after 1 January 2018 and not early adopted by the Group

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profits.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale according to TFRS 5 (revised 2017), except for the summarised financial information.

The Group's management has assessed and considered that the above revised standards will not have a material impact on the Group except for disclosure.

2.3 Group accounting - investments in subsidiaries and associates and in joint arrangements

2.3.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

PTG Energy Public Company Limited
 Notes to the Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

2 Accounting policies (continued)

2.3 Group accounting - investments in subsidiaries and associates and in joint arrangements (continued)

2.3.1 Subsidiaries (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognise and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

A list of the Group's subsidiaries is shown in Note 12.

2.3.2 Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.3.3 Disposal of subsidiaries

When the Group ceases to have control it shall ceased to consolidate its subsidiaries. Any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

2.3.4 Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. In the consolidated financial statements, investments in associates are accounted for using the equity method of accounting.

A list of the Group's a principal associate is shown in Note 12.

2.3.5 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint operations

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint venture

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. In the consolidated financial statements, interests in joint ventures are accounted for using the equity method.

A list of the Group's a principal joint venture is shown in Note 12.

PTG Energy Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

2 Accounting policies (continued)

2.3 Group accounting - investments in subsidiaries and associates and in joint arrangements (continued)

2.3.6 Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates and joint ventures includes goodwill identified on acquisition.

If the ownership interest in associates and joint ventures is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in an associates and joint ventures is recognised in profit or loss.

The Group's share of its associates and joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, together with any long-term interests that, in substance, form part of the entity's net investment in the associates or joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates and joint ventures are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of associates and joint ventures in profit or loss.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3.7 Separate financial statements

In the separate financial statements, investments in subsidiaries, associates and joint ventures are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A test for impairment for investments in subsidiaries, associates and joint ventures is carried out when there is a factor indicating that investments might be impaired. If the carrying value of the investments is higher than its recoverable amount, impairment loss is charged to the profit or loss.

2.4 Foreign currency translation

2.4.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Baht, which is the functional of the Company and presentation currency of the Group.

2.4.2 Transactions and balances

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

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

PTG Energy Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

2 Accounting policies (continued)

2.4 Foreign currency translation (continued)

2.4.3 Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.5 Cash and cash equivalents

In the consolidated and separate statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term highly liquid investments with original maturities of three months or less. In the consolidated and separate statement of financial position, bank overdrafts are shown in current liabilities.

2.6 Investments

Investments other than investments in subsidiaries, an associate and a joint venture are classified into three categories: trading investments, available-for-sale investments and other long-term investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

2.6.1 Trading investments

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.

2.6.2 Available-for-sale investments

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

2.6.3 Other long-term investment

Investment in non-marketable equity security is classified as other long-term investment.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to a published price. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

Other long-term investment is carried at cost less impairment loss.

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

PTG Energy Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

2 Accounting policies (continued)

2.7 Trade receivables

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

2.8 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined under the following methods:

Petroleum products	Moving average method
Consumable products	Weighted average method
Other products	Weighted average method

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.9 Investment property

Property that is held for long-term rental or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property or land held for a currently undetermined future use. Investment property of the Group is land and land improvement and building and building improvement held for earning rentals and for a currently undetermined future use. The Group has not determined whether it will use the land and land improvement and building and building improvement as owner-occupied property or as capital appreciation.

Land and land improvement are not depreciated. Depreciation on building and building improvement is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives which is 10 - 40 years.

Investment property is measured initially at its cost including related transaction costs. Subsequently, the investment property is carried at cost less accumulated depreciation and accumulated impairment (if any).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

PTG Energy Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

2 Accounting policies (continued)

2.10 Property, plant and equipment

An item of property, plant and equipment is stated at cost less any accumulated depreciation and any accumulated allowance for decrease in value. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable purchase taxes (after deducting trade discounts and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the initial estimate of costs of dismantling and removing the item, and restoring the site on which it is located, the obligation for which the branch incurs either when the item is acquired or as a consequence of having used the item during a particular period.

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

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

	Years
Building	10, 20 and 40 years
Building improvement	5 and 20 years
Tools and equipment	5, 10, 20 and 40 years
Office furniture and equipment	5 and 10 years
Vehicles	5 and 10 years

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.13).

Gains and losses on disposals of assets are determined by comparing the proceeds with the carrying amount and are recognised within other of assets gains or losses - net in profit or loss.

General and specific borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset, during the period of time required to complete and prepare the asset for its intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised as expenses in profit or loss.

2.11 Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets liabilities and contingent liability of the acquired subsidiary undertaking or joint venture or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position and of joint ventures or associate is included in investments in joint ventures or an associate in the consolidated statement of financial position and impairment test included in investment in joint venture or investment in as associate.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

PTG Energy Public Company Limited
 Notes to the Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

2 Accounting policies (continued)

2.12 Intangible assets

2.12.1 Leasehold right

Leasehold rights are stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line basis over the lease period.

2.12.2 Trademarks and service marks

Separately acquired trademarks are shown at historical cost. Service marks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and service marks have a finite useful life and are carried at cost less accumulated amortisation and accumulated allowance for decrease in value (if any). Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 10 years and 20 years respectively.

2.12.3 Computer software licenses

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 years and 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

2.13 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.14 Leases- where the Group is the lessee

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and the finance costs so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance costs, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period. The assets acquired under finance lease are depreciated over the shorter period of the useful life of the asset or the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

PTG Energy Public Company Limited
 Notes to the Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

2 Accounting policies (continued)

2.15 Borrowings

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

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

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

2.16 Current and deferred income taxes

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

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

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

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

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

PTG Energy Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

2 Accounting policies (continued)

2.17 Employee benefits

The Group operate various post-employment benefits schemes which consisted of defined benefit and defined contribution plans.

2.17.1 Defined contributions

The Group operates a provident fund that is funded by payments from employees and by the Group and managed by an external fund manager in accordance with the Provident Fund Act B.E. 2530. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

2.17.2 Defined benefit plan

The Group provides for post-employment benefits, payable to employees under the labour laws. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age of employee, years of service and compensation, etc.

The liability in respect of employee benefits is the present value of the defined benefit obligation which is calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yields on government bonds which have terms to maturity approximating the terms of the related liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2.18 Provisions

2.18.1 General provisions

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

2.18.2 Provision for decommissioning costs

The Group recognises provision for decommissioning costs, which are provided at the onset of completion of the project, for the estimate of the eventual costs that relate to the removal of the building improvement. The recognised provision for decommissioning costs is based on future removal cost estimates and incorporate many assumptions such as abandonment times and future inflation rate and discounted to present value at the discount rate estimated by the management. Those costs are included as part of the building improvement.

2.19 Share capital

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

PTG Energy Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

2 Accounting policies (continued)

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from rendering services is based on the services performed to date as a percentage of total services to be performed.

Rental income is recognised according to accrual basis.

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

Other income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

2.21 Customer loyalty programmes

Where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values.

The Group has traded the products and services to customers with the customer loyalty programmes which are the cumulative points from refill of petroleum products and purchase of food and beverage and redeem as petroleum products or other commodities in next time without any payment. The customer loyalty programmes are measured at fair value.

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as management that makes strategic decisions.

PTG Energy Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

3 Reclassifications

The comparative figures have been reclassified to conform with changes in presentation in the current year. The effects of reclassification to the consolidated and separate statement of income for the year ended 31 December 2016, are presented as follows:

	Consolidated financial information			Separate financial information		
	As previously reported Baht	Reclassification Baht	After reclassification Baht	As previously reported Baht	Reclassification Baht	After reclassification Baht
Statement of income for the year ended 31 December 2016						
Costs of sales and services	59,132,865,195	226,661,225	59,359,526,420	8,369,907,561	209,140,257	8,579,047,818
Selling expenses	3,522,049,296	(165,870,091)	3,356,179,205	743,762,562	(209,140,257)	534,622,305
Administrative expenses	811,173,060	(60,791,134)	750,381,926	445,631,353	-	445,631,353

PTG Energy Public Company Limited
 Notes to the Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

4 Critical accounting estimates, assumptions and judgements

Accounting estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. During 2017, the Group makes critical estimates, assumptions and judgement that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year which is estimate of the fair value of the net identifiable assets acquired from the acquisition of investment in a subsidiary.

Estimate of the fair value of the net identifiable assets acquired from the acquisition of investment in a subsidiary

The Group recognised the investment in a subsidiary by determining fair value of the net identifiable assets acquired and reviewing purchase price allocation in accordance with TFRS 3 (revised 2016) "Business Combination". The fair value of the net identifiable assets acquired mainly related to equipment and intangible assets (service marks) as described in Note 36.

The fair value of these identifiable assets is based on valuation techniques. The valuation models require significant judgement and assumptions made by the management. Key assumptions used for the valuation include estimated equipment replacement costs adjusted with the remaining useful life revenues growth rates, royalties rate and discounted rates. The management must also make assumptions about the useful life of the service marks.

5 Financial risk management

The Group's activities expose it to a variety of financial risks which include market risk (including market prices for petroleum products risk and interest rate risk), credit risk, liquidity risk and capital risk.

5.1 Market risk

(a) Market prices for petroleum products risk

The Group's financial results can be significantly affected by volatility and cyclical movement in the market prices for petroleum products that are not predictable. Given its large size and the long-term nature of its business, the Group expects that this risk will be moderated over time.

(b) Interest rate risk

As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The interest rate risk arises from borrowings with those issued at variable interest rates. The Group continually optimises the mix in its borrowing facilities to maximise financing flexibility whilst minimising financing cost.

5.2 Credit risk

Credit risk is managed on a Group basis. Credit risk primarily arises from credit exposures to wholesale and retail trade customers, including outstanding receivables and committed transactions. Credit risk in respect of balances outstanding with related parties has been assessed to be low due to the overall strength of the Group.

For trade customers, risk evaluations are performed internally which include reviews of financial positions, business success indicators, past experience and other factors. Individual risk limits are set based on the resultant internal ratings in accordance with limits set by the management. Risk categories are established for individual customers based on internal credit guidelines ranging from very low to very high risk. The risk categories are intended to reflect the risk of payment default by a customer and are similar to the rating scales established by external rating agencies.

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5 Financial risk management (continued)

5.3 Liquidity risk

The Group manages liquidity risk by maintaining adequate reserve of cash and cash equivalents and maintaining number of committed credit facilities from banks. The Group reviews requirements for future cash flows through the completion of an annual finance plan review. The finance plan review is completed for the forthcoming year to ensure that estimates of future requirements are analysed such that appropriate facilities can be made available.

Liquidity risk may also arise if customers are not able to settle obligations to the Group within the normal credit term. To manage this risk, the Group periodically assesses financial viability of customers and may require certain customers to provide bank guarantees or other similar instruments.

5.4 Capital risk

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders. In the future, the Group may adjust the amount of dividend paid to shareholders in order to maintain an appropriate capital structure. Annually, the Group completes a finance plan which seeks to establish positions for the current and future years' dividend projections.

6 Segment information - consolidated financial statements

The Group has two reporting segments which comprise sales of petroleum products, gas product, supplies and equipment for oil service stations and consumable products and transportation. The segment information is presented on the same basis that is used for internal reporting purpose as provided to the chief operating decision maker ("the Chief Executive Officer").

	For the year ended 31 December 2017			
	Sales Baht	Transportation Income Baht	Selling of consumable products income Baht	Total Baht
Revenue from sales and services	83,793,963,049	38,709,437	791,917,878	84,624,590,364
Costs of sales and services	(77,762,081,799)	(29,910,005)	(578,945,367)	(78,370,937,171)
Segment results	6,031,881,250	8,799,432	212,972,511	6,253,653,193
Other income				237,944,603
Selling expenses				(4,475,032,531)
Administrative expenses				(803,462,138)
Finance costs				(188,441,618)
Share of profit from investments in joint ventures and associates, net				42,245,269
Profit before income tax				1,066,906,778
Income tax				(153,832,571)
Profit for the year				913,074,207
Other comprehensive income for the year				(49,794,672)
Total comprehensive income for the year				863,279,535

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6 Segment information - consolidated financial statements (continued)

	For the year ended 31 December 2016			
	Sales Baht	Transportation income Baht	Selling of consumable products income Baht	Total Baht
Revenue from sales and services	64,110,000,942	49,564,439	431,835,510	64,591,400,891
Costs of sales and services	(58,961,273,331)	(40,876,878)	(357,376,211)	(59,359,526,420)
Segment results	5,148,727,611	8,687,561	74,459,299	5,231,874,471
Other income				202,908,533
Selling expenses				(3,356,179,205)
Administrative expenses				(750,381,926)
Finance costs				(124,903,770)
Dilution gains in investment in an associate				94,454,099
Share of profit from investments in a joint venture and an associate, net				37,772,532
Profit before income tax				1,335,544,734
Income tax				(262,149,172)
Profit for the year				1,073,395,562
Other comprehensive income for the year				1,964,228
Total comprehensive income for the year				1,075,359,790

The Group generates revenue from sales and services by mostly utilising the assets located in Thailand and sales are mostly originated in Thailand. There is no customer who generates significant revenue to the Group.

7 Cash and cash equivalents

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash on hand	302,783,273	282,816,572	806,044	560,000
Deposits at financial institutions				
- Current accounts	289,567,314	118,216,335	65,329,893	20,095,280
- Savings accounts	318,647,349	235,929,505	214,990,100	141,494,103
Total cash and cash equivalents	910,997,936	636,962,412	281,126,037	162,149,383

The deposits of the Group and the Company comprise deposits at local financial institutions. As at 31 December 2017, deposits at financial institutions bore interest at rates from 0.13% to 0.75% per annum (2016: 0.25% to 0.75% per annum)

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8 Short-term investments - Available-for-sale

As at 31 December 2017, the summaries of short-term investments are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
As at 1 January 2016		
Opening net book value	3,072,635	1,132,432
Additions	200,000,000	200,000,000
Disposals	(200,343,011)	(200,343,011)
Change in fair value of available-for-sale securities	15,780	4,078
As at 31 December 2016	2,745,404	793,499
As at 1 January 2017		
Opening net book value	2,745,404	793,499
Additions	15,000,000	-
Disposals	(2,697,471)	(776,257)
Change in fair value of available-for-sale securities	(48,048)	(17,242)
As at 31 December 2017	14,999,885	-

As at 31 December 2017 and 2016, the available-for-sale securities represent General Fixed Income Fund, a fair value by using quoted bid prices that are directly observable and referred to thaimutualfund.com (Level 2).

9 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
As at 31 December	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade receivables	170,761,351	73,509,663	119,904,917	45,054,842
Trade receivables from related parties	19,780,840	7,453,794	97,754,067	146,649,583
Total trade receivables	190,542,191	80,963,457	217,658,984	191,704,425
<u>Less</u> Allowance for doubtful accounts	(636,332)	(136,853)	(608,404)	(108,925)
Trade receivables, net	189,905,859	80,826,604	217,050,580	191,595,500
Refundable value added tax	117,076,243	128,036,770	88,163,250	97,761,808
Current portion of prepaid leasehold right and land rental (Note 16)	552,590,367	389,009,437	550,138	549,927
Prepaid expenses	67,791,385	39,332,867	18,461,643	28,742,815
Amounts due from related parties	532,213	-	184,798,200	99,794,904
Others	89,199,364	57,926,066	10,722,296	16,049,097
Total other receivables	827,189,572	614,305,140	302,695,527	242,898,551
<u>Less</u> Allowance for doubtful accounts	(22,848,236)	(19,805,772)	-	-
Other receivables, net	804,341,336	594,499,368	302,695,527	242,898,551
Trade and other receivables, net	994,247,195	675,325,972	519,746,107	434,494,051

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9 Trade and other receivables, net (continued)

Outstanding trade receivables are analysed by aging as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not overdue	128,229,275	68,581,463	175,501,423	182,531,785
Overdue below 3 months	51,082,898	10,847,305	40,694,932	8,913,306
Overdue 3 - 6 months	6,432,238	1,313,602	1,254,116	259,334
Overdue 6 - 12 months	4,036,209	-	-	-
Over 12 months	761,571	221,087	208,513	-
	190,542,191	80,963,457	217,658,984	191,704,425
<u>Less</u> Allowance for doubtful accounts	(636,332)	(136,853)	(608,404)	(108,925)
Trade receivables, net	189,905,859	80,826,604	217,050,580	191,595,500

10 Inventories, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Petroleum products	1,661,377,317	1,261,952,647	234,127,618	212,920,963
Consumable goods	72,242,954	53,620,222	-	-
Gas product	6,004,672	4,405,624	-	-
Other products	184,426,810	130,576,208	41,612,544	25,422,914
Goods in transit	67,477,162	76,035,325	15,465,472	17,334,548
Total	1,991,528,915	1,526,590,026	291,205,634	255,678,425
<u>Less</u> Allowance for decrease in inventory value				
- Petroleum products	(408,727)	(51,912)	(297,175)	(43,576)
Allowance for obsolescence				
- Consumable goods	(2,086,781)	(1,388,410)	-	-
Inventories, net	1,989,033,407	1,525,149,704	290,908,459	255,634,849

The Group and the Company had the petroleum products with a value of Baht 39.51 million (2016: Baht 6.74 million) and Baht 24.72 million (2016: Baht 8.09 million) respectively, which are carried at net realisable value, this being lower than cost.

According to the Ministry of Energy's regulations, the Company is required to reserve petroleum products at 1% of the total domestic purchase. As at 31 December 2017, petroleum products included minimum mandatory reserve amounting to Baht 106.52 million (2016: Reserve petroleum products at 1% amounting to Baht 102.13 million) which were net of allowance for decrease in inventory value.

11 Deposits at financial institutions used as collateral

As at 31 December 2017, deposits at financial institutions used as collateral represented deposits of two subsidiaries, which were used as collateral for loans, bank overdrafts, and other commitments with financial institutions.

Deposits at financial institutions bore interest at rates of 0.5% - 0.9% per annum.

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12 Investments in subsidiaries, joint ventures and associates

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Investments in subsidiaries (Note 12.2)	-	-	1,251,394,322	1,177,644,322
Investments in joint ventures (Note 12.3)	696,195,304	644,208,790	704,999,990	640,000,000
Investments in associates (Note 12.4)	803,794,602	757,241,615	20,000,000	-
	<u>1,499,989,906</u>	<u>1,401,450,405</u>	<u>1,976,394,312</u>	<u>1,817,644,322</u>

12.1 The movements of the investments in subsidiaries, joint ventures and associates can be analysed as follows:

For the years ended 31 December	Consolidated financial statements	
	2017 Baht	2016 Baht
Opening book value	1,401,450,405	354,475,326
Acquisition of investments in associates	58,249,975	621,600,000
Acquisition of the investment in a joint venture	64,999,990	-
Additional paid-up share capital of a joint venture	-	291,200,000
Dilution gains in investment in associates	-	94,454,099
Dividend received from an associate	(25,900,000)	-
Share of profit from the investments in joint ventures and associates, net	42,245,269	37,772,532
Share of other comprehensive income (expense) of joint ventures and associates accounted for using the equity method, net of tax	(41,055,733)	1,948,448
Closing book value	<u>1,499,989,906</u>	<u>1,401,450,405</u>

For the years ended 31 December	Separate financial statements	
	2017 Baht	2016 Baht
Opening book value	1,817,644,322	949,194,322
Additional paid-up share capital of subsidiaries	73,750,000	571,250,000
Incorporation of subsidiaries	-	6,000,000
Acquisition of the investment in an associate	20,000,000	-
Acquisition of the investment in a joint venture	64,999,990	-
Additional paid-up share capital of a joint venture	-	291,200,000
Closing book value	<u>1,976,394,312</u>	<u>1,817,644,322</u>

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.1 The movements of the investments in subsidiaries, joint ventures and associates can be analysed as follows:
(continued)

12.1.1 The significant movements of the investments in subsidiaries during the year ended 31 December 2017.

A subsidiary directly held by the Company

Punthai Coffee Company Limited

On 23 May 2017, the Company paid for additional 2.95 million ordinary shares of Punthai Coffee Company Limited at Baht 25 per share, totalling Baht 73.75 million in the same proportion as its original investment.

A subsidiary indirectly held by the Company

GFA Corporation (Thailand) Limited

On 19 July 2017, Punthai Coffee Company Limited, a subsidiary of the Company, entered into Share Sale and Purchase Agreement to acquire 99.99% of shareholding interest in GFA Corporation (Thailand) Limited ("GFA") from third parties as described in Note 36. GFA is a company registered in Thailand and engages in food and beverage business.

12.1.2 The significant movements of the investment in a joint venture during the year ended 31 December 2017.

A joint venture directly held by the Company

Siam Autobacs Company Limited

On 29 September 2017, the Company acquired 6,499,999 of 13,000,000 newly-issued ordinary shares of Siam Autobacs Company Limited at Baht 10 per share, totalling Baht 65 million. Consequently, the Company holds 38.26% of its total registered share capital. The Company fully paid for the acquired shares.

Details of the consideration paid and estimated net assets purchased recognised at the acquisition date are as follows:

	Consolidated financial statements Baht'000
Estimated fair value of net assets acquired	(13,433)
Purchase price over estimated net assets fair value (presented in investments in joint ventures)	78,433
Total purchase consideration	65,000

As at 31 December 2017, the Company is under the process of determining fair value of the acquired net assets and reviewing purchase price allocation ("PPA"). Therefore, the purchase price over the estimated fair value of net assets may be subject to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the date which the Company has joint control.

PTG Energy Public Company Limited

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.1 The movements of the investments in subsidiaries, joint ventures and associates can be analysed as follows: (continued)

12.1.3 The significant movements of the investment in an associate during the year ended 31 December 2017.

An associate directly held by the Company

Sammitr PTG Pro Truck Solution Center Company Limited (formerly "Pro Truck Solution Center Company Limited")

On 23 March 2017, Pro Truck Solution Center Company Limited ("Pro Truck") is registered by the Company and another investor as a new company in Thailand to operate in business of truck service center. The Company holds 40% of total share registered of Pro Truck and paid Baht 10 million for the 400,000 registered shares at Baht 25 each following the called-up share capital from Pro Truck.

On 30 June 2017, Pro Truck Solution Center Company Limited registered to change the company's name to Sammitr PTG Pro Truck Solution Center Company Limited.

On 17 November 2017, the Company paid for the additional called-up share capital at Baht 25 per share for 400,000 shares, totalling Baht 10 Million.

An associate indirectly held by the Company

Palangngan Pattana 5 Company Limited

On 2 March 2017, the Group acquired 1,529,999 of 2,000,000 newly-issued ordinary shares of Palangngan Pattana 5 Company Limited ("PP5") at Baht 25 per share, totalling Baht 38.25 million following the called-up share capital from PP5. Consequently, the Group holds 50.99% of its total registered share capital.

Details of the consideration paid and estimated net assets purchased recognised at the acquisition date are as follows:

	Consolidated financial statements Baht'000
Estimated fair value of net assets acquired	13,645
Purchase price over estimated net assets fair value (presented in investments in associates)	24,605
Total purchase consideration	38,250

As at 31 December 2017, the Group is under the process of determining fair value of the acquired net assets and reviewing purchase price allocation ("PPA"). Therefore, the purchase price over the estimated fair value of net assets may be subject to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the date which the Group has significant influence.

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.2 Investments in subsidiaries

The subsidiaries incorporated in Thailand are as follows:

Nature of business	Paid-up share capital				Proportion of ordinary shares directly held by the Group (%)				Separate financial statements			
	2017		2016		2017		2016		Cost Method		Dividends for the year	
	Baht	Baht	Baht	Baht	%	%	%	%	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Petroleum Thai Corporation Co., Ltd.	439,980,000	439,980,000			99.99	99.99			586,397,022	586,397,022	419,996,360	239,997,920
Pyramid Oil Co., Ltd.	1,000,000	1,000,000			99.98	99.98			999,800	999,800	-	44,991,000
Alpine Oil Co., Ltd.	1,000,000	1,000,000			99.97	99.97			999,700	999,700	58,332,495	14,995,500
Empire Oil Co., Ltd.	1,000,000	1,000,000			99.98	99.98			999,800	999,800	5,818,836	11,997,600
Everest Oil Co., Ltd.	1,000,000	1,000,000			99.98	99.98			999,800	999,800	-	-
Andes Oil Co., Ltd.	1,000,000	1,000,000			99.97	99.97			999,700	999,700	-	-
Atlas Oil Co., Ltd.	1,000,000	1,000,000			99.97	99.97			999,700	999,700	-	-
PTG Green Energy Co., Ltd.	25,750,000	25,750,000			99.99	99.99			25,749,700	25,749,700	-	-
- Subsidiary												
Innotech Green Energy Co., Ltd.	25,000,000	25,000,000			59.99	59.99			-	-	-	-
Olympus Oil Co., Ltd.	1,000,000	1,000,000			99.97	99.97			999,700	999,700	-	-
Punthai Coffee Co., Ltd.	226,250,000	152,500,000			99.99	99.99			226,249,700	152,499,700	-	-
and its subsidiary												
- Subsidiary												
GFA Corporation (Thailand) Limited	117,408,000	-			99.99	-			-	-	-	-
PTG Logistics Co., Ltd.	400,000,000	400,000,000			99.99	99.99			399,999,700	399,999,700	-	-
Empire Service Solution Co., Ltd.	10,000,000	10,000,000			60.00	60.00			6,000,000	6,000,000	-	-
									1,251,394,322	1,177,644,322	484,147,691	311,982,020

All subsidiaries undertaking are included in the consolidation. The proportion of the voting rights in the subsidiaries undertaking held directly by the Group does not differ from the proportion of ordinary shares held. The total non-controlling interest for the year is Baht (23,793) (2016: Baht (51,726)). The non-controlling interest in respect of all subsidiaries is not material.

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.3 Investments in joint ventures

The details of joint ventures incorporated in Thailand are as follows:

	Consolidated financial statement									
	Proportion of ordinary shares directly held by the Group		Cost		Equity Method		Dividend for the year		Nature of business	
	2017	2016	2017	2016	2017	2016	2017	2016		
	%	%	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000		
PPP Green Complex Company Limited	40.00 ⁽¹⁾	40.00	640,000	640,000	635,031	644,209	-	-		
Siam Autobacs Company Limited	38.26 ⁽²⁾	-	65,000	-	61,164	-	-	-		
Total investments in joint ventures			705,000	640,000	696,195	644,209	-	-		

	Separate financial statement					
	Proportion of investment		Cost Method		Dividend for the year	
	2017	2016	2017	2016	2017	2016
	%	%	Baht'000	Baht'000	Baht'000	Baht'000
Manufacturing and distribution of palm oil	40.00	40.00	640,000	640,000	-	-
Car service center	38.26	-	65,000	-	-	-
Total investments in joint ventures			705,000	640,000	-	-

⁽¹⁾ PPP Green Complex Company Limited ("PPP Green") is a joint venture between the Company and Thachang Green Energy Company Limited and R&D Kasepattana Company Limited. PPP Green operates in a palm oil product manufacturing and distribution business. PPP Green is a strategic partnership for the Group, decreasing its liabilities and risks in supplying raw materials for diesel's oil production process. The Company has a 40% interest in PPP Green. PPP Green is a private company.

⁽²⁾ Joint venture agreement of the Group in Siam Autobacs Company Limited has determined the management structure including strategic financial decision and operation which has voting right from the shareholders or the representative of each parties. Consequently, the Group classifies the investment as investment in a joint venture.

As at 31 December 2017, under the terms and conditions of loan agreement of a joint venture, the ordinary shares of PPP Green were pledged as collateral for its loan.

There are no other contingent liabilities relating to the Group's interest in joint ventures.

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.3 Investments in joint ventures (continued)

Summarised financial information for investments in joint ventures

12.3.1 Individually material joint venture

Set out below is the summarised financial information which is accounted for using the equity method is as follow;

Summarised statement of financial position

PPP Green Complex Company Limited

As at 31 December

	2017 Baht	2016 Baht
Current assets		
Cash and cash equivalents	91,231,513	92,395,573
Other current assets	73,397,768	123,418,495
Total current assets	164,629,281	215,814,068
Non-current assets	2,493,914,273	1,604,341,691
Total assets	2,658,543,554	1,820,155,759
Current liabilities		
Financial liabilities	-	75,000,000
Other current liabilities	93,167,837	130,943,802
Total current liabilities	93,167,837	205,943,802
Non-current liabilities	977,796,704	3,689,982
Total liabilities	1,070,964,541	209,633,784
Net assets	1,587,579,013	1,610,521,975

Summarised statement of comprehensive income

PPP Green Complex Company Limited

For the year ended 31 December

	2017 Baht	2016 Baht
Other income	5,015,036	7,636,014
Operating expenses	(27,957,998)	(9,580,885)
Loss from operations	(22,942,962)	(1,944,871)
Income tax	-	-
Post-tax loss from operation	(22,942,962)	(1,944,871)
Other comprehensive expense	-	(1,721,468)
Total comprehensive expense	(22,942,962)	(3,666,339)

The information above reflects the amounts presented in the financial statements of the joint venture adjusted for differences in accounting policies between the Group and the joint venture (and not the Group's share of those amounts).

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.3 Investments in joint ventures (continued)

Summarised financial information for investments in joint ventures (continued)

12.3.1 Individually material joint venture (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint venture.

PPP Green Complex Company Limited

	2017 Baht	2016 Baht
Summarised financial information		
Opening net assets as at 1 January	1,610,521,975	886,188,314
Increased capital	-	728,000,000
Loss for the year	(22,942,962)	(1,944,871)
Other comprehensive expense for the year	-	(1,721,468)
Closing net assets as at 31 December	1,587,579,013	1,610,521,975
Interest in a joint venture (40%)	635,031,605	644,208,790
Carrying value	635,031,605	644,208,790

12.3.2 Individually immaterial joint venture

In addition to the interests in a joint venture disclosed above, the Group also has interests in a number of individually immaterial joint ventures that are accounted for using the equity method.

	2017 Baht	2016 Baht
Aggregate carrying amount of individually immaterial joint ventures	61,163,699	-
Aggregate amounts of the Group's share of:		
Loss from continuing activities:	3,836,291	-
Total comprehensive expense	3,836,291	-

12 Investments in subsidiaries, joint ventures and associates (continued)**12.4 Investments in associates**

The details of joint ventures and associates incorporated in Thailand are as follows:

	Nature of business	Proportion of ordinary shares directly held by the Group		Cost		Equity Method		Dividend for the year		Consolidated financial statement	
		2017	2016	2017	2016	2017	2016	2017	2016		
		%	%	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000		
AMA Marine Public Company Limited	Transportation	24.00	24.00	621,600	621,600	746,521	757,242	25,900	-		
Sammitr PTG Pro Truck Solution Center Company Limited	Truck service center	40.00	-	20,000	-	18,185	-	-	-		
Palanggan Pattana 5 Company Limited	Production and trading of renewable energy	50.99 ⁽¹⁾	-	38,250	-	39,088	-	-	-		
Total investments in associates				679,850	621,600	803,794	757,242	25,900	-		
	Nature of business	Proportion of investment		Cost Method		Dividend for the year		Separate financial statement			
		2017	2016	2017	2016	2017	2016				
		%	%	Baht'000	Baht'000	Baht'000	Baht'000				
Sammitr PTG Pro Truck Solution Center Company Limited	Truck service center	40.00	-	20,000	-	-	-	-	-		
Total investment in an associate				20,000	-	-	-	-	-		

⁽¹⁾ Under the Shareholder Agreement, the Group is guaranteed two seats on the board of PP5, which represents 40% voting rights. The Group has determined that it has significant influence over PP5, even though it holds 50.99% of the share capital. Therefore, the investment in PP5 is classified as investment in an associate.

There are no contingent liabilities relating to the Group's interest in the associates.

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.4 Investments in associates (continued)

Summarised financial information for investments in associates

12.4.1 An individually material associate

Set out below is the summarised financial information which is accounted for using the equity method is as follow;

Summarised statement of financial position

AMA Marine Public Company Limited

As at 31 December	2017 Baht	2016 Baht
Current assets	690,128,289	1,331,131,944
Non-current assets	3,165,135,472	2,038,022,222
Total assets	3,855,263,761	3,369,154,166
Current liabilities	479,743,734	286,100,313
Non-current liabilities	1,234,226,294	897,109,051
Total liabilities	1,713,970,028	1,183,209,364
Net assets	2,141,293,733	2,185,944,802

Summarised statement of comprehensive income

AMA Marine Public Company Limited

For the year ended 31 December	2017 Baht	2016 Baht
Transportation income	1,500,652,020	965,490,105
Profit from operations	252,199,172	141,749,036
Income tax	(6,866,759)	(6,089,282)
Post-tax profit from operations	245,332,413	135,659,754
Other comprehensive income	(160,242,324)	9,104,279
Total comprehensive income	85,090,089	144,764,033

The information above reflects the amounts presented in the financial statements of the associate adjusted for differences in accounting policies between the Group and the associates (and not the Group's share of those amounts).

PTG Energy Public Company Limited
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12 Investments in subsidiaries, joint ventures and associates (continued)

12.4 Investments in associates (continued)

Summarised financial information for investments in associates (continued)

12.4.1 An individually material associate (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associate.

AMA Marine Public Company Limited

	2017 Baht
Summarised financial information	
Opening net assets as at 1 January	2,185,944,802
Profit for the year	245,332,413
Other comprehensive income for the year	(160,242,324)
Dividend	(107,900,000)
Restatement associate's financial statement ⁽¹⁾	(21,841,158)
Closing net assets as at 31 December	2,141,293,733
Interest in an associate (24%)	459,647,136
Goodwill	286,874,222
Carrying value	746,521,358
	2016 Baht
Summarised financial information	
Opening net assets as at acquisition date	746,583,903
Share capital increase	1,046,059,862
Deemed income from dilution	258,940,800
Profit for the period from 29 February to 31 December	123,071,123
Other comprehensive income from 29 February to 31 December	11,289,114
Closing net assets as at 31 December	2,185,944,802
Net assets as at acquisition date (32.01%)	238,981,507
Goodwill as at acquisition date	382,618,493
Dilution gains in investment in an associate	94,454,099
Interest in an associate (32.01%) from 29 February to dilution date	35,730,749
Interest in an associate (24%) from dilution date to 31 December	5,456,767
Carrying value	757,241,615
Interest in associate	470,367,393
Goodwill after dilution	286,874,222
Carrying value	757,241,615

⁽¹⁾ The associate restated its financial statements for the year ended 31 December 2016. However, the effect for the restatement is not material to the Group's financial statements. Consequently, the Group recognised the effect of the restatement in the consolidated financial statements for the year ended 31 December 2017.

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12 Investments in subsidiaries, joint ventures and associates (continued)

12.4 Investments in associates (continued)

12.4.2 Individually immaterial associates

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method.

	2017 Baht	2016 Baht
Aggregate carrying amount of individually immaterial associates	57,273,244	-
Aggregate amounts of the Group's share of: Loss from continuing activities	976,731	-
Total comprehensive expense	976,731	-

13 Other long-term investment

Other long-term investment represented an investment in Fuel Pipeline Transportation Limited in the proportion of 9.55% of the total shares. The Group acquired 4,979.40 thousand ordinary shares of Fuel Pipeline Transportation Limited with a par value of Baht 5 per share at Baht 80 per share from a third party, totalling Baht 398.35 million on 19 January 2016.

On 16 May 2016, the Group acquired 64,948.42 newly-issued thousand ordinary shares of Fuel Pipeline Transportation Limited with a par value of Baht 5 per share, totalling Baht 324.74 million in the same proportion as its original investment. The Group partially paid the additional share capital at Baht 2.50 per share, totalling Baht 162.37 million and paid the remaining on 14 October 2016.

As at 31 December 2017 and 2016, the Group holds 69,927.82 thousand ordinary shares of Fuel Pipeline Transportation Limited with a par value of Baht 5 per share. The Group fully paid for 4,979.40 thousand ordinary shares at Baht 80 per share and fully paid for 64,948.42 thousand ordinary shares at Baht 5 per share, totalling Baht 723.09 million.

PTG Energy Public Company Limited
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14 Investment property, net

Consolidated financial statements				
	Land and land improvement Baht	Building and building improvement Baht	Construction in progress Baht	Total Baht
As at 1 January 2016				
Cost	119,089,625	50,854,700	-	169,944,325
<u>Less</u> Accumulated depreciation	-	(39,054,552)	-	(39,054,552)
Provision for impairment	(29,106,818)	(9,514,928)	-	(38,621,746)
Net book value	89,982,807	2,285,220	-	92,268,027
For the year ended 31 December 2016				
Opening net book value	89,982,807	2,285,220	-	92,268,027
Additions	-	-	285,609	285,609
Transfer in (out)	-	41,642	(41,642)	-
Depreciation charge	-	(3,177,472)	-	(3,177,472)
Reclassification, net	-	41,499,363	65,848,650	107,348,013
Reversal of impairment	3,692,145	8,991,544	-	12,683,689
Closing net book value	93,674,952	49,640,297	66,092,617	209,407,866
As at 31 December 2016				
Cost	119,089,625	96,218,646	66,092,617	281,400,888
<u>Less</u> Accumulated depreciation	-	(46,054,965)	-	(46,054,965)
Provision for impairment	(25,414,673)	(523,384)	-	(25,938,057)
Net book value	93,674,952	49,640,297	66,092,617	209,407,866
For the year ended 31 December 2017				
Opening net book value	93,674,952	49,640,297	66,092,617	209,407,866
Additions	-	17,732,401	56,478,066	74,210,467
Transfer in (out)	-	50,562,729	(50,562,729)	-
Depreciation charge	-	(5,798,837)	-	(5,798,837)
Reclassification, net	(205,400)	205,400	-	-
Closing net book value	93,469,552	112,341,990	72,007,954	277,819,496
As at 31 December 2017				
Cost	118,884,225	164,719,176	72,007,954	355,611,355
<u>Less</u> Accumulated depreciation	-	(51,853,802)	-	(51,853,802)
Provision for impairment	(25,414,673)	(523,384)	-	(25,938,057)
Net book value	93,469,552	112,341,990	72,007,954	277,819,496

PTG Energy Public Company Limited
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For the year ended 31 December 2017

14 Investment property, net (continued)

	Separate financial statements		
	Land and land improvement Baht	Building and building improvement Baht	Total Baht
As at 1 January 2016			
Cost	124,168,185	50,854,700	175,022,885
<u>Less</u> Accumulated depreciation	-	(39,054,552)	(39,054,552)
Provision for impairment	(27,551,163)	(9,514,928)	(37,066,091)
Net book value	96,617,022	2,285,220	98,902,242
For the year ended 31 December 2016			
Opening net book value	96,617,022	2,285,220	98,902,242
Depreciation charge	-	(3,100,848)	(3,100,848)
Reclassification	23,200,000	-	23,200,000
Reversal of impairment	3,692,145	8,991,544	12,683,689
Closing net book value	123,509,167	8,175,916	131,685,083
As at 31 December 2016			
Cost	147,368,185	50,854,700	198,222,885
<u>Less</u> Accumulated depreciation	-	(42,155,400)	(42,155,400)
Provision for impairment	(23,859,018)	(523,384)	(24,382,402)
Net book value	123,509,167	8,175,916	131,685,083
For the year ended 31 December 2017			
Opening net book value	123,509,167	8,175,916	131,685,083
Additions	-	601,127	601,127
Depreciation charge	-	(2,283,950)	(2,283,950)
Reclassification	(205,400)	205,400	-
Closing net book value	123,303,767	6,698,493	130,002,260
As at 31 December 2017			
Cost	147,162,785	51,661,227	198,824,012
<u>Less</u> Accumulated depreciation	-	(44,439,350)	(44,439,350)
Provision for impairment	(23,859,018)	(523,384)	(24,382,402)
Net book value	123,303,767	6,698,493	130,002,260

As at 31 December 2017, a part of investment property (land) of Baht 40.97 million in the company financial statements was leased by its subsidiaries for using in its operation (2016: Baht 40.97 million).

As at 31 December 2017, investment property of the Group and the Company had fair value amount of Baht 389.40 million and Baht 331 million, respectively (2016: 284.06 million and Baht 331.00 million, respectively) which were revalued by the independent valuer. This method is based on the market comparison, so the Group has classified the fair value of investment property within level 2.

In previous years, the Company recognised an impairment provision for land and building held for an undetermined future use due to the indicator of higher net book value than fair value less costs of disposal. For the year ended 31 December 2016, impairment provision amounting to Baht 12.68 million was reversed due to higher fair than net book value.

The Group and the Company changed the purpose of some building and improvement from own use to be held for earning rental. Therefore, during 2016 the Company reclassified such building and improvement from property, plant and equipment to investment property with the Group and the Company net book value of Baht 107.35 million and Baht 23.20 million, respectively.

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14 Investment property, net (continued)

Amounts recognised in profit and loss that are related to investment property are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Rental income	17,714,065	4,685,377	330,000	60,000
Direct operating expense arise from investment property that generated rental income	10,845,956	3,986,264	-	-
Direct operating expense arise from investment property that did not generate rental income	2,083,688	3,100,848	2,283,950	3,100,848

PTG Energy Public Company Limited
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15	Property, plant and equipment, net (continued)	Consolidated financial statements						
		Land and land improvement Baht	Building and building improvement Baht	Tools and equipment Baht	Office furniture, fixture and equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
For the year ended 31 December 2017								
	Opening net book value	553,467,395	1,733,056,357	1,435,334,384	87,218,600	1,366,369,153	624,563,929	5,800,009,818
	Addition from business combination (Note 36)	-	-	33,957,503	18,570,291	826,206	-	53,354,000
	Disposals, net	285,971,822	181,284,601	669,768,362	37,806,218	611,473,410	2,159,621,505	3,945,925,918
	Write off, net	-	(885,726)	(2,134,430)	(572,630)	(6,695,436)	-	(10,288,222)
	Transfer in (out)	-	(6,017,808)	(1,455,811)	(1,532,416)	(19,390)	-	(9,025,425)
	Depreciation charge	4,698,483	1,167,641,501	276,465,045	36,739,715	-	(1,485,544,744)	-
	Reversal of provision for impairment (impairment), net	-	(408,597,937)	(347,997,352)	(33,852,714)	(122,164,921)	-	(912,612,924)
		-	(2,819,693)	139,906	32,864	-	-	(2,646,923)
	Closing net book value	844,137,700	2,663,661,295	2,064,077,607	144,409,928	1,849,789,022	1,298,640,690	8,864,716,242
As at 31 December 2017								
	Cost	859,271,347	4,020,820,998	3,806,079,461	296,357,873	2,241,816,688	1,298,640,690	12,522,987,057
	Less Accumulated depreciation	-	(1,352,379,102)	(1,739,459,572)	(151,849,373)	(392,027,666)	-	(3,635,715,713)
	Provision for impairment	(15,133,647)	(4,780,601)	(2,542,282)	(98,572)	-	-	(22,555,102)
	Net book value	844,137,700	2,663,661,295	2,064,077,607	144,409,928	1,849,789,022	1,298,640,690	8,864,716,242

PTG Energy Public Company Limited
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15 **Property, plant and equipment, net (continued)**[illegible]

During the year of 2017, additions of the Group and the Company included Baht 555.55 million (2016: The Group Baht 188.47 million and Company Baht 1.64 million) assets leased under finance leases (where the Group and the Company are the lessee).

PTG Energy Public Company Limited
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15 Property, plant and equipment, net (continued)

Leased assets included above, where the Group and the Company are the lessee under finance leases, comprise vehicles as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cost - capitalised finance leases	1,842,011,986	1,396,233,366	1,092,376,677	1,202,823,540
<u>Less</u> Accumulated depreciation	<u>(327,116,038)</u>	<u>(264,590,776)</u>	<u>(297,477,893)</u>	<u>(258,117,870)</u>
Net book value	<u>1,514,895,948</u>	<u>1,131,642,590</u>	<u>794,898,784</u>	<u>944,705,670</u>

16 Prepaid leasehold right and land rental, net

	Consolidated financial statements Baht	Separate financial statements Baht
For the year ended 31 December 2016		
Opening book value	1,095,681,428	3,315,602
Payments for prepaid leasehold right and land rental	1,335,212,340	252,579
Amortisation of prepaid leasehold right and land rental	<u>(638,373,275)</u>	<u>(698,496)</u>
Total	1,792,520,493	2,869,685
<u>Less</u> Current portion of prepaid leasehold right and land rental (Note 9)	<u>(389,009,437)</u>	<u>(549,927)</u>
Closing net book value	<u>1,403,511,056</u>	<u>2,319,758</u>
For the year ended 31 December 2017		
Opening book value	1,792,520,493	2,869,685
Addition from business combination (Note 36)	19,187,082	-
Payments for prepaid leasehold right and land rental	1,926,441,622	273,685
Amortisation of prepaid leasehold right and land rental	<u>(874,894,686)</u>	<u>(759,411)</u>
Total	2,863,254,511	2,383,959
<u>Less</u> Current portion of prepaid leasehold right and land rental (Note 9)	<u>(552,590,367)</u>	<u>(550,138)</u>
Closing net book value	<u>2,310,664,144</u>	<u>1,833,821</u>

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17 Intangible assets, net

	Consolidated financial statements			
	Computer software Baht	Software in progress Baht	Trademarks and Service marks Baht	Total Baht
As at 1 January 2016				
Cost	68,449,142	1,979,050	-	70,428,192
<u>Less</u> Accumulated amortisation	(23,164,354)	-	-	(23,164,354)
Net book value	45,284,788	1,979,050	-	47,263,838
For the year ended 31 December 2016				
Opening net book value	45,284,788	1,979,050	-	47,263,838
Additions	10,002,883	34,464,290	1,490,858	45,958,031
Write off, net	(2,897)	-	-	(2,897)
Transfer in (out)	1,082,500	(1,082,500)	-	-
Amortisation charge	(13,657,612)	-	-	(13,657,612)
Closing net book value	42,709,662	35,360,840	1,490,858	79,561,360
As at 31 December 2016				
Cost	79,531,026	35,360,840	1,490,858	116,382,724
<u>Less</u> Accumulated amortisation	(36,821,364)	-	-	(36,821,364)
Net book value	42,709,662	35,360,840	1,490,858	79,561,360
For the year ended 31 December 2017				
Opening net book value	42,709,662	35,360,840	1,490,858	79,561,360
Addition from business combination (Note 36)	1,150,570	-	53,269,507	54,420,077
Additions	2,396,032	74,664,227	-	77,060,259
Write off, net	(23,835)	-	-	(23,835)
Transfer in (out)	85,650,534	(85,650,534)	-	-
Amortisation charge	(16,631,906)	-	(1,340,970)	(17,972,876)
Closing net book value	115,251,057	24,374,533	53,419,395	193,044,985
As at 31 December 2017				
Cost	179,271,360	24,374,533	54,760,365	258,406,258
<u>Less</u> Accumulated amortisation	(64,020,303)	-	(1,340,970)	(65,361,273)
Net book value	115,251,057	24,374,533	53,419,395	193,044,985

PTG Energy Public Company Limited
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17 Intangible assets, net (continued)

	Separate financial statements			
	Computer software Baht	Software in progress Baht	Trademarks Baht	Total Baht
As at 1 January 2016				
Cost	47,812,822	1,979,050	-	49,791,872
<u>Less</u> Accumulated amortisation	<u>(9,729,997)</u>	<u>-</u>	<u>-</u>	<u>(9,729,997)</u>
Net book value	<u>38,082,825</u>	<u>1,979,050</u>	<u>-</u>	<u>40,061,875</u>
For the year ended 31 December 2016				
Opening net book value	38,082,825	1,979,050	-	40,061,875
Additions	8,275,104	34,464,290	141,664	42,881,058
Transfer in (out)	1,082,500	(1,082,500)	-	-
Amortisation charge	<u>(10,508,843)</u>	<u>-</u>	<u>-</u>	<u>(10,508,843)</u>
Closing net book value	<u>36,931,586</u>	<u>35,360,840</u>	<u>141,664</u>	<u>72,434,090</u>
As at 31 December 2016				
Cost	57,170,426	35,360,840	141,664	92,672,930
<u>Less</u> Accumulated amortisation	<u>(20,238,840)</u>	<u>-</u>	<u>-</u>	<u>(20,238,840)</u>
Net book value	<u>36,931,586</u>	<u>35,360,840</u>	<u>141,664</u>	<u>72,434,090</u>
For the year ended 31 December 2017				
Opening net book value	36,931,586	35,360,840	141,664	72,434,090
Additions	1,474,758	74,182,498	-	75,657,256
Transfer in (out)	85,360,534	(85,360,534)	-	-
Amortisation charge	<u>(13,307,828)</u>	<u>-</u>	<u>(14,166)</u>	<u>(13,321,994)</u>
Closing net book value	<u>110,459,050</u>	<u>24,182,804</u>	<u>127,498</u>	<u>134,769,352</u>
As at 31 December 2017				
Cost	144,005,718	24,182,804	141,664	168,330,186
<u>Less</u> Accumulated amortisation	<u>(33,546,668)</u>	<u>-</u>	<u>(14,166)</u>	<u>(33,560,834)</u>
Net book value	<u>110,459,050</u>	<u>24,182,804</u>	<u>127,498</u>	<u>134,769,352</u>

18 Other non-current assets

	Consolidated financial statements		Separate financial statements	
As at 31 December	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Deposits	89,819,447	42,159,078	10,581,254	6,960,021
Prepaid withholding tax	2,222,394	2,423,413	-	2,421,793
Prepaid corporate income tax	7,203,942	7,260,490	-	56,549
Total other non-current assets	<u>99,245,783</u>	<u>51,842,981</u>	<u>10,581,254</u>	<u>9,438,363</u>

19 Bank overdrafts from a financial institution

As at 31 December 2017, bank overdrafts from a financial institution represented the bank overdrafts of a subsidiary which were unsecured and bore interest at the rate of MOR minus certain margin per annum. The Company already repaid all bank overdrafts on 9 January 2018.

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20 Trade and other payables

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade payables	3,722,604,812	3,056,704,176	517,432,155	446,178,338
Other payables	398,503,598	229,404,464	88,145,668	48,761,836
Trade payables to related parties	84,841,448	26,730,833	19,505,095	25,845,274
Amounts due to related parties	1,555,154	11,961	47,610,991	27,149,556
Deferred revenue:				
- Customer loyalty programmes	90,789,418	61,218,159	13,769,544	11,075,851
Accrued expenses	221,918,014	279,558,544	79,395,177	89,038,416
Total trade and other payables	4,520,212,444	3,653,628,137	765,858,630	648,049,271

21 Short-term loans from financial institutions

As at 31 December 2017, short-term loans from financial institutions represented promissory notes of a subsidiary amounting to Baht 1,600 million which are unsecured, bearing interest at the fixed rates per annum. The repayments of principal and payments of interest are due on 4-26 January 2018.

The fair value of short-term loans from financial institutions equal their carrying amount, as the loans have short maturities and the impact of discounting is not significant.

22 Finance lease liabilities, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Within 1 year	282,051,933	261,501,072	121,175,547	219,582,093
Over 1 year but less than 3 years	379,916,010	243,770,117	60,077,877	161,626,665
Over 3 years but less than 5 years	220,450,829	84,793,007	263,772	19,892,449
	882,418,772	590,064,196	181,517,196	401,101,207
<u>Less</u> Future interest paid of finance lease liabilities	(49,313,650)	(31,631,951)	(6,252,910)	(18,296,247)
Present value of finance lease liabilities, net	833,105,122	558,432,245	175,264,286	382,804,960

Finance lease liabilities excluded future interest paid are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Finance lease liabilities, net	833,105,122	558,432,245	175,264,286	382,804,960
<u>Less</u> Current portion of finance lease liabilities, net	(260,693,086)	(244,392,348)	(116,754,651)	(207,540,627)
	572,412,036	314,039,897	58,509,635	175,264,333

The fair value of finance lease liabilities approximated their carrying amount.

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23 Long-term loans from financial institutions

23.1 The long-term loans from financial institutions are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current portion of long-term loans from financial institutions	1,313,266,448	274,678,781	476,886,448	158,068,781
Long-term loans from financial institutions, net	441,743,823	678,769,270	310,493,823	260,229,270
Total long-term loans from financial institutions	1,755,010,271	953,448,051	787,380,271	418,298,051

The fair value of long-term loans from financial institutions approximated their carrying amount, as the impact of discounting is not significant. The fair values have been calculated from the net present value of future cash flows discounted by market interest rates at the date of financial statements.

The weighted average effective interest rate of the long-term loans from financial institutions of the Group and the company were 3.09% per annum and 5.40% per annum, respectively.

As at 31 December 2017, the Group reclassified long-term loans from financial institutions of the Company and a subsidiary at Baht 153.80 million and 564.07 million, respectively to short-term loans within one year, since the Group's management found that some financial ratio of the Company and such subsidiary did not comply with debt covenant condition as specified in the long-term loan agreements. As a result, such loans may be requested for a repayment at call. The Group was still in a process of proposing an approval to waive for breaching of debt covenant condition from financial institutions. If the Group are able to maintain financial ratio as specified in the long-term loan agreements, these loans will be reclassified to non-current liabilities.

Long-term loans from financial institutions of the Group

The Group had long-term loans denominated in Thai Baht with local financial institutions which were unsecured as follows:

Number	Outstanding balance as at 31 December 2017 (Baht)	Outstanding balance as at 31 December 2016 (Baht)	Interest rate per annum	Principal repayment term	Interest payment period
1	133,861,111	174,019,444	THBFIX (3M) plus a certain margin	On the first day of the month	On the first day of the month
2	59,701,492	77,611,940	THBFIX (3M) plus a certain margin	On the first day of the month	On the first day of the month
3	187,500,000	243,750,000	THBFIX (3M) plus a certain margin	On the first day of the month	On the first day of the month
4	66,666,667	166,666,667	Fixed rate	On the last day of the month	On the last day of the month
5	236,070,000	291,400,000	THBFIX (6M) plus a certain margin	On the last day of the month	On the last day of the month
6	256,320,000	-	THBFIX (6M) plus a certain margin	On the last day of the month	On the last day of the month
7	275,000,000	-	BIBOR (3M) plus a certain margin	On the last day of the quarter	On the last day of the quarter
8	287,740,000	-	THBFIX (6M) plus a certain margin	On the last day of the month	On the last day of the month
9	252,151,001	-	Fixed rate	On the last day of the month	On the last day of the month
Total	1,755,010,271	953,448,051			

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23 Long-term loans from financial institutions (continued)

23.1 The long-term loans from financial institutions are as follows: (continued)

Long-term loans from financial institutions of the Company

The Company had long-term loans denominated in Thai Baht with local financial institutions which were unsecured as follows:

Number	Outstanding balance as at 31 December 2017 (Baht)	Outstanding balance as at 31 December 2016 (Baht)	Interest rate per annum	Principal repayment term	Interest payment period
1	133,861,111	174,019,444	THBFIX (3M) plus a certain margin	On the first day of the month	On the first day of the month
2	59,701,492	77,611,940	THBFIX (3M) plus a certain margin	On the first day of the month	On the first day of the month
3	66,666,667	166,666,667	Fixed rate	On the last day of the month	On the last day of the month
4	275,000,000	-	THBFIX (3M) plus a certain margin	On the last day of the quarter	On the last day of the quarter
5	252,151,001	-	Fixed rate	On the last day of the month	On the last day of the month
Total	<u>787,380,271</u>	<u>418,298,051</u>			

The Group is required to comply with conditions as specified in the long-term loan agreement; for example, maintaining debt to equity ratio at the level as specified in the contract.

23.2 The interest rate exposure on the long-term loans from financial institutions

The interest rate exposure on the long-term loans from financial institutions of the Group and the Company is as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Long-term loans from financial institutions				
- at fixed rate	318,817,667	166,666,667	318,817,667	166,666,667
- at floating rate	<u>1,436,192,604</u>	<u>786,781,384</u>	<u>468,562,604</u>	<u>251,631,384</u>
Total long-term loans from financial institutions	<u>1,755,010,271</u>	<u>953,448,051</u>	<u>787,380,271</u>	<u>418,298,051</u>

23.3 Maturity of long-term loans from financial institutions is as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Within 1 year	1,313,266,448	274,678,781	476,886,448	158,068,781
Later than 1 year but not later than 5 years	<u>441,743,823</u>	<u>678,769,270</u>	<u>310,493,823</u>	<u>260,229,270</u>
Total long-term loans from financial institutions	<u>1,755,010,271</u>	<u>953,448,051</u>	<u>787,380,271</u>	<u>418,298,051</u>

23.4 Credit facilities

As at 31 December 2017, the Group had available credit facilities from financial institutions amounting to Baht 613.21 million (2016: Baht 667.65 million). The Group's credit facilities excluded the amount of Baht 8.6 million which the Group had requested the financial institution to approve the waiving of a debt covenant.

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24 Debentures, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Debentures, net	3,391,806,850	1,691,597,388	3,391,806,850	1,691,597,388
<u>Less</u> Current portion of debentures, net	-	-	-	-
Debentures, net	<u>3,391,806,850</u>	<u>1,691,597,388</u>	<u>3,391,806,850</u>	<u>1,691,597,388</u>

Debentures comprise:

Issued date	Due date	Period (years)	Consolidated and separate financial statements		Interest rate	Payment term
			2017 Million Baht	2016 Million Baht		
19 February 2016	19 February 2019	3	1,500	1,500	4.25%	Quarterly
8 July 2016	8 July 2019	3	100	100	3.80%	Quarterly
1 August 2016	1 August 2019	3	100	100	3.80%	Quarterly
28 September 2017	28 September 2020	3	1,000	-	3.38%	Quarterly
15 December 2017	15 December 2022	5	700	-	3.75%	Quarterly
<u>Less</u> Deferred financing fee			(8.19)	(8.40)		
Total			<u>3,391.81</u>	<u>1,691.60</u>		

All debentures are in Thai Baht and unsecured. The Company is required to comply with certain procedures and conditions; for example, maintaining debt to equity ratio at the level as specified in the contract.

As at 31 December 2017 and 2016, the carrying amount of the debentures approximated their fair value. The fair value of the future cash flows discounted by the market yield of the bonds at the date of financial statements.

The weighted average effective interest rate of the debentures of the Group and the Company is 4.14% per annum.

25 Retirement benefit obligations

The movements in the defined benefit obligations over the year are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	49,650,399	40,487,446	36,226,252	31,198,879
Addition from business combination	548,795	-	-	-
Current service cost	14,913,417	7,915,637	4,723,412	4,553,829
Interest expense	1,769,281	1,247,316	1,119,008	952,377
	<u>66,881,892</u>	<u>49,650,399</u>	<u>42,068,672</u>	<u>36,705,085</u>
Remeasurements:				
(Gain) Loss from change in demographic assumptions	(3,739,291)	-	1,872,992	-
Loss from change in financial assumptions	4,844,612	-	3,005,472	-
Experience loss	9,758,292	-	1,432,949	-
	<u>10,863,613</u>	<u>-</u>	<u>6,311,413</u>	<u>-</u>
Transfer to a subsidiary	-	-	(712,562)	(478,833)
	<u>-</u>	<u>-</u>	<u>(712,562)</u>	<u>(478,833)</u>
Payments from plans:				
Benefit payments	(892,624)	-	(54,046)	-
As at 31 December	<u>76,852,881</u>	<u>49,650,399</u>	<u>47,613,477</u>	<u>36,226,252</u>

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25 Retirement benefit obligations (continued)

During the year of 2017, 84 staffs of the Company were transferred to a subsidiary (2016: 64 staffs). The Company has transferred retirement benefit obligations of these staff to a subsidiary.

The following table is a summary of the assumptions relating to the actuarial technique as at the date of financial statements:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 %	2016 %	2017 %	2016 %
Discount rate	2.69 - 3.47	2.97 - 4.03	2.31	2.97
Salary growth rate	2.00 - 6.00	2.00 - 6.00	2.00 - 6.00	2.00 - 6.00
Turnover rate	0.00 - 50.00	0.00 - 50.00	0.00 - 28.00	0.00 - 29.00
Pre-retirement mortality rate	TMO 2017	TMO 2008	TMO 2017	TMO 2008

	Change in assumption	Consolidated financial statements	
		Impact on defined benefit obligations	
		Increase in assumption	Decrease in assumption
Discount rate	1.00%	Decrease by 7.50% - 16.05%	Increase by 8.31% - 19.39%
Salary growth rate	1.00%	Increase by 7.50% - 18.19%	Decrease by 6.91% - 15.43%
Turnover rate	1.00%	Decrease by 6.78% - 16.92%	Increase by 0.69% - 6.24%

	Change in assumption	Separate financial statements	
		Impact on defined benefit obligations	
		Increase in assumption	Decrease in assumption
Discount rate	1.00%	Decrease by 7.50%	Increase by 8.31%
Salary growth rate	1.00%	Increase by 7.50%	Decrease by 6.91%
Turnover rate	1.00%	Decrease by 6.78%	Increase by 0.99%

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

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

The weighted average durations of the Group's defined benefit obligation are between 22.63 years and 33.38 years and those of the Company's defined benefit obligation are 25.01 years.

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26 Deferred income taxes

The deferred tax assets and deferred tax liabilities in the statement of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Deferred tax assets	42,049,138	14,171,583	-	-
Deferred tax liabilities	(55,055,253)	(74,901,873)	(31,412,234)	(46,448,027)
Deferred income taxes, net	<u>(13,006,115)</u>	<u>(60,730,290)</u>	<u>(31,412,234)</u>	<u>(46,448,027)</u>

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
As at 31 December	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	20,348,427	13,314,229	1,574,500	1,058,230
Deferred tax assets to be recovered after more than 12 months	75,256,549	48,360,857	30,701,796	23,506,603
	<u>95,604,976</u>	<u>61,675,086</u>	<u>32,276,296</u>	<u>24,564,833</u>
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(23,992,503)	(19,736,011)	(14,408,016)	(16,533,870)
Deferred tax liabilities to be settled after more than 12 months	(84,618,588)	(102,669,365)	(49,280,514)	(54,478,990)
	<u>(108,611,091)</u>	<u>(122,405,376)</u>	<u>(63,688,530)</u>	<u>(71,012,860)</u>
Deferred income taxes, net	<u>(13,006,115)</u>	<u>(60,730,290)</u>	<u>(31,412,234)</u>	<u>(46,448,027)</u>

The gross movement of the deferred income taxes account is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	(60,730,290)	(48,029,429)	(46,448,027)	(45,947,323)
Addition from business combination (Note 36)	(16,687,283)	-	-	-
Charged/(Credited) to profit or loss (Note 31)	62,238,736	(12,700,861)	13,773,510	(500,704)
Credited to other comprehensive income	2,172,722	-	1,262,283	-
As at 31 December	<u>(13,006,115)</u>	<u>(60,730,290)</u>	<u>(31,412,234)</u>	<u>(46,448,027)</u>

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26 Deferred income taxes (continued)

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Allowance for doubtful accounts Baht	Provision for impairment Baht	Provisions Baht	Advertising production expenditure Baht	Prepaid leasehold right and land rental Baht	Others Baht	Total Baht
Deferred tax assets							
As at 1 January 2017	3,960,445	8,861,083	9,199,653	9,346,877	18,080,631	12,226,397	61,675,086
Charged to profit or loss	708,389	558,373	2,854,980	2,348,936	18,653,698	6,632,792	31,757,168
Charged to other comprehensive income	-	-	2,172,722	-	-	-	2,172,722
As at 31 December 2017	4,668,834	9,419,456	14,227,355	11,695,813	36,734,329	18,859,189	95,604,976
As at 1 January 2016	5,041,210	9,599,512	7,178,750	3,540,007	5,987,593	8,704,076	40,051,148
Charged/(credited) to profit or loss	(1,080,765)	(738,429)	2,020,903	5,806,870	12,093,038	3,522,321	21,623,938
As at 31 December 2016	3,960,445	8,861,083	9,199,653	9,346,877	18,080,631	12,226,397	61,675,086

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26 Deferred income taxes (continued)

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows: (continued)

	Consolidated financial statements					
	Station renovation expenditure Baht	Finance leases Baht	Hire purchases Baht	Service marks Baht	Others Baht	Total Baht
Deferred tax liabilities						
As at 1 January 2017	(22,929,924)	(35,235,208)	(21,630,629)	-	(42,609,615)	(122,405,376)
Addition from business combination (Note 36)	-	-	-	(10,965,642)	(5,721,641)	(16,687,283)
Charged/(credited) to profit or loss	2,192,861	4,765,110	(2,103,704)	476,803	25,150,498	30,481,568
As at 31 December 2017	(20,737,063)	(30,470,098)	(23,734,333)	(10,488,839)	(23,180,758)	(108,611,091)
As at 1 January 2016	(25,183,323)	(38,042,585)	(14,167,777)	-	(10,686,892)	(88,080,577)
Charged/(credited) to profit or loss	2,253,399	2,807,377	(7,462,852)	-	(31,922,723)	(34,324,799)
As at 31 December 2016	(22,929,924)	(35,235,208)	(21,630,629)	-	(42,609,615)	(122,405,376)

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26 Deferred income taxes (continued)

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows: (continued)

	Separate financial statements					
	Allowance for doubtful accounts	Provision for impairment of investment properties - land	Provisions	Advertising production expenditure	Others	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Deferred tax assets						
As at 1 January 2017	21,785	4,771,804	6,500,891	9,346,877	3,923,476	24,564,833
Charged to profit or loss	99,896	-	933,885	2,348,936	3,066,463	6,449,180
Charged to other comprehensive income	-	-	1,262,283	-	-	1,262,283
As at 31 December 2017	121,681	4,771,804	8,697,059	11,695,813	6,989,939	32,276,296
As at 1 January 2016	1,255,570	5,510,233	5,270,160	3,540,007	1,373,961	16,949,931
Charged/(credited) to profit or loss	(1,233,785)	(738,429)	1,230,731	5,806,870	2,549,515	7,614,902
As at 1 January 2016	21,785	4,771,804	6,500,891	9,346,877	3,923,476	24,564,833

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26 Deferred income taxes (continued)

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows: (continued)

	Separate financial statements		
	Finance leases Baht	Others Baht	Total Baht
Deferred tax liabilities			
As at 1 January 2017	(34,407,471)	(36,605,389)	(71,012,860)
Charged/(credited) to profit or loss	8,661,106	(1,336,776)	7,324,330
As at 31 December 2017	(25,746,365)	(37,942,165)	(63,688,530)
As at 1 January 2016	(38,042,585)	(24,854,669)	(62,897,254)
Charged/(credited) to profit or loss	3,635,114	(11,750,720)	(8,115,606)
As at 31 December 2016	(34,407,471)	(36,605,389)	(71,012,860)

Deferred tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred tax assets of Baht 36.15 million (2016: Baht 25.65 million) in respect of losses amounting to Baht 180.77 million (2016: Baht 128.23 million) that can be carried forward against future taxable income. Losses amounting to Baht 180.77 million expire during 2018 to 2023 (2016: Baht 128.23 million expire during 2017 to 2020).

27 Other non-current liabilities

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Deposits received from customers for purchase	26,209,952	29,649,729	738,318	1,097,587
Retention from franchisees	21,593,814	14,688,554	20,241,857	14,448,367
Decommissioning provision	5,652,224	6,000,248	3,548,150	4,134,956
Other non-current liabilities	35,982	654	35,982	-
Total other non-current liabilities	53,491,972	50,339,185	24,564,307	19,680,910

28 Share capital and premium on share

	Number of shares Shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 31 December 2017 and 2016	1,670,000,000	1,670,000,000	1,185,430,000	2,855,430,000

The total number of authorised ordinary shares is 1,670,000,000 shares with a par value of Baht 1 per share. All issued shares are fully paid.

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29 Legal reserve

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	81,305,616	52,525,033	81,305,616	52,525,033
Appropriation during the year	34,760,304	28,780,583	34,760,304	28,780,583
Closing balance	116,065,920	81,305,616	116,065,920	81,305,616

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

30 Expense by nature

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

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Changes in inventories	(463,883,703)	(542,208,522)	(35,273,610)	11,557,728
Depreciation and amortisation of assets	936,384,637	650,550,763	173,456,085	168,451,519
Amortisation of prepaid leasehold right and land rental (Note 16)	874,894,686	638,373,275	759,411	698,496
Repair and maintenance expenses	193,169,129	107,553,949	70,502,799	6,553,369
Retirement benefit expenses (Note 25)	10,863,613	9,162,953	6,311,413	5,506,206
Staff costs	2,338,670,999	1,904,552,017	638,704,729	656,495,167
Advertising and promotion expenses	512,519,716	398,318,879	259,160,935	222,542,427

31 Income taxes

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current tax	216,071,307	249,448,311	59,368,046	56,895,769
Deferred tax (Note 26)	(62,238,736)	12,700,861	(13,773,510)	500,704
Total income taxes	153,832,571	262,149,172	45,594,536	57,396,473

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31 Income taxes (continued)

The tax on the profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Profit before tax	1,066,906,778	1,335,544,734	740,800,623	633,008,127
Tax calculated at a tax rate of	20	20	20	20
The result of the accounting profit multiplied by the income tax rate	213,381,356	267,108,947	148,160,125	126,601,626
Tax effect of:				
Income not subject to tax	(83,137,132)	(30,128,175)	(104,440,432)	(70,234,003)
Expenses not deductible for tax purpose	12,911,766	8,030,857	1,874,843	1,028,850
Tax losses for the year for which no deferred income tax assets was recognised	10,676,581	17,137,543	-	-
Income taxes	153,832,571	262,149,172	45,594,536	57,396,473

The weighted average applicable tax rates for the Group and the Company were 14.42% and 6.15%, respectively (2016: 19.63% and 9.07%, respectively).

32 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to shareholders of the Company by the weighted average number of ordinary shares issued and paid-up during the year.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Net profit attributable to owners of the parent (Baht)	913,098,000	1,073,447,288	695,206,087	575,611,654
Weighted average number of ordinary share in issue (Shares)	1,670,000,000	1,670,000,000	1,670,000,000	1,670,000,000
Basic earnings per share (Baht)	0.55	0.64	0.42	0.34

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2017 and 2016.

33 Dividends

At the Annual General Shareholders' Meeting dated 21 April 2017, the shareholders approved the payment of dividends in respect of the operating results for the six months period ended 31 December 2016 for 1,670 million shares at Baht 0.20 per share, totalling Baht 334 million. These dividends were paid on 19 May 2017.

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34 Related party transactions

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

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

The major shareholders of the Company are Ratchakit Holding Company Limited and Wijitthanarak Family, holding 25.12% and 11.94% of the Company's shares, respectively. The Company's remaining shares are widely held.

The information on the Company's subsidiaries, a joint venture and an associate is provided in Note 12.

Other related parties are the parties of which their shareholders are intimate of the Company's directors or of which the Company's director is their shareholder.

The following material transactions are carried out with related parties:

34.1 Revenue from sales and services

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Sales				
- Subsidiaries	-	-	337,908,637	575,023,579
- An associate	94,778,938	61,583,393	75,789,686	-
- A joint venture	705,349	-	705,349	-
- Other related parties	892,940,200	476,432,271	887,839,636	471,145,260
Transportation income				
- Subsidiaries	-	-	658,585,074	912,859,316
- Other related parties	614,783	655,269	614,783	655,269

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34 Related party transactions (continued)

The following material transactions are carried out with related parties: (continued)

34.2 Other income and expenses

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Revenue from rental and other services				
- Subsidiaries	-	-	288,231,996	214,635,943
- Other related parties	848,000	720,000	780,000	720,000
Management income				
- Subsidiaries	-	-	231,343,322	231,988,395
Other income				
- Subsidiaries	-	-	2,975	4,078
- An associate	780,381	-	26,500	-
- A joint venture	48,213	-	4,898	-
- Other related parties	134,855	18,060	17,200	18,060
Interest income				
- Subsidiaries	-	-	103,246,281	94,044,768
- A joint venture	6,749,175	-	6,749,175	-
Purchases of goods				
- Subsidiaries	-	-	24,854,499	11,510,727
- Other related parties	3,267,664,919	2,480,313,445	992,992,265	663,953,799
Transportation expenses				
- Subsidiaries	-	-	87,005,882	12,341,990
- An associate	377,395,113	243,742,064	5,658,391	139,835,617
Rental expenses				
- Other related parties	60,000	205,820	-	-
Utility expenses				
- Subsidiaries	-	-	1,473,252	1,461,665
- Other related parties	88,036	70,764	-	-
Promotion expenses				
- Subsidiaries	-	-	29,040,925	24,990,903
Interest expenses				
- Subsidiaries	-	-	6,336,357	9,763,669
Fuel expenses				
- Subsidiaries	-	-	9,002,910	6,729,522
Other service expenses				
- Subsidiaries	-	-	9,054,633	-
- Other related parties	-	21,873	-	-
Maintenance expenses				
- Subsidiaries	-	-	989,113	-
- A joint venture	7,901	-	4,928	-
Other expenses				
- Subsidiaries	-	-	5,099,164	3,692,718
- Other related parties	8,956,605	1,613,391	2,409,858	-
Gains from disposals of assets				
- Subsidiaries	-	-	5,791,277	1,766,016

PTG Energy Public Company Limited
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34 Related party transactions (continued)

The following material transactions are carried out with related parties: (continued)

34.3 Trade receivables from and trade payables to related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade receivables				
- Subsidiaries	-	-	81,270,478	141,283,480
- An associate	5,068,022	1,946,958	4,732,330	-
- A joint venture	595,785	-	595,785	-
- Other related parties	14,117,033	5,506,836	11,155,474	5,366,103

Outstanding trade receivables from related parties are analysed by aging as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not overdue	16,281,618	7,444,063	91,246,584	146,649,583
Overdue below 3 months	840,234	9,731	6,507,483	-
Overdue 3 - 6 months	164,542	-	-	-
Overdue 6 - 12 months	2,494,446	-	-	-
Over 12 months	-	-	-	-
	<u>19,780,840</u>	<u>7,453,794</u>	<u>97,754,067</u>	<u>146,649,583</u>

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade payables				
- Subsidiaries	-	-	16,459,821	22,589,164
- An associate	35,775,288	23,474,723	3,045,274	-
- Other related parties	49,066,160	3,256,110	-	3,256,110

34.4 Amounts due from and amounts due to related parties

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Amounts due from related parties				
- Subsidiaries	-	-	184,438,200	52,534,352
- An associate	129,000	-	-	-
- A joint venture	43,213	-	-	-
- Other related parties	360,000	-	360,000	-
Amounts due to related parties				
- Subsidiaries	-	-	47,571,784	25,875,603
- A joint venture	6,825	-	3,643	-
- Other related parties	1,548,329	11,961	35,564	-

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34 Related party transactions (continued)

The following material transactions are carried out with related parties: (continued)

34.5 Short-term loans to related parties and related interests

The movements of short-term loans to subsidiaries can be analysed as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	-	-	2,128,840,353	1,220,791,063
Loans advanced during the year	99,777,600	-	21,574,634,600	17,494,355,500
Loan repayments received during the year	(99,777,600)	-	(20,522,568,600)	(16,586,306,210)
Closing balance	-	-	3,180,906,353	2,128,840,353

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest receivables (Included in amounts due from related parties)				
- Subsidiaries	-	-	106,664,640	47,260,552
	-	-	106,664,640	47,260,552

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest income				
- Subsidiaries	-	-	101,091,290	92,600,182
- An associate	6,749,175	-	6,749,175	-
	6,749,175	-	107,840,465	92,600,182

The Company entered into short-term loan agreements with subsidiaries. The short-term loans denominated in Thai Baht are unsecured, bearing interest at the rate of MLR minus a certain margin per annum. The repayment of principal and payment of interest shall be paid at call.

During the year of 2017, short-term loans to a joint venture represented promissory notes amounting to Baht 99.78 million which are unsecured, bearing interest at the fixed rates per annum. The repayment of principal and interest shall be paid at call. As at 31 December 2017, the joint venture already repaid all principle amount.

The fair value of short-term loans to related parties equal their carrying amount, as the loans have short maturities and the impact of discounting is not significant. The fair values have been calculated from the net present value of the future cash flows discounted by market interest rates at the date of financial statements.

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34 Related party transactions (continued)

The following material transactions are carried out with related parties: (continued)

34.6 Long-term loan to related parties and related interests

The movements of long-term loan to subsidiaries can be analysed as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	-	-	25,000,000	40,000,000
Loan payments during the year	-	-	750,000,000	-
Loan repayments received during the year	-	-	(15,000,000)	(15,000,000)
Closing balance	-	-	760,000,000	25,000,000
<u>Less</u> Current portion of a long-term loan to related parties	-	-	(190,000,000)	(15,000,000)
Long-term loan to related parties, net	-	-	570,000,000	10,000,000

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest receivables (Included in amounts due from related parties)				
- Subsidiaries	-	-	1,315,069	-
	-	-	1,315,069	-

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest income				
- Subsidiaries	-	-	2,154,814	1,444,586
	-	-	2,154,814	1,444,586

On 29 December 2011, the Company entered into a long-term loan agreement with a subsidiary. A long-term loan denominated in Thai Baht is unsecured, bearing interest at the rates of 5% per first three years and MLR minus a certain margin onwards. The repayment of principal and payment of interest is to be made on monthly basis. The maturity date shall be on 28 December 2018.

On 13 November 2017, the Company entered into long-term loan agreements with subsidiaries. Long-term loans denominated in Thai Baht are unsecured, bearing interest at a fixed rate of 4% per annum. The repayments of principals and payments of interest are to be made on monthly basis. The maturity dates shall be on 30 June 2022 and 30 September 2020.

The fair value of long-term loans to related parties approximated their carrying amount, as the impact of discounting is not significant. The fair values have been calculated from the net present value of future cash flows discounted by market interest rates at the date of financial statements.

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34 Related party transactions (continued)

The following material transactions are carried out with related parties: (continued)

34.7 Short-term loans from related parties and related interests

The movements of short-term loans from subsidiaries can be analysed as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	-	-	233,120,900	228,328,400
Loans advanced during the year	-	-	1,151,629,000	1,694,637,000
Repayments of loans during the year	-	-	(1,336,219,000)	(1,689,844,500)
Closing balance	-	-	48,530,900	233,120,900

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest payables (Included in amounts due to related parties)				
- Subsidiaries	-	-	540,268	1,273,953
	-	-	540,268	1,273,953

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest expenses				
- Subsidiaries	-	-	6,336,357	9,763,669
	-	-	6,336,357	9,763,669

The Company entered into short-term loans with subsidiaries. The short-term loans denominated in Thai Baht are unsecured, bearing the interest at the rate of MLR minus a certain margin per annum. The repayment of principal and payment of interest shall be paid at call.

The fair value of short-term loans from related parties equal their carrying amount, as the loans have short maturities and the impact of discounting is not significant. The fair values have been calculated from the net present value of future cash flows discounted by market interest rates at the date of financial statements.

34.8 Directors and managements remuneration

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Short-term employee benefits	64,944,972	65,216,289	61,505,438	62,218,430
Post employee benefits	5,046,191	4,589,275	4,568,592	4,151,730
Total directors and managements remuneration	69,991,163	69,805,564	66,074,030	66,370,160

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35 Commitments and significant agreements

35.1 Commitments

Capital commitments

Capital expenditure contracted for at the statement of financial position date but not recognised in the financial statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Property, plant and equipment and Investment property	152,367,626	589,424,522	23,900,376	38,787,152
Intangible assets	147,365	50,064,000	147,365	50,064,000
	<u>152,514,991</u>	<u>639,488,522</u>	<u>24,047,741</u>	<u>88,851,152</u>

Operating lease commitments - where the Group is the lessee

The future aggregate minimum lease payments under non-cancellable operating leases for land, building and construction, office rental, and equipment are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not later than 1 year	830,838,321	622,254,344	30,578,011	30,898,839
Later than 1 year but not later than 5 years	2,647,268,871	1,965,399,244	45,559,839	70,800,996
Later than 5 years	<u>7,594,046,044</u>	<u>4,666,269,200</u>	<u>3,864,000</u>	<u>10,845,750</u>
	<u>11,072,153,236</u>	<u>7,253,922,788</u>	<u>80,001,850</u>	<u>112,545,585</u>

Commitments under letters of guarantee

As at 31 December 2017, the Group and the Company had commitments under letters of guarantee with financial institutions for sale and purchase agreements with suppliers and other purposes for totalling Baht 1,534.61 million and Baht 202.52 million, respectively.

35.2 Credit facilities

As at 31 December 2017, the Group and the Company had the available credit facilities from financial institutions amounting to Baht 3,126.61 million and Baht 69.86 million, respectively. The Group's credit facilities excluded the amount of Baht 708.50 million which the Group had requested the financial institution to approve the waiving of a debt covenant.

35.3 Significant agreement

Sale and Purchase Agreements

The Group entered into Sale and Purchase Agreements ("the agreements") with suppliers. The suppliers agreed to provide the Group with gasoline; product type and price are stated in the agreements. The agreements have been effective since the signing date and can be extended with the conditions being mutually agreed by the parties.

Transportation Services Agreement

The Group entered into Transportation Services Agreement with A.M.A. Logistics Company Limited ("AMAL"). AMAL agreed to provide the gasoline transportation services to the Group with price and condition stated in the agreement. The agreement have been effective from 4 August 2016 to 28 February 2021.

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36 Business combination

Investment in GFA Corporation (Thailand) Limited

On 19 July 2017, Punthai Coffee Company Limited, a subsidiary of the Company, entered into Share Sale and Purchase Agreement with third parties to acquire 29,350 ordinary shares of GFA Corporation (Thailand) Limited ("GFA") which is a company registered in Thailand and engages in food and beverage business, at 99.99% of total issued and paid-up share capital, with aggregate value of Baht 205 million or equivalent to Baht 6,985 per share. The Group holds 99.98% of shareholding interest in GFA.

Then, on 9 August 2017, the total acquired ordinary shares were completely transferred to the subsidiary and the subsidiary made the first payment for 29,350 ordinary shares in an amount of Baht 144 million. The remaining contingent consideration requires the Group to pay, in cash, to the former owners of GFA after completing the obligation in Share Sale and Purchase Agreement. The former owners of GFA completed the obligation in Share Sale and Purchase Agreement on 31 October 2017.

Detail of the consideration paid at the acquisition date are as follows:

	Baht'000
Cash	205,000
Total purchase consideration	<u>205,000</u>

Detail of identifiable assets acquired and liabilities assumed recognised at the acquisition date are as follows:

	Consolidated financial information Baht'000
Fair value of net assets acquired	
Cash and cash equivalent	3,658
Trade and other receivables	15,031
Inventories	19,011
Equipment (Note 15)	53,354
Prepaid leasehold right (Note 16)	19,187
Deposits	34,312
Intangible assets (Note 17)	54,420
Bank overdrafts	(13,294)
Trade and other payables	(14,489)
Deferred tax liabilities (Note 26)	(16,688)
Other assets less other liabilities	<u>(2,470)</u>
Fair value of identifiable net assets	152,032
<u>Less</u> Non-controlling interests	<u>(15)</u>
Fair value of identifiable net assets acquired	152,017
Goodwill	<u>52,983</u>
Purchase consideration	<u>205,000</u>

As at 31 December 2017, the Group is under the process of determining fair value of the acquired net assets and reviewing purchase price allocation ("PPA"). Therefore, the purchase price over the estimated fair value of net assets may be subject to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the date which the Group has control.



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