



TOGETHER FOR BETTERMENT

Annual Report 2020 (56-1 One Report)
PTT Oil and Retail Business
Public Company Limited

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Financial Statement

Attachments of the Annual Report 2020
(56-1 One Report)
are disclosed on OR's website
(<https://investor.pttor.com/en>)



BETTER LIVING

TOGETHER,
WE ENHANCE
THE QUALITY OF LIFE.



PTT Station as Living Community

Our service stations
not only fill your tank of
happiness but also serve
as the heart of a community
and improve the quality
of life and local economy
for mutual growth.







Friendly Design

A friendly and inclusive design is applied to every square inch of PTT Station for the convenience and safety of all our customers.



Beyond Excellent Service

We put our heart into our services for your convenience and everyday peace of mind.







BETTER ECONOMY

TOGETHER,
WE FOSTER
MUTUAL GROWTH.



Inclusive Business Model

To give Thai entrepreneurs opportunities to grow alongside OR, we expand our businesses through dealerships and grant the rights to operate businesses under OR's brands to franchisees.







World-Leading Thai Brand

We join hands with
high-potential partners to
support Thai brands to
international success and
bring pride to Thailand.



Café Amazon to Global

OR is taking Café Amazon
global and building it into an
internationally-recognized
brand.





BETTER SOCIETY

TOGETHER, WE BUILD
BETTER COMMUNITIES
AND HEALTHY
ENVIRONMENT.



Café Amazon for Chance

We give disadvantaged people equal opportunity to build both a career and a sense of pride. That's why at Café Amazon for Chance, you can enjoy a cup of freshly brewed coffee crafted by baristas from seniors, veterans, and those with hearing impairment or learning.







Coffee Beans Local Sourcing

OR has researched and developed an eco-friendly coffee cultivation and production system for sustainability and has been working with the Royal Project Foundation to buy parchment coffee beans from community enterprises. OR also supports robusta coffee cultivation in cooperation with the Southern Border Provinces Administrative Center to achieve mutual growth with coffee farmers.



Thai Det

OR supports community enterprises by creating new opportunities through new sales channels and adding value to their local products in order to strengthen local economies







BETTER FUTURE

TOGETHER, WE BUILD
A SUSTAINABLE
FUTURE.



EV Station

With our eyes set on energy
of the future, we are installing
EV stations in PTT Stations
along major routes across
Thailand so you can travel
without worries whenever
you're on the road.







Data Analytics & Digital Marketing

Through our Blue Card database and in-depth analytics, we deliver the next level of satisfaction and convenience with a personalized experience specifically tailored to your needs.



Technology Beyond Experience

We employ state-of-the-art technology to deliver experiences that cater to all lifestyles.



About OR



PTT Oil and Retail Business Public Company Limited

PTT Oil and Retail Business Public Company Limited (OR) is PTT Group's flagship in the oil and retail businesses to bring all stakeholders a balanced and sustainable value while developing the quality of life for the people

and economy of the communities where it operates. OR relentlessly improves its products and services to always deliver impressive customer experiences and invigorate SME's growth in oil and retail businesses.

*“Together
for Betterment”*





Vision

Leading Thai global brand enriching community values through oil, retail, and related business



Mission

To conduct integrated oil, retail, and related businesses both domestic and international as a globally recognized company which creates values and engages among all stakeholders

OR's mission of sustainable and balanced benefits for all stakeholders



Country

Create sustainable economic growth through oil, retail and related business operation



Community and Society

Being a good member of society, conducting business in a green manner and taking part in the improvement of the quality of life of community and society



Shareholders

Engaging in commercial businesses, generating reasonable returns, and expanding businesses abroad for sustainable growth



Customers

Creating customer satisfaction and engagement through delivery of quality products and services of international standards at fair price



Business Partners

Together conducting business based on fairness, trust and healthy relationship, together with cooperation for the development of capacity and efficiency for long-term businesses



Employees

Relentlessly supporting professional competency development and ensuring employees' quality of working life on a par with other leading companies, ultimately for greater employee engagement

คำนิยามองค์กร



S

Synergy

P

Performance
Excellence

I

Innovation

R

Responsibility
for Society

I

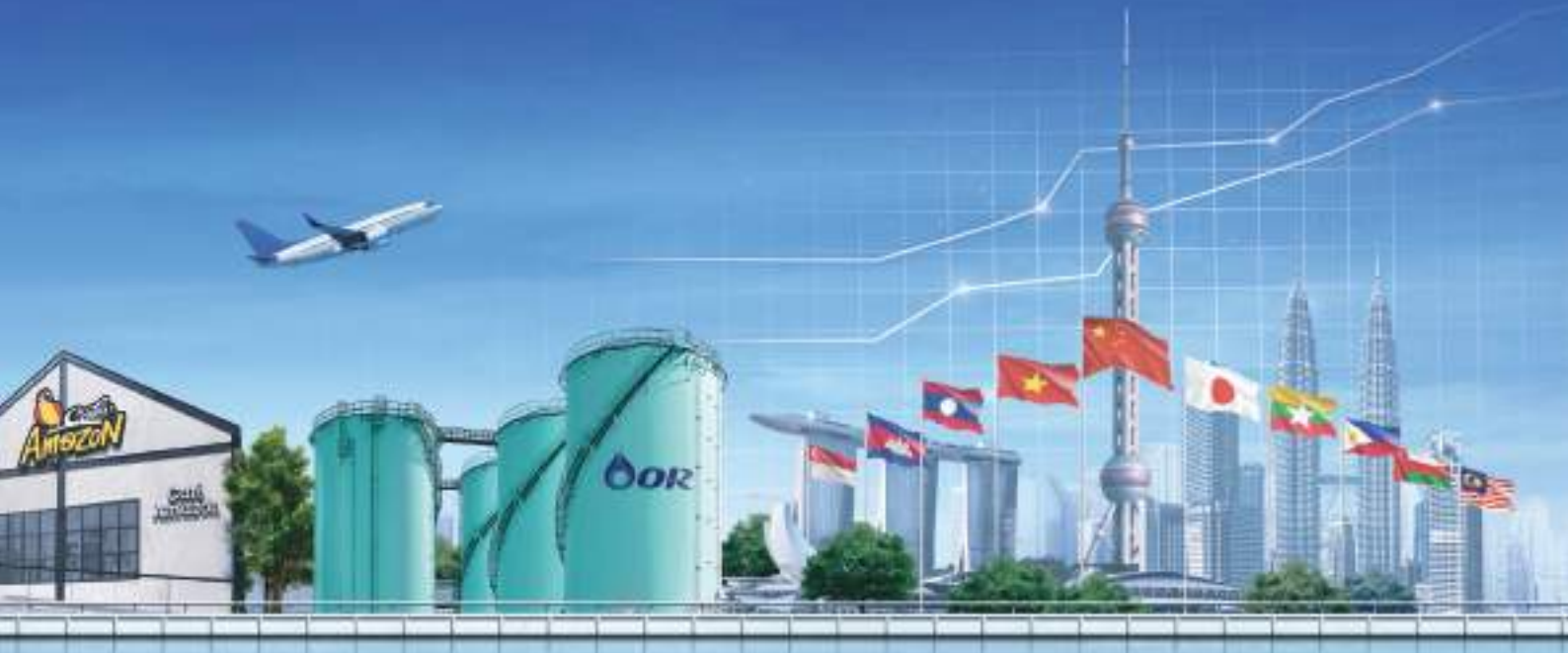
Integrity
and Ethics

T

Trust and
Respect



TOGETHER FOR BETTERMENT



RETAILING BEYOND FUEL

OR uplifts the petrol station experience to be “more than just a petrol station” for consumers by engaging a variety of retail business to fulfill every need for every lifestyle.



1 Oil Business

Retail Business

Petroleum Products OR sells gasoline, diesel, liquefied petroleum gas (LPG) and lubricants to motorists and retail customers. The company is the leader in retail oil business, selling its products through a network of more than 1,999 PTT stations (as of December 31, 2020).

PTT Stations PTT stations have been continuing to add value to its business through “Living Community – Fill Up Every Happiness” concept, responding to the communities’ needs and what they can benefit. The attempt includes providing space in PTT Stations as a direct distribution channel for produce from local farmers and community enterprises, aiming to raise the quality of life and generate more income in contribution to the communities’ sustainable growth with PTT Stations. Moreover, OR’s business trend is moving toward future energy with EV charging stations located in PTT Stations to support the transition from traditional to electric vehicles in the near future.

Commercial Business

Energy Solution Provider As an “Energy Solution Provider for Integrated Businesses”, OR puts continuous efforts to develop solutions for integrated services for customers, and has earned confidence and trust from over 2,600 commercial customers in transportation and industrial sectors (as of December 31, 2019). The core products are jet fuel, fuel oil, LPG, high-speed diesel, and other related products such lubricating products and asphalt.

LPG Sales OR sells LPG for household customers through cooking-gas dealers’ network, prioritizing customers’ safety as the heart of OR’s business.

Integrated Lubricant Business OR’s products cover lubricating products, grease, and related products through B2B and B2C marketing channels under the PTT Lubricants brand, and distribute its product to over 40 countries.

FIT Auto Service and Maintenance Center

FIT Auto provides lubricant and fluid system replacement, light maintenance, and sell lubricating products to motorists. The company also plans to expand its business to basic EV service and maintenance in the future.

OR’s oil businesses have supporting business to enhance full-range petroleum product management capabilities encompassing the entire supply chain. OR has over 70 storage facilities which receive, store, and distribute its petroleum products in Thailand and overseas located in strategic locations for distribution. The state-of-the-art technology in all process increases efficiency and safety while preventing business losses, all of which gives OR more advantages in logistics and operating cost management.



2

Non-Oil Business

OR was Thailand's pioneer in service station retail businesses. Following the concept of "Retailing beyond Fuel", PTT Stations has become more than gas stations. PTT Stations fulfill customers' needs and foster engagement between the service stations, business partners, and local communities. Each PTT Station is equipped with café, restaurants, convenience stores, souvenir shop, and banking service according to each local community's demand. Today, OR's retail business has grown and expanded its outlets outside PTT Stations, and even to overseas.

Café Amazon is the successful business that OR founded and relentlessly developed with remarkable reception from consumers. Today, Café Amazon is Thailand's largest café chain with more than 3,000 branches across the country, and is ranked the 6th largest coffee franchise

in the world (as of December 31, 2019, by Euromonitor). With rapid expansion, OR established the "Amazon Inspiring Campus (AICA)" as a training facility for SMEs who are franchisees of Café Amazon to ensure products and services are provided at the same standard.

Moreover, OR manages convenience stores under **Jiffy** and **7-Eleven**. OR also runs food and beverage businesses such as **Texas Chicken**, **Hua Seng Hong Dim Sum**, **Pearly Tea**, and many other renowned local and international brands.

In addition, OR also provides space and facilities management service by operating the management and leasing of the space in the PTT Station network, as well as areas under OR's management such as highway rest areas.

3 International Business

OR has been successful in its business model that seamlessly integrates oil, retail, and other services in Thailand, and has advanced its achievement to international markets. Currently, OR has expanded this model to its international operations in 10 countries which are the Philippines, Cambodia, Laos, Myanmar, Vietnam, China, Singapore, Oman, Japan, and Malaysia.





Community Economy and Quality of Life Development

OR operates businesses that grow together with the local community. It aims to provide a better quality of life and more robust and sustainable growth of community economy, including support to the grassroots economy and self-reliant potential community enterprises under the ESG, the principle that takes into account the awareness of environment, society, and governance in every aspect through the following projects:



Environmental

Café Amazon Circular Living Concept Project

Upcycling used materials in Café Amazon and coffee-roasting plant into decorative items and furniture.



Café Amazon Go Green Project

Using the compostable packaging in Café Amazon such as hot and cold beverage cups and biostraws. This includes the ban of single-use plastic bags.





“Yak Lak Yim” Turning Garbage into a Smile Project

To encourage consumers to dispose separated garbage into various types of bins provided at PTT Stations across the country. The revenue from the waste sale goes to local communities to bring the “Smile” to people.



Clean and Environmental-Friendly Energy Project

OR supports and promotes the use of clean and environmentally-friendly renewable energy by pioneering the sales of biodiesel in Thailand. In addition, OR also operates EV Station as a respond to the rising trend of electric vehicles, and piloted the installation of the Solar Electricity (Solar Roof) system inside PTT Stations.



Social

Café Amazon for Chance

Promote employment to generate income and add more value to the underprivileged and the disabled by providing skill development at Café Amazon to create opportunities and social equality.



Coffee Plantation Development Project

OR collaborates with the Royal Project Foundation Chiang Mai on research and development of coffee plantation and production in a natural resource conservation system.



Thai Det Project

Create business opportunities for community enterprises through free distribution channels at PTT Stations nationwide, as well as knowledge sharing with community enterprises for local product development and value addition to local wisdom.





Friendly Design Project

The Friendly Design concept for PTT station gives people of all genders, ages, and physical conditions an equal access to all parts of the station safely and conveniently.



Twenty-baht Restroom Fee for Charity Project

The proceeds will fund useful activities into local communities for more alternatives and smiles



OR Seeding the Future Project

Develop potential and build youth networks among ASEAN countries to cultivate young generation to become the future that drives ASEAN.



Financial Highlights

Unit : THB Million

Income Statements

	2018	2019	2020
Sales and Services Income	594,128.7	577,134.0	428,804.1
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)	15,059.0	17,005.4	17,619.0
Profit Attributable to Owners of the Parent	3,005.7	10,895.8	8,791.1

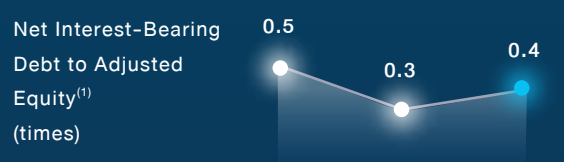
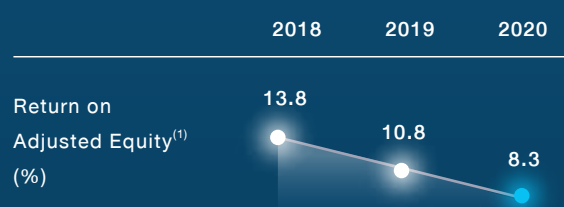
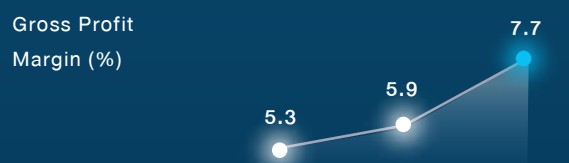
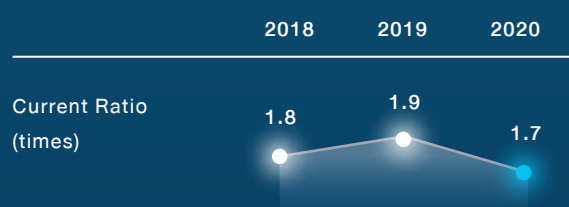
Statements of Financial Position

	2018	2019	2020
Total Assets	144,356.4	152,176.2	144,979.3
Total Liabilities	116,413.2	113,468.4	107,063.3
Non-Controlling Interest	-	-	92.5
Total Equity Attributable to Owners of the Parent	27,943.2	38,707.8	37,823.5

Shares or Information about Common Shares

	2018	2019	2020
Issued and Paid up Share Capita (Million Shares)	9,000	9,000	9,000
Book Value per Share (THB)	3.10	4.30	4.21
Earnings per Share	0.60	1.21	0.98

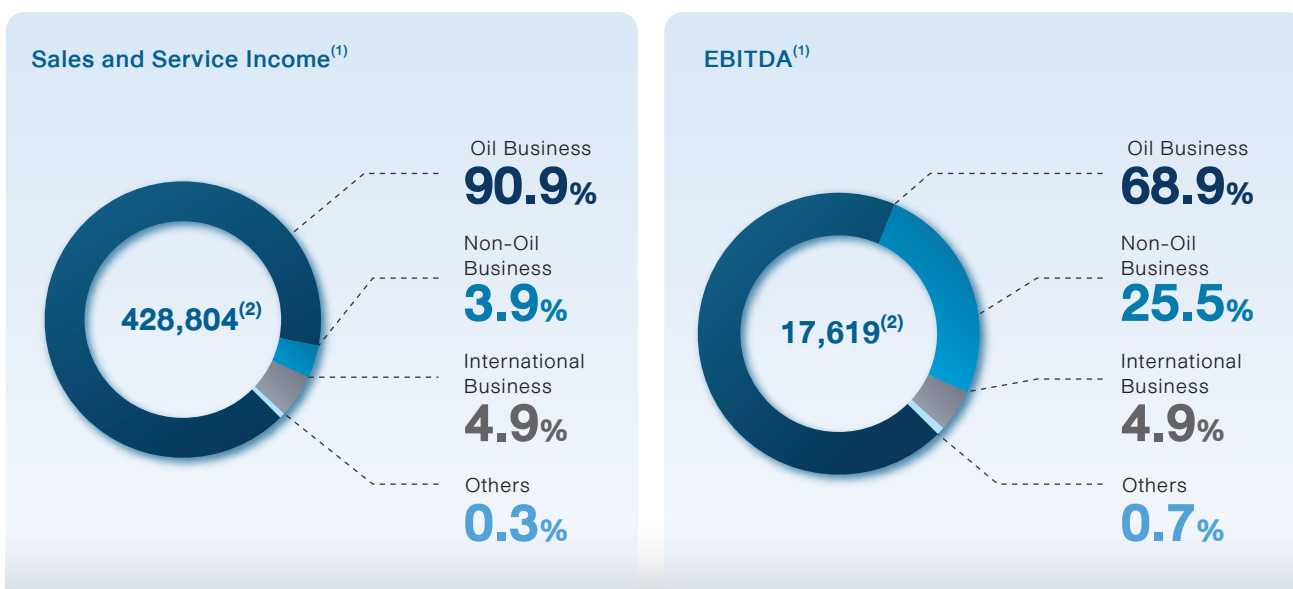
Key Financial Ratios



Remark : ⁽¹⁾ Adjusted equity = Total equity - Surplus (deficit) on restructuring under common control

⁽²⁾ Adjusted assets = Total assets - Surplus (deficit) on restructuring under common control

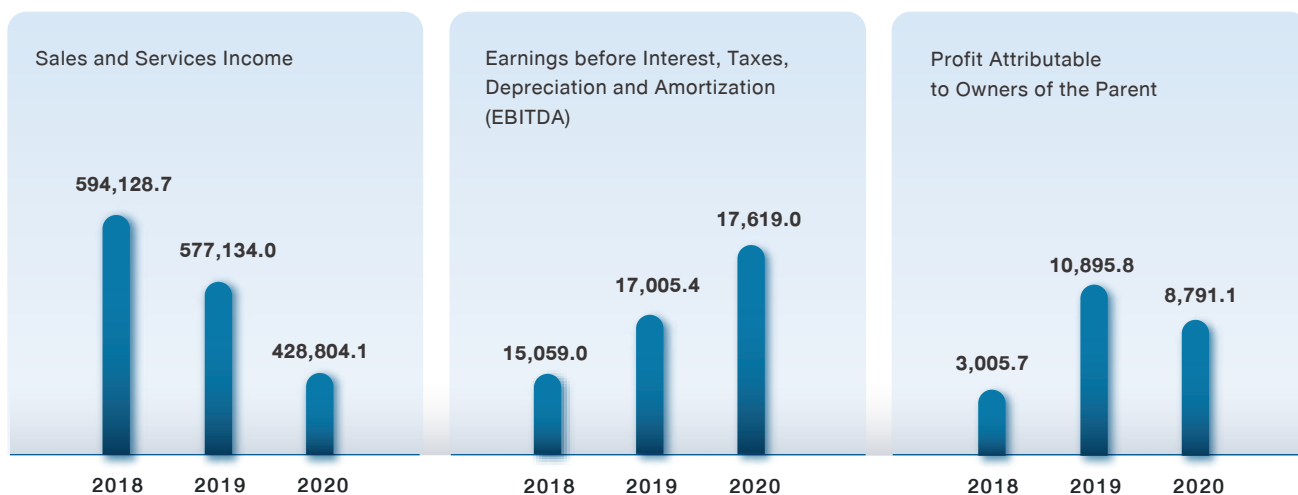
Unit : THB Million



Remark : ⁽¹⁾ Amount after eliminations
⁽²⁾ Calculated from amount before eliminations

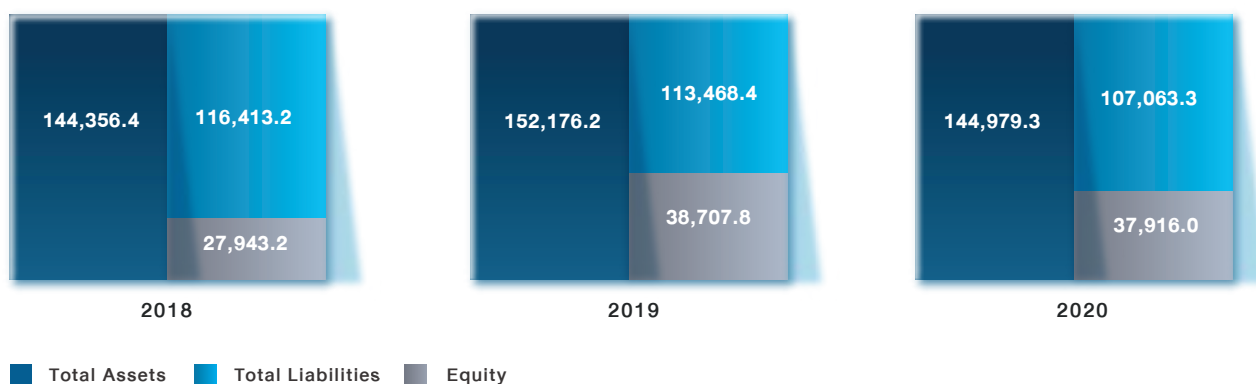
Income Statements

Unit : THB Million



Statements of Financial Position

Unit : THB Million



Performance Milestones

Oil Business

Launched new technology for diesel fuel "UltraForce Diesel"

ULTRA FORCE
DIESEL

Established PTTOR China in the People's Republic of China, an important step to Chinese market



Opened the 100th branch of Café Amazon in Cambodia at AEON II Department Store, Phnom Penh



Launched the 1st "Thai Det" Project at PTT Station Siam Dan Khunthot, Nakhon Ratchasima



Arranged "Pun Suk Space" for farmers to distribute local products at PTT Stations nationwide



Opened the first "Pat Pat Shops" in cooperation with Chaipattana Foundation at PTT Station Bang Na Outbound



Started the sale of Diesel B20 at PTT Stations



2018



Opened the 1st branch of "Café Amazon for Chance" run by the hearing-impaired at Mahidol University



Established PTTOR Singapore in Singapore, an important step to global market



Launched the 1st Café Amazon branch in Oman at Muscat, the 1st Café Amazon branch in the Middle East



Hosted "PTT Thailand Grand Prix 2018" as Thailand's first MotoGP, the world's greatest Motorcycle Road-Racing Championship Grand Prix

2019



Started the sale of Diesel B10 at PTT stations as Thailand's first B10 distributor

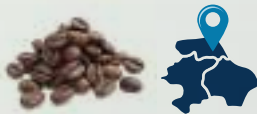


Introduced a new "Digital Service Station" model at PTT Station Sam Yan

Launched the 1st Café Amazon branch in Malaysia at Central I-City department store, in partnership with Central Group



Launched a project promoting Robusta coffee plantation and natural conservation system production for sustainable development, in cooperation with the Southern Border Province Administration Center (SBPAC) and the National Farmers Council



Launched the 1st “Café Amazon Circular Living Concept” branch at PTT Station Sam Yan



Opened the 1st Khao Piak Poo Pak Se (Laotian rice noodle soup) shop in Lao People's Democratic Republic (Laos) at PTT Station Phon Thong branch



Established PTOR Holdings Co., Ltd. in Thailand for investment management and supervision of OR group's business in Thailand and foreign countries



Others

Launched "Blue Connect", an E-Wallet application for digital-oriented consumers

Blue
CONNECT



Launched the 1st Café Amazon branch in the People's Republic of China at Sinopec Service Station Zhuxi branch, Nanning, Guangxi



Created new customer experience by serving Café Amazon coffee on Thai Smile Airways flights for the first time



Promoted Café Amazon “Go Green” concept of single-use plastic bags ban



Established PTOR International Holdings (Singapore) Pte. Ltd. for investment management and supervision of OR group's business in foreign countries



Established Brighter Energy Company Limited for oil depots business, and established Brighter Energy Retail Company Limited to operate retail businesses in Myanmar

Launched new technology for Benzene “XtraForce Benzine”

XTRA FORCE
BENZINE

Launched the “Plastic (Kuen) Suk” project in cooperation with PTT Global Chemical Public Company Limited to promote waste sorting at PTT Stations



Improved PTT Stations under the concept of “Wat Wen Wai”, together with other OR retail outlets’ service standard towards the New Normal of COVID-19



Invested in Flash Incorporation Co., Ltd., to expand the business under Mobility Ecosystem and Lifestyle Ecosystem concepts



Opened the 1st “Café Amazon for Chance” run by the elderly at the Ministry of Social Development and Human Security



Opened the 1st “Café Amazon for Chance” operated by veterans at the Naval Command Unit, Toey Ngam Beach



2020



Renamed products under UltraForce Diesel product line: Diesel to Diesel B7; B10 to Diesel; and Diesel Premium to Diesel Premium B7

EVOTEC
technology

Launched new advanced technology for Performa lubricant products “EVOTEC Technology”



Expanded investment in EV stations in PTT Stations in support of the growing EV vehicle trend in Thailand, with a total of 25 EV stations



Invested in Peaberry Thai Co., Ltd. in expansion of the integrated coffee business and the specialty coffee market under “Pacamara” brand

Established a joint-venture company with Central Restaurant Group (CRG) to expand Café Amazon business in Vietnam



Launched the 1st Café Amazon branch in Vietnam at Big C GO



Blue Card membership reached approximately 7 million members, of which the collected data was used for personalized campaign



Launched the 1st Pearly Tea branch in Lao People's Democratic Republic (Laos) at PTT Station Phon Thong branch



Launched the 1st Pearly Tea branch in Cambodia at PTT Station Neakawan branch



Exported PTT lubricants to Nepal for the first time

Awards and Recognitions

Branding Awards

World Branding Awards
Brand of the Year:
Café Amazon &
PTT Station
for 3 consecutive years
*From World Branding
Forum*

Thailand's Most
Admired Brand Award
from Brand Age
(Global Thai Brand
Award)
Service Station Group :
PTT Station
for 17 consecutive years
From Brand Age

Most Valuable
Brands of the Year
Coffee Shop:
Café Amazon
From Longtunman

The Sustainable
Brand of the Year :
Café Amazon
From Longtunman



Brand Builder
of the Year :
Texas Chicken
Thailand
*From The Cajun
Company, Inc.*

Most Admired Brand
Award from Brand Age
(Global Thai Brand Award)
Engine Oil Group :
PTT Lubricants for 11
consecutive years
From Brand Age

Influential Brands
(Top Brand) :
Café Amazon
*From NEO TARGET
COMPANY LIMITED*

Retail Marketing
Awards

No.1 Brand Thailand
Engine Oil Car:
PTT Lubricants
for 10 consecutive years
From Marketeer

Marketing Day & MAT
Awards for Community
Coffee Sourcing and Café
Amazon for Chance
*From MAT Association
of Thailand*

No.1 Brand Thailand
Fuel Station :
PTT Lubricants for
9 consecutive years
From Marketeer

No.1 Brand Thailand
Coffee Shop :
Café Amazon for
9 consecutive years
From Marketeer

Thailand Top Company
Awards (Retail and
Wholesale Industry)
*From University of
the Thai Chamber
of Commerce*

Performance Excellence Awards

● **TAQA Thailand Automotive Quality Award (TAQA)**
Automobile-related Products :
Service Station for 11
consecutive years
*From National Productivity
Institute in collaboration with
Custom Asia Company Limited,
Manager Daily and International
Media*

● **The Prime Minister's
Industrial Award
Logistics and Supply
Chain Management :
Lubricants Business**
From Ministry of Industry

● **The Prime Minister's
Industrial Award
Quality Management :
Lubricants Business**
From Ministry of Industry

● **Zero Accident Campaign**
*From Thailand Institute of
Occupational Safety And
Health (Public Organization)*



● **Highest Sales
Growth of the Year :
Texas Chicken Thailand**
*From The Cajun
Company, Inc.*

● **Best "SAT TRACK"
Improvement of the Year :
Texas Chicken Thailand**
From The Cajun Company, Inc.

● **Highest Visits Growth
of the Year Texas
Chicken Thailand**
*From The Cajun
Company, Inc.*

● **Thai Labor Management Excellence
Award for Safety, Occupational Health
and Working Environment**

- Phra Khanong Office
 - Phra Khanong Oil Terminal
 - Lam Luk Ka Oil Terminal
 - Bangchak Petroleum Terminal
 - Saraburi Oil Terminal
 - Phitsanulok Oil Terminal
 - Den Chai Oil Terminal
 - Chiang Mai Oil Terminal
 - Nakhon Sawan Petroleum Terminal
 - Lampang Petroleum Terminal
 - Ubon Ratchathani Oil Terminal
 - Khon Kaen Petroleum Terminal
 - Phuket Oil Terminal
 - Surat Thani Petroleum Terminal
 - Songkhla Petroleum Terminal
- From Department of Labor Protection
and Welfare*

Social & Lifestyle Awards

● **LINE THAILAND AWARDS**
Best Sponsored
Stickers of The Year :
Godji Cute Emotion
From LINE Thailand

● **LINE THAILAND AWARDS**
Best Official Account
in Automotive & Energy :
OR Happy Life
From LINE Thailand

● **Friendly Design Awards**
*From Thailand Friendly
Design Association*

● **Adman Awards
& Symposium
PROMO & ACTIVATION
"KOSANAARAI" :**
Texas Chicken
Thailand
*From Advertising
Association of Thailand*



● **Clean Rest Room :**
PTT Station
Cambodia
*From Tourism
Authority of
Cambodia*



● **BEST RESTAURANT
DESIGN ASIA-PACIFIC
2016: Texas Chicken
Thailand**
*From The Cajun
Company, Inc.*

● **An Outstanding Organization
Supporting People with
Disabilities :**

- PTT Station Suwinthawong
(Inbound)
- PTT Station Thepparak
(Bang Khen)
- PTT Station Phutthamonthon
Sai 4

*From Ministry of Social
Development and
Human Security*

● **Adman Awards
& Symposium
Digital & Social
"The Haunting
Sediment and Smut"
Advertisement :**
PTT Dynamic
*From Advertising
Association of Thailand*

Message from the Board of Directors



A handwritten signature in black ink, appearing to read 'Auttapol'.

(Mr. Auttapol Rerkpiboon)

Chairman



A handwritten signature in black ink, appearing to read 'jiraphon kawswat.'.

(Ms. Jiraphon Kawswat)

Acting President
and Chief Executive Officer

The year 2021 marks a major milestone for OR on its new path as a listed company on the Stock Exchange of Thailand (SET), echoing the company's strength and readiness to move forward with Thai society.

OR invariably conducts its business while taking into account customer centricity and mutual growth of communities, society, and the company. OR has constantly been a change leader and has maintained its leadership in the industry. As for oil business, PTT Stations have remained number one in the market share for more than 23 years, with 1,900 service stations in high-potential locations across the country. Moreover, PTT Lubricants have also been on the top of domestic market share for 12 consecutive years, with exports to more than 40 countries globally. Furthermore, OR's LPG for household uses has also remained number one in the domestic market share for a significant period of time. OR is also a market leader of fuels and other products for aviation, marine, and industrial sector, with a nationwide network of logistics and distributors.

As for Non-oil business, OR is the pioneer of retail non-oil business in gas stations in Thailand

to better cater to customers' needs on the go, true to its customer-centric concept. Café Amazon, a renowned coffee brand with more than 3,000 branches in Thailand can be found in PTT Station and outside PTT Station. Moreover, a wide array of products and services such as FIT Auto vehicle service and maintenance, Texas Chicken, and Jiffy convenient stores are at service in PTT Stations throughout. In addition, OR offers Blue Card membership, a key mechanism to best create engagement and provide impressive customer experience through various personalized campaigns.

Advancing OR's local achievement to the international market, the company expands its successful business model in Thailand to other countries with some modification to fit the lifestyles and consumer behavior in each country. To date, OR operates over 300 branches of PTT Stations in Lao, Cambodia, the Philippines, and Myanmar and over 280 Café Amazon outlets in Lao, Cambodia, the Philippines, Myanmar,

Singapore, Malaysia, China, Japan, Oman and Vietnam. OR plans to continuously expand its business to new areas in various countries in the coming future.

OR's business approach provides opportunities for all stakeholders,

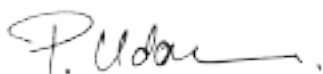
particularly small entrepreneurs (SME) to participate in businesses design and grow together with OR. Over 80% of PTT Stations and Café Amazon outlets are invested and operated by dealers or franchisees. Through a longstanding partnerships and engagement with its business partners, OR has been able to maintain the flexibility in business operations, even during 2020 when it faced a tough challenge in all business sectors due to the COVID-19 crisis. As a result, OR's business performance in 2020 showed THB 428,804 million in total revenue and THB 8,791 million in net profit.

With the current COVID-19 crisis, ever-changing technological transformation and rapid changes of consumer behavior, OR is facing a great challenge across all its business sectors. As a leader of Thailand's oil and retail businesses, OR is relentlessly adjusting its portfolio to make greater strides beyond the conventional oil business by employing its unique "Retailing Beyond Fuel" business model to better serve customers' needs in terms of mobility and future lifestyles.

Today, OR is ready to take the next step towards success as a leading listed company of the Stock Exchange of Thailand (SET).

On behalf of the Board of Directors, Executives, and OR employees, we extend our heartfelt gratitude to all shareholders for the trust and support rendered. Please be assured that OR will remain committed to efficient business operation under good governance and creation of satisfying ROI to all shareholders. Following OR's vision, we strive to become a leading global Thai brand that enriches community and society, as well as creating shared values for all stakeholders in a balanced and sustainable fashion for mutual growth. "Together for Betterment".

Report of the Audit Committee



(Assoc.Prof.Dr.Pipop Udorn)
The Audit Committee Chairman



OR's Audit Committee consists of three independent directors who have extensive experience in accounting, economics, and information technology, as well as qualifications according to the Ministry of Finance regulations on the Audit Committee and the Internal Audit Department. The three members are Assoc.Prof.Dr.Pipop Udorn as the Committee Chairman, Assoc.Prof.Dr.Chayodom Sabhasri, and Dr.Chaichana Mitrpant as the Committee members.

The Audit Committee executed its duties as assigned by the OR's Board of Directors independently, which agreed with

the best practice of the Ministry of Finance regulations. The Committee reviewed, advocated, and impulsed for OR's compliance with governance and applicable regulations, adequate and effective risk management and internal control. In 2020, the Committee held 17 meetings with the objectives of reviewing the efficiency of internal control system, effectiveness of risk management, reliability of financial and administrative reports, and legal compliance relating OR and its affiliated companies. The details of the Committee's meeting attendance are as follows:

The Audit Committee Members	Position	Attendance/ Meetings
Assoc.Prof.Dr.Pipop Udorn	Audit Committee Chairman	17/17
Assoc.Prof.Dr.Chayodom Sabhasri	Audit Committee Member	17/17
Dr.Chaichana Mitrpant	Audit Committee Member	15/17

The Audit Committee's Summary of Performance is as follows :

1. Review of Financial Statements

The Committee, together with the management, Internal Audit Department, and external auditor, reviewed OR's quarterly, annual, and consolidated financial statements, including any related transactions that might lead to conflicts of interest. The

Committee's inquiries to external auditor includes accuracy and completeness of financial statements, adjustment of key account entries affecting the statements, adequacy and suitability of account recording, audit scope, accuracy of

information disclosure, as well as independence of auditor. Any observations and suggestions from the auditor were also noted. All these elements ensured that the preparation of financial statements abide by the legal requirements and generally accepted accounting standards and principles.

Moreover, the meetings between the Committee and external auditor were held without participation from management team. This is to ensure the freedom of external auditor in opinion expression, performance in financial audit planning, and disclosure of accurate, complete and sufficient information.

2. Review of Internal Control Process, Governance and Risk Management Effectiveness

The Committee, together with Internal Audit Department, reviewed OR's and its affiliates' effectiveness and efficiency in risk management process, internal control, compliance with laws and regulations. The performance review was conducted quarterly, with emphasis on advisory and suggestions towards internal control and risk management which are vital to OR's and its affiliates' business management. No significant issues or material deficiency were detected from the assurance. The Committee therefore acknowledged and advised on the internal control assessment reports under the Ministry of Finance's Internal Audit Standards for Government Agencies, B.E. 2561 (2018) regulations. In 2020, the outcome of internal control assessment was considered adequate, sufficient, with continuity of effort and compliance.

3. Governance of Internal Audit Activities

The Committee governed internal audit operations to ensure the internal audit activities were proceeded with independency and effectiveness. It provided approval for the annual and long-term internal audit plans organized according to relevant risk of the company and reviewed the adequacy and suitability of resources, KPIs, annual budget and personnel development of Internal Audit Department. As well as supervised the assessment of overall internal audit quality assurance. The Committee evaluated performance of Internal Audit Department and was satisfied with the effectiveness of the function.

4. Quality Assurance of the Audit Committee

The Committee conducted self-assessment individually and in group against the State Enterprise Policy Officer (SEPO)'s best practices in which the assessment results of fiscal year 2020 was at satisfactory level and the duties specified in the Charter were completely fulfilled. The Committee has applied their knowledge and skills to provide opinions and recommendations to the management and the Board of Directors continuously with independency.

5. Review of Auditor's Appointment and Remuneration for 2020 and 2021

The Committee considered and endorsed the appointment of the State Audit Office of the Kingdom of Thailand (SAO) as OR's auditor for 2020 annual audit and the first quarter of 2021. For the rest of 2021, the Committee has appointed auditors from PricewaterhouseCoopers (PwC) ABAS Limited, namely Ms.Amorntat Permpoonwattanasuk (CPA No.4599) and Mr. Boonruang Lertwisetwit (CPA No.6552) as OR's external auditors for the Board's concurrence and the shareholders' approval together with its audit fees.

6. Review of The Audit Committee and the Internal Audit Charter for 2020

The Committee reviews and revises charter of the Audit Committee every year to ensure that the charter aligns with principles of good corporate governance and SEPO's best practices.

In summary, the Audit Committee executed its charter duties and responsibilities with due competence, care, prudence, and independency, while providing opinions and recommendations for the equitable benefit of all stakeholders. The Committee ensures that OR's financial statements are accurate, reliable, and align with generally accepted accounting standards and views that OR practiced compliance with applicable laws and business obligations, together with good governance, conformance to rules, adequate risk management in accordance with efficient and effective internal audit activity.

Report of the Nomination and Remuneration Committee



(Assoc.Prof.Chayodom Sabhasri)
Chairman of the Nomination and Remuneration Committee



The Board of Directors has appointed the Nomination and Remuneration Committee, consisting of at least 3 Company's directors, with the Chairman of the Committee being an independent director. The Committee is in charge of nominating qualified director and top executive candidates according to the process and criteria defined by OR and selecting OR's directors for positions on sub-committees. The Committee is also responsible for considering remuneration schemes and criteria for directors and proposing them to the Board of Directors and shareholder meetings as required by the law.

In 2020, the Nomination and Remuneration Committee comprises 3 directors, namely Assoc.Prof.Chayodom Sabhasri (independent director), Chairman of the Committee, and two non-executive directors, Mr. Poomsak Aranyakasemsuk and Ms. Peangpanor Boonklum⁽¹⁾

In 2020, the Committee fulfilled the duties assigned by the Board of Directors with prudence, caution, transparency, and fairness and convened a total of six meetings. Its key activities in 2020 can be summarized as follows:

1. Nomination of Candidates for Directors Replacement Due to Retirement and Resignation

- The Committee nominated qualified candidates for directorship in compliance with the Corporate Governance Code for Listed Companies issued by the Securities and Exchange Commission, Stock Exchange of Thailand, strictly proceeded according to the process and criteria stipulated by OR's Corporate Governance Handbook. The candidate list was proposed to the Board of Directors at the shareholders meeting as required by the law. The nomination included the Directors' Pool of the State En-

Remark : ⁽¹⁾ Ms. Peangpanor Boonklum resigned as a director, effective January 1, 2021.

terprise Policy Office and the Board Skill Matrix to ensure alignment with OR's nature of business. The qualifications taken into consideration included education, expertise, skills, experience, specialization related to OR's businesses, as well as independence as stipulated by the laws and OR's requirements.

2. Appointment of Sub-Committees

- The Committee nominated and selected OR's directors for the Corporate Governance Committee in accordance with good corporate governance practices, and proposed the candidate list to the Board of Directors for consideration and appointment.

3. Board of Directors' Remuneration

- The Committee determined remuneration for the Board of Directors and sub-committees in 2020, based on the company's operating results and its size of business in comparison with other listed companies or leading companies in the same industry with similar size so as to ensure suitability, fairness, and reasonableness. The remuneration was then proposed to the Board of Director for consideration and subsequently presented to the general annual meeting of shareholders for approval.

4 Board of Directors' Performance Assessment

- The Committee reviewed the criteria, procedures, and performance assessment forms of both individual and the Board of Directors as a whole, as well as sub-committees. This is to ensure that their performance are in line with good corporate governance practices. The criteria and assessment forms were considered suitable and thus were approved for use for 2020 in the Board Meeting no. 10/2020 on October 27, 2020.
- The Committee reviewed the performance assessment result of the Board of Directors and sub-committees. and reported to the Board for acknowledgment.

5. Review of the Nomination and Remuneration Committee's Charter

- The Committee reviewed the Nomination and Remuneration Committee's charter to ensure that it was current, consisted of appropriate scope of roles and responsibilities in line with standards for listed companies and good corporate governance principles.

6. Top Executive Performance Assessment

- The Committee approved the performance assessment criteria for the President and Chief Executive Officer and reviewed their performance assessment, as well as their salary increase, which were subsequently proposed to the Board of Directors for approval.

Report of the Enterprise Risk Management Committee



(Dr. Chaichana Mitrpant)
Chairman of the Enterprise
Risk Management Committee



OR recognizes the significance of effective risk management and its ability to achieve established goals and sustainable growth, as well as foster the trust and confidence of shareholders and all groups of stakeholders. The Enterprise Risk Management Committee comprises qualified experts with knowledge and experiences in diverse areas. As of December 22, 2020, the Committee consisted of four directors :

1. Dr. Chaichana Mitrpant (independent director)
2. Mr. Pipop Udorn (independent director)
3. Ms. Peangpanor Boonklum⁽¹⁾
4. Ms. Jiraphon Kawswat.

The directors are charged with establishing policies and risk management frameworks, overseeing risk management to ensure alignment with the company's strategies and targets, as well as offering suggestions for betterment of efficiency on risk management with respect to strategies, operation and business, enterprise compliance, and finance.

In 2020, the Enterprise Risk Management Committee convened a total of six meetings, each attended by all directors. The key activities can be summarized as follows.

- 1. The Committee provided opinions on and approved of the company's annual risk management plan, ensuring its consistency with strategic directions, business plans, and key indicators.**
- 2. The Committee reviewed and provided opinions on new investment projects/ large-scale investment projects that presented significant risks to the company.**
- 3. The Committee closely monitored the company's risk management during the COVID-19 pandemic** and proposed proactive management to prevent the escalation of risks into issues. Reports and data were also compiled on a monthly basis or immediately upon detection of any material change in risk.

Remark : ⁽¹⁾ Ms. Peangpanor Boonklum remained an ERM member until December 22, 2020. OR Board of Directors Meeting No. 12/2020 on December 23, 2020 appointed Ms. Dujduan Hetrakul to replace the vacancy, effective from December 23, 2020.

4. The Committee offered recommendations beneficial to risk management. The recommendations given are as follows:

- Improving risk management reports by including clearer and more comprehensive details, such as identifying the causes of failure to follow through the established plans in order to solve the problem at its root and come up with adequate solutions.
- Adding more profound details to the analysis of financial impacts caused by delays in project execution to draw up guidelines for lost revenue compensation. In the event of such delays, marketing solutions should always be prepared.
- Adding exchange rates information to oil price charts for price risk management and production cost for better visualization of the correlation between exchange rates and oil prices.
- Adding new investment suitability criteria for more comprehensiveness, such as suitable investment periods and the ability to create business synergy from the investment.
- Switching to a radar chart (spider web diagram) in presenting a multi-dimensional risk assessment to offer better overview of overall assessment results for comparison and decision making. This adjustment should also be applied to future investment projects.
- The details and facts about any accidents occurred should be presented to the Enterprise Risk Management Committee for analysis in order to establish mechanisms or measures in preventing, controlling, and reducing accident risks.

5. The Committee provided recommendations beneficial to the company's business operation to serve as guidelines for operational efficiency improvement.

The recommendations given are as follows:

- Emphasis should be placed on human resources to drive the organization towards its goals and defined directions, such as implementation on job rotation to equip employees with multi-skills. Due to the company's diverse range of businesses and ever-changing environment, the organizational culture is vital and should be adjusted accordingly to ensure alignment with the company's business operation. Additionally, personnel with experience and specialized expertise should be recruited.
- The organization should adapt and adjust its operational structure to keep pace with the new normal in the digital era, especially in terms of information technology (IT) management to enhance business capabilities. This includes the design and development of architecture system that links and integrate different work systems via application programming interface (API) to maximize work efficiency.
- As for the company's knowledge management, data storage of various work principles (rules of thumbs) related to the pricing and cost risk management should be compiled as a knowledge base for further use.

In summary, the aforementioned activities and performance show that the Enterprise Risk Management Committee has attached significance to the discharge of its duties, which plays a vital role in fostering confidence in the company's ability to carry out its strategies and achieve its goals to ultimately create added-value for the organization and shareholders in a sustainable way.

Board of Directors

As of January, 2021



Mr. Auttapol Rerkpiboon

Director

Chairman of the Board of Directors
(Non-Executive Director)

Age 55 years old

Appointed Date

- First term : March 9, 2018
(The date that OR converted to public company limited)
- Second term : April 3, 2019 (re-appointed)

Education

- Diploma of Petroleum Management,
College of Petroleum Studies, Oxford, England
(Scholarship from the British Council)
- Master of Economics Program, National Institute of
Development Administration
- Bachelor of Engineering (Civil Engineering),
Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- Director Certification Program (DCP 173/2013)
- Company Secretary Program (CSP 14/2005)

Other Certifications

- TLCA Executive Development Program (EDP) (Class 1),
Thai Listed Companies Association
- Diploma, National Defence College,
The Joint State – Private Sector Course (Class 58)
- Politics and Governance in Democratic for Executives
(Class 14), King Prajadhipok's Institute
- Top Executive Program (Class 20),
Capital Market Academy
- Senior Executive Program in Energy Science (Class 12),
Thailand Energy Academy
- Executive Program on Rule of Law and Development
(RoLD) (Class 2), Thailand Institute of Justice
(Public Organization)

- NIDA-Wharton Executive Leadership Program 2009, The Wharton School of the University of Pennsylvania, USA
- PTT Executive Leadership, General Electric, GE, New York, USA
- Rule of Law for Democracy (Class 8), College of the Constitutional Court

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (3)

- President and Chief Executive Officer, PTT Public Company Limited
- Director, PTT Exploration and Production Public Company Limited
- Director and Chairman, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (17)

- Director, Suan Luang Rama 9 Foundation
- Advisory Board, Institute of Industrial Energy
- Director, Ruamchit Normkiao Foundation (for Children and Youth) under Her Majesty's Royal Patronage
- Member of Payment Systems Committee (PSC), Bank of Thailand
- Vice President, Thailand Swimming Association
- Honorary Advisor of The National Institute of Development Administration Alumni Association under the Royal Patronage
- Expert Committee of NIDA Council, National Institute of Development Administration
- Honorary Advisor, Thai-Laos Business Council
- Director, Petroleum Institute of Thailand
- Vice Chairman, Thailand Energy Academy

- Committee Member, Khung Bang Kachao
- Director, Green Globe Institute
- Director, Power of Innovation Foundation
- Director, Power of Learning Foundation
- Director, Power for Sustainable Future Foundation
- Director, VISTEC Council, Vidyasirimedhi Institute of Science and Technology
- President, PTT Group Employee Association

Working Experiences in the 5 Preceding Years

2018 – August 1, 2020

Director / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee, Thai Oil Public Company Limited

October, 2017 – May 12, 2020

Chief Operating Officer, Downstream Petroleum Business Group, PTT Public Company Limited

October, 2015 – October 1, 2018

Director/ Member of the Corporate Governance Committee/ Member of the Risk Management Committee, PTT Global Chemical Public Company Limited

November 2015 – September 2017

Chairman, PTT Retail Management Company Limited

October, 2015 – September 30, 2017

Senior Executive Vice President of the Oil Business Unit, PTT Public Company Limited

(%) of Share Holding in OR : None

Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary : None



Assoc.Prof.Dr. Pipop Udorn

Independent Director
Chairman of the Audit Committee
Member of the Enterprise
Risk Management Committee
(Non-Executive Director)

Age 55 years old

Appointed Date

- First term : September 21, 2018
- Second term : March 30, 2020 (re-appointed)

Education

- Ph.D. (Marketing) Kenan-Flagler Business School, University of North Carolina at Chapel Hill
- Master of Business Administration (M.B.A.) in Marketing, School of Business and Public Administration, George Washington University
- Bachelor of Accountancy, Faculty of Commerce and Accountancy, Thammasat University

Certification from Thai Institute of Directors (IOD)

- Advanced Audit Committee Program (AAP 36/2020)
- Risk Management Program for Corporate Leaders (RCL 21/2020)
- IT Governance and Cyber Resilience Program (ITG 13/2020)
- Director Certification Program (DCP 270/2019)
- Director Accreditation Program (DAP 155/2018)

Other Certifications

- Senior Executive Program in Energy Science (Class 14), Thailand Energy Academy
- Senior Executives on Justice Administration (Class 23), National Justice Academy

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (1)

- Independent Director / Chairman of the Audit Committee / Member of the Enterprise Risk Management Committee, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (3)

- Assoc. Prof. (Level 9), Department of Marketing, Faculty of Commerce and Accountancy, Thammasat University
- Transition Steering Committee, Thammasat University
- Academic Policy Committee, Thammasat University

Working Experiences in the 5 Preceding Years

2016 – November 2, 2019

Dean of the Faculty of Commerce and Accountancy, Thammasat University

(%) of Share Holding in OR : None

Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary : None



Dr. Chaichana Mitrpant

Independent Director
Chairman of the Enterprise
Risk Management Committee
Member of the Audit Committee
(Non-Executive Director)

Age 48 years old

Appointed Date

- First term : September 21, 2018
- Second term : April 3, 2019 (re-appointed)

Education

- Ph.D. in Engineering, Universität Duisburg–Essen, Essen, NRW, Germany
- Master of Engineering, University of Michigan, Ann Arbor, Michigan, USA
- Bachelor of Engineering, Rice University, Houston, Texas, USA

Certification from Thai Institute of Directors (IOD)

- Advanced Audit Committee Program (AACP 33/2019)
- Risk Management Program for Corporate Leaders (RCL 18/2019)
- Director Certification Program (DCP 199/2015)

Other Certifications

- Senior Executive Program in Energy Science (Class 15), Thailand Energy Academy
- Certified Information Systems Security Professional (CISSP)
- Executive Development Program 2556 (EDP) (Class 9), Ministry of Finance
- National Security Management for Senior Executives (Class 7), National Intelligence Agency
- Politics and Governance in Democratic Systems Course for Senior Executives (Class 20), King Prajadhipok's Institute

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (1)

- Independent Director / Chairman of the Enterprise Risk Management / Member of the Audit Committee, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (1)

- Director, Electronic Transactions Development Agency (Public Organization) (ETDA), Ministry of Digital Economy and Society

Working Experiences in the 5 Preceding Years

2017 – September 26, 2020

Director, Metropolitan Waterworks Authority (MWA)

2013 – 2020

Deputy Director, Electronic Transactions Development Agency (Public Organization) (ETDA), Ministry of Digital Economy and Society

2017 – 2019

Director, the Bangkok Mass Transit Authority

(%) of Share Holding in OR : None

Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary : None



Assoc.Prof.Dr. Chayodom Sabhasri

Independent Director
Chairman of the Nomination
and Remuneration Committee
Member of the Audit Committee
(Non-Executive Director)

Age 56 years old

Appointed Date

- First term : September 21, 2018
- Second term : March 30, 2020 (re-appointed)

Education

- Ph.D. in Economics, University of Wisconsin–Madison, USA
- M.Sc. in Economics, The London School of Economics and Political Science, University of London, UK
- Diploma in Economics, The London School of Economics and Political Science, University of London, UK
- Bachelor of Economics (Second Class Honor), Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- IT Governance and Cyber Resilience Program (ITG 16/2020)
- Director Certification Program (DCP 271/2019)
- Board Nomination and Compensation Program (BNCP 7/2019)
- Advanced Audit Committee Program (AACP 33/2019)
- Director Accreditation Program (DAP 155/2018)

Other Certifications

- Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations Program (Class 6), King Prajadhipok's Institute, State Enterprise Policy Office and Office of the Public Sector Development Commission
- Senior Executive Program in Energy Science (Class 14), Thailand Energy Academy
- Top Executive Program (Class 17), Capital Market Academy
- Diploma, National Defence College, The National Defence Course (Class 57)

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (1)

- Independent Director / Chairman of the Nomination and Remuneration Committee/ Member of the Audit Committee, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (11)

- Director, Meyer Industries Company Limited
- Member of Chulalongkorn University Council
- Risk Oversight Subcommittee, The Securities and Exchange Commission
- Subcommittee on Preparation of the Memorandum of Agreement and Evaluation of Operating Enterprises, Financial Institution Department, State Enterprise Policy Office (SEPO), Ministry of Finance
- Academician, the Standing Committee on Economics, Monetary and Finance, Senate
- Expert Member, Public Debt Management Policy and Supervision Committee, Ministry of Finance
- Member of Evaluation Committee, Thai Health Promotion Foundation
- Professor, Faculty of Economics, Chulalongkorn University
- Honorary Director, Office of the National Policy for Town and Country Planning Board
- Subcommittee Member, Private Learning Institutions Act B.E. 2546
- Committee, National Defence College

Working Experiences in the 5 Preceding Years

2015 – 2020

Investment Management Subcommittee,
Government Pension Fund

2012 – 2018

State Enterprise Evaluation Committee, State Enterprise Policy Office (SEPO), Ministry of Finance

2012 – 2016

Chairman of the Preparation of the Memorandum of Agreement and Evaluation of Operating Enterprises Sub-committee, Financial Institution Department, State Enterprise Policy Office (SEPO), Ministry of Finance

2012 – 2016

Dean of the Faculty of Economics,
Chulalongkorn University

2004 – 2012

Executive Committee Member, The Gem and Jewelry Institute of Thailand (Public Organization),
Ministry of Commerce

(%) of Share Holding in OR : None

Family Relationship among Directors,
Executives or Major shareholders of
the Company or a Subsidiary : None



Asst.Prof.Dr. Duangkamol Chartprasert

Independent Director

Chairman of the Corporate Governance Committee
(Non-Executive Director)

Age 59 years old

Appointed Date

- First term : September 21, 2018

Education

- Ph.D. in Mass Communication University of Wisconsin–Madison, USA
- M.S. in Agricultural Journalism University of Wisconsin–Madison, USA
- Bachelor of Arts (First class Honor), Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- IT Governance and Cyber Resilience Program (ITG 14/2020)
- Financial Statements for Directors (FSD 43/2020)
- Director Certification Program (DCP 272/2019)
- Director Accreditation Program (DAP 155/2018)

Other Certifications

- Senior Executive Program in Energy Science (Class 15), Thailand Energy Academy

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (1)

- Independent Director / Chairman of the Corporate Governance Committee, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (3)

- Chairman of the Doctor of Philosophy (Communication Arts) Committee, Faculty of Communication Arts, Chulalongkorn University
- Director of the Cultural Management Program, Chulalongkorn University
- Professor, Faculty of Communication Arts, Chulalongkorn University

Working Experiences in the 5 Preceding Years

2017 – 2018

Member of Chulalongkorn University Council

2012 – 2016

Dean of the Faculty of Communication Arts, Chulalongkorn University

(%) of Share Holding in OR : None
Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary : None



Mr. Poomsak Aranyakasemsuk

Director

Member of the Nomination
and Remuneration Committee

Member of the Corporate Governance Committee
(Non-Executive Director)

Age 58 years old

Appointed Date

- First term : March 9, 2018 (The date that OR converted to public company limited)
- Second term : April 25, 2018 (re-appointed)

Education

- Master of Business Studies (Finance), Massey University, New Zealand
- Master of Public Administration Program (Public Administration), National Institute of Development Administration, Thailand
- Bachelor of Economics, Ramkhamhaeng University

Certification from Thai Institute of Directors (IOD)

- Board Nomination and Compensation Program (BNCP 6/2019)
- Director Certification Program (DCP 73/2006)

Other Certifications

- Diploma, National Defence College, The National Defence Course (Class 59)
- Executive Development Program, The Wharton School of the University of Pennsylvania, USA
- The Civil Service Executive Development Program: Visionary and Moral Leadership (Class 73/74), Office of the Civil Service Commission

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand(1)

- Director / Member of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (3)

- Director General, The Comptroller General's Department, Ministry of Commerce
- Chairman, National Credit Bureau
- Director, CAT Telecom Public Company Limited

Working Experiences in the 5 Preceding Years

March, 2019 – November, 2019

Director, National Credit Bureau

2018 – October 31, 2019

Director, Government Savings Bank

May, 2018 – September, 2019

Director General, The Public Debt Management Office

2017 - 2018

Director, Sports Authority of Thailand

January, 2016 – October, 2017

State Enterprise Performance Appraisal Advisor,
State Enterprise Policy Office (SEPO),
Ministry of Finance

(%) of Share Holding in OR : None

**Family Relationship among Directors,
Executives or Major shareholders of
the Company or a Subsidiary** : None



Ms. Dujduan Hetrakul

Independent Director
Member of the Enterprise Risk Management
Committee
(Non-Executive Director)

Age 38 years old

Appointed Date

- First term : September 21, 2018
- Second term : March 30, 2020 (re-appointed)

Education

- Certificate of Publishing and Media Industry, New York University
- Master of Business Administration (MBA) in Marketing and Strategic Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Business Administration, Faculty of Commerce and Accountancy, Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- Director Certification Program (DCP 295/2020)
- Director Accreditation Program (DAP 155/2018)

Other Certifications

- None

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (1)

- Independent Director / Member of the Enterprise Risk Management Committee, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (2)

- Director, The Publishers and Booksellers Association of Thailand
- Director, Usasawat Company Limited

Working Experiences in the 5 Preceding Years

2009 – 2018

Director, Maeban Publishing Company Limited

2009 - 2018

Director, Maeban Company Limited

(%) of Share Holding in OR : None

Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary

: None



Mr. Supat Metheeworapote

Independent Director
Member of the Corporate Governance Committee
(Non-Executive Director)

Age 37 years old

Appointed Date

- First term : December 23, 2020

Education

- M.Sc. in Finance and Business Economics (Merit), Manchester Business School, University of Manchester
- Bachelor of Arts (Economics) (First Class Honor), Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- Director Certification Program (DCP 294/2020)
- Director Accreditation Program (DAP 171/2020)

Other Certifications

- High Performance and Potential System 2011 (HiPPs) (Class 7)
- Public Management and Leadership Training Program, National Graduate Institute for Policy Studies, Japan

- Team Leading and Management (Class 6), Organization Development and Management Institution
- Public Management and Leadership Training Program (PMLTP), National Graduate Institute for Policy Studies (GRIPS)

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand(1)

- Independent Director / Member of the Corporate Governance Committee, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (2)

- Policy and Plan Analyst Senior Professional Acting Director of Division of Cabinet Submission Analysis, The Secretariat of the Cabinet
- Director, Thai Credit Guarantee Corporation

Working Experiences in the 5 Preceding Years 2013 - 2017

- Policy and Plan Analyst Professional,
The Secretariat of the Cabinet

(%) of Share Holding in OR : None
Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary : None



Mr. Kris Imsang

Director
Member of the Nomination and
Remuneration Committee
(Non-Executive Director)

Age 55 years old

Appointed Date

- First term : January 21, 2021

Education

- Bachelor of Engineering (Civil Engineering),
Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- The Role of the Board in IT Governance 2020
- Director Certification Program (DCP 139/2010)

Other Certifications

- Leadership Development Program (LDP 3) (Class 2),
PTT Leadership and Learning Institute
- Certificate in Top Executives in the PoomPalungPandin
Program, Chulalongkorn University
- Top Executive Program (Class 23),
Capital Market Academy
- Certificate, Executive Program on Energy Literacy for a
Sustainable Future (Class 9), Thailand Energy Academy
- Making the CEO's of Thailand, MCOT (Class 1)
- Diploma, National Defence College, The National
Defence Course (Class 62)

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (3)

- Chief Operating Officer, Downstream Petroleum
Business Group, PTT Public Company Limited
- Chairman, IRPC Public Company Limited
- Director / Member of the Nomination and
Remuneration Committee, PTT Oil and Retail
Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (3)

- Chairman, PTT Tank Terminal Company Limited
- Vice Chairman, FTI Academy ,The Federation of Thai
Industries
- Expert Member, Social Enterprise Promotion Committee

Working Experiences in the 5 Preceding Years

2019 -2020

Senior Executive Vice President, Downstream Business
Group Alignment, PTT Public Company Limited

2018 - 2019

Senior Executive Vice President, Corporate Governance
and Regulatory Affairs, PTT Public Company Limited

2018

Senior Executive Vice President Organization
Management and Sustainability,
PTT Public Company Limited

2016 - 2017

Senior Executive Vice President Human Resources &
Organization Excellence, PTT Public Company Limited

2015 - 2016

Executive Vice President, Retail Marketing,
PTT Public Company Limited

(%) of Share Holding in OR : None

**Family Relationship among Directors,
Executives or Major shareholders of
the Company or a Subsidiary** : None



Ms. Jiraphon Kawswat

Director

Secretary to the Board

Member of the Enterprise Risk Management Committee

Acting President and Chief Executive Officer

(Executive Director)

Age 59 years old

Appointed Date

- First term : March 9, 2018
(The date that OR converted to public company limited)
- Second term : March 30, 2020

Education

- Master of Business Administration
(Financial Management), Kasetsart University
- Master of Accountancy (Cost Accounting),
Chulalongkorn University
- Bachelor of Science (Accounting), Kasetsart University

Certification from Thai Institute of Directors (IOD)

- Risk Management Program for Corporate Leaders
(RCL 19/2020)
- Successful Formulation & Execution of Strategy
(SFE 21/2014)
- Director Certification Program Update (DCPU 2/2014)
- How to Develop a Risk Management Plan (HRP 6/2014)
- Director Certification Program (DCP 180/2013)
- Company Secretary Program (CSP 53/2013)

Other Certifications

- Senior Executive Program in Energy Science (Class 12),
Thailand Energy Academy

- Top Executive Program (Class 26), Capital Market Academy
- TLCA Executive Development Program,
Thai Listed Companies Association
- Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations Program (Class 20/2019), King Prajadhipok's Institute
- Senior Executive Program, London Business School, United Kingdom

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (2)

- Senior Executive Vice President, reporting to Chief Operating Officer, Downstream Petroleum Business Group, PTT Public Company Limited
- Director / Secretary to the Board / Member of the Enterprise Risk Management Committee / Acting President and Chief Executive Officer, PTT Oil and Retail Business Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- None

Working Experiences in the 5 Preceding Years

2017 – 2019

Chairman, PTT Retail Management Company Limited

2018

Director, IRPC Public Company Limited

2017 – 2018

Senior Executive Vice President, Oil Business Unit, PTT Public Company Limited

2016 – 2017

Managing Director, PTT Retail Management Company Limited

2012 – 2016

Executive Vice President, Planning, Oil Business Unit, PTT Public Company Limited

(%) of Share Holding in OR : None

Family Relationship among Directors, Executives or Major shareholders of the Company or a Subsidiary : None

Directors resigned during January 1, 2020 – December 31, 2020.



Ms. Peangpanor Boonklum

Served as OR's Director during
March 9, 2018 – December 31, 2020

Age 55 years old

Education

- Master of Laws (LL.M.), Columbia University School of Law, New York, USA
- Master of Laws (Business Law), Chulalongkorn University
- Bachelor of Laws (Second Class Honor), Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- Board Nomination and Compensation Program (BNCP 7/2019)
- Ethical Leadership Program (ELP 15/2019)
- Risk Management Program for Corporate Leaders (RCL 18/2019)
- Anti-Corruption: The Practical Guide (ACPG 38/2017)
- Directors Certification Program (DCP 7/2001)

Other Certifications

- Anti-Corruption Strategic Management for Senior Executives (Class 9/2018) Office of the National Anti-Corruption Commission

- TLCA Executive Development Program Class 1/2008, Thai Listed Companies Association

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (1)

- Senior Executive Vice President, Office of General Counsel, PTT Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (2)

- Chairman, Energy Complex Company Limited
- Vice President, Chulalongkorn University, Alumni Association Under The Royal Patronage Of His Majesty The King

Working Experiences in the 5 Preceding Years

2018 – 2020

Director / Member of the Nomination and Remuneration Committee, PTT Oil and Retail Business Public Company Limited

2017 – 2019

Director / Member of the Corporate Governance Committee, Global Power Synergy Public Company Limited (GPSC)

2017 – 2018

Director, East Mediterranean Gas Company S.A.E.

2017 – 2018

Expert Member (Legal), Finances and Assets Policy Committee, Srinakharinwirot University

2017

Executive Vice President, Office of Corporate Legal, PTT Public Company Limited

2016 – 2017

Senior Counsel, Weerawong, Chinnavat & Partners Company Limited (WCP)

2009 – 2016

Director / Partner, Weerawong, Chinnavat & Peangpanor Company Limited (WCP)



Ms. Wilaiwan Kanjanakanti

Served as OR's Director during
March 9, 2018 – December 15, 2020

Age 55 years old

Education

- Master of Science (Accounting Information System),
Faculty of Commerce and Accountancy,
Chulalongkorn University
- Bachelor of Accountancy, Chulalongkorn University

Certification from Thai Institute of Directors (IOD)

- Director Certification Program (DCP 234/2017)

Other Certifications

- TLCA Executive Development Program (EDP)
(Class 12), Thai Listed Companies Association
- Leadership Development Program 2,
Harvard Business School
- Advanced Management Program (AMP 3)
- Leadership Development Program (LDP 3) (Class 2),
PTT Leadership and Learning Institute

Current Positions

Positions in Listed Company – The Stock Exchange of Thailand (1)

- Executive Vice President, Finance Policy and
Corporate Account, PTT Public Company Limited

Positions in Other Organizations / Institutes / Businesses (Non-Listed Company) (3)

- Director, PTT Green Energy Pte. Ltd.
- Member of the Accounting Technical Standards
Subcommittee, Federation of Accounting Professional
- Director, Dhipaya Insurance Public Company Limited

Working Experiences in the 5 Preceding Years

2018 – 2020

Director, PTT Oil and Retail Business Public
Company Limited

2016 – 2017

Director, PTT Regional Treasury Center Pte. Ltd.

2016

Financial Management Manager,
PTT Public Company Limited

2014 – 2017

Member of the Accounting Profession in Management
Accounting Committee, Federation of Accounting
Professional

2014 -2016

Managerial Accounting Manager,
PTT Public Company Limited

Executive Team

Mr. Boonma Phonthanakornkul

Senior Executive Vice President,
Oil Retail Business

Mr. Phichin Aphiwantanaporn

Senior Executive Vice President,
Finance

Mr. Chumpol Surapittayanont

Senior Executive Vice President,
Commercial Marketing

Mr. Chumpol Siripuchaka

Senior Executive
Vice President,
Lubricants Business

Mr. Soontorn Chursuk

Senior Executive
Vice President,
Petroleum Terminal
Operations

Mr. Wisarn Chawalitanon

Senior Executive
Vice President,
International Marketing



Mr. Suchat Ramarch

Senior Executive
Vice President,
Non-Oil Retail Business

Ms. Jiraphon Kawswat

Acting President and
Chief Executive Officer

Mr. Somyot Kongprawet

Senior Executive Vice President,
Organization Effectiveness

Mr. Paisan Udomkulwanich

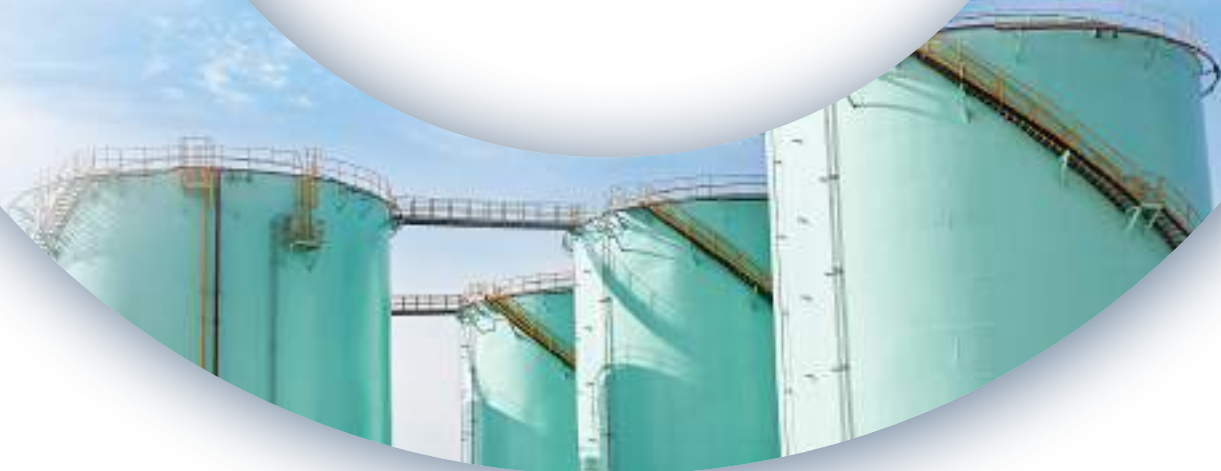
Senior Executive Vice President,
on secondment at PTT Retail
Management Company Limited
as Managing Director

Ms. Rajsuda Rungsiyakull

Senior Executive Vice President,
Corporate Strategy,
Innovation and Sustainability

Nature of Business and Performance Results





Group Structure and
Business Operation



Risk Management



Driving Business for
Sustainability



Management
Discussion & Analysis



General and Other
Important Information



1. Group Structure and Business Operation

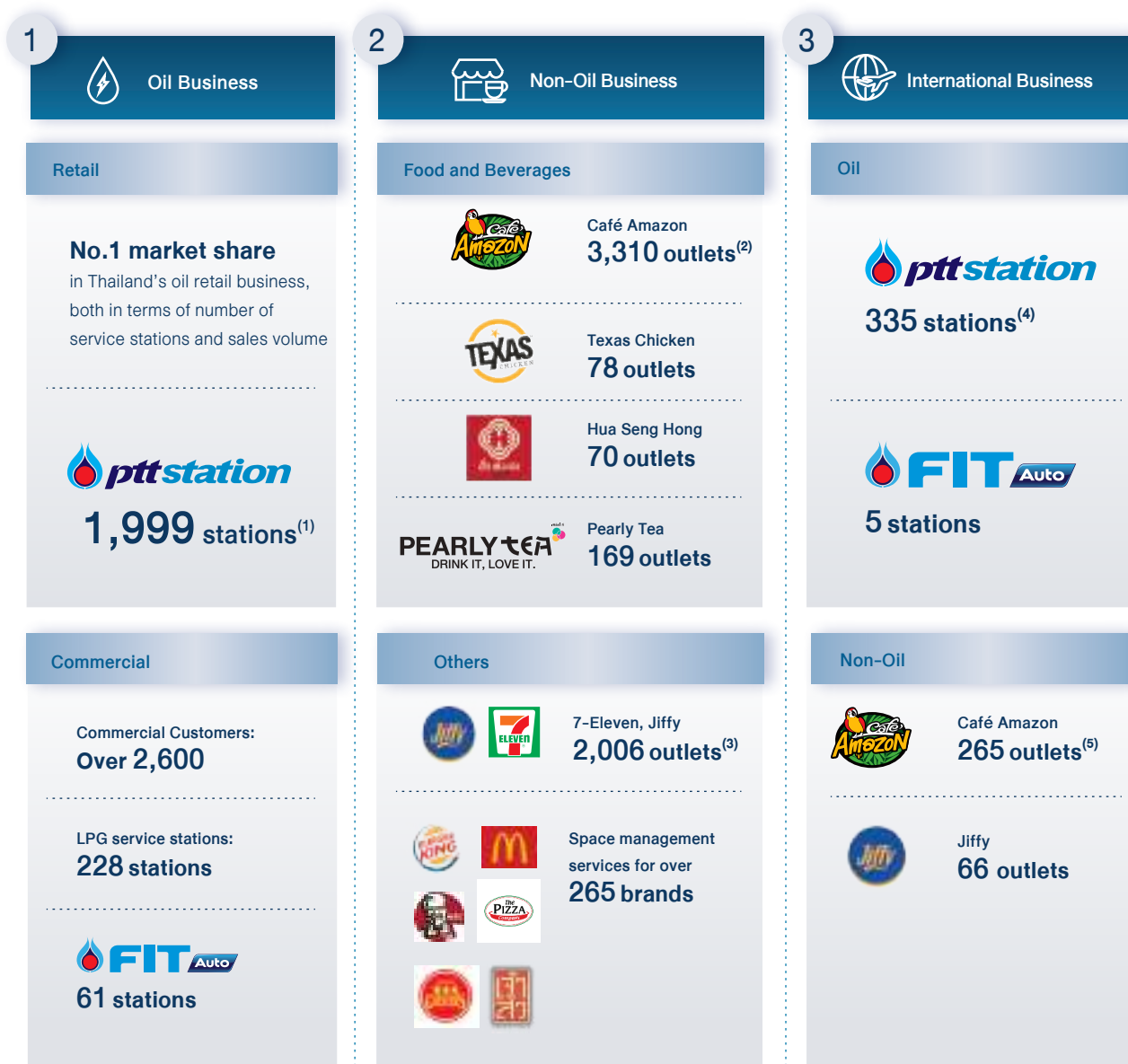
OR operates customer-centric businesses by designing business models that embrace the “Retailing beyond Fuel” concept. With integrated management, OR fulfills customers’ expectations and create shared value for all stakeholders in a balanced and sustainable way.



1.1 Policy And Business Overview

OR is the flagship company for the oil and retail businesses of the PTT Group that seeks to bring all stakeholders a balanced and sustainable value and improve its products and services to deliver impressive customer experiences and invigorate SME's growth in oil and retail businesses, while also developing the quality of life for the people and the economy of all communities where it operates.

OR operates customer-centric businesses by designing business models that embrace the "Retailing beyond Fuel" concept. With integrated management, OR fulfills customers' expectations and create shared value for all stakeholders in a balanced and sustainable way. OR's core businesses consist of Oil Business, Non-Oil Business, and International Business. The overview is shown below.



Remarks: ⁽¹⁾ The total number in Thailand and Myanmar combined

⁽²⁾ The total number in Thailand, Myanmar, Malaysia, Japan, and Oman combined

⁽³⁾ The number of 7-Eleven outlets in Thailand and the number of Jiffy outlets in Thailand and Laos

⁽⁴⁾ The total number in the Philippines, Cambodia, and Laos combined

⁽⁵⁾ The total number in the Philippines, Cambodia, Laos, China, Singapore, and Vietnam combined

Oil Business

OR is the leading retailer of petroleum products in Thailand, distributing all products through its networks of service stations. As of December 31, 2020, it held approximately a 42.3% share of the domestic gasoline and diesel retail market according to the Department of Energy Business and had a total of 1,999 service stations in its network. In addition, OR recognizes the rising trend of the electric vehicle (EV) business and has thus expanded investments in the business to meet the domestic growing demand. As of December 31, 2020, a total of 25 PTT Stations were equipped with EV chargers, with plans to install more along all major routes nationwide. OR is also a national retail leader of commercial sale of aviation fuels, fuel oil for marine vessels and industrial users, lubricants, and LPG. OR engaged more than 2,600 customers in the commercial market in the year ending December 31, 2020. As for lubricating products, OR holds the largest domestic market share based on sales volume according to the Department of Energy Business. In addition, OR operates 61 branches of FIT Auto, the auto-mechanic service center offering lubrication oil and auto fluid changes, basic preventive and breakdown maintenance, as well as retail sale and distribution of lubricating oil products.

Non-Oil Business

OR is Thailand's premier retail market leader for coffee shops, food and beverage shops and restaurants, and convenience stores. As of December 31, 2020, these non-oil business networks embraced 3,310 Café Amazon outlets serving coffee and other beverages, bakery items and refreshment, and snacks; shops serving food and beverages, namely 78 outlets of Texas Chicken, 70 outlets of Hua Seng Hong Dim Sum, 169 outlets of Pearly Tea, and 2,006 outlets of convenience stores selling food, beverages, and basic consumer goods under the brand Jiffy, solely owned by OR, and under the brand "7-Eleven." OR also operates a space management business, providing rental and related services for spaces within its stations and outside, such as including rest areas along nationwide highway routes, to tenants, consisting of both well-known local brands and international brands.

International Business

In addition to domestic operations, OR conducts a range of oil businesses and non-oil businesses internationally, mostly in the Philippines, Cambodia, and Laos, under the "Retailing Beyond Fuel" concept as in Thailand. In these countries, OR operated 335 service stations, 5 FIT Auto service stations, 265 Café Amazon outlets, and 66 Jiffy convenience stores (excluding one Jiffy store under market test in the Philippines) as of December 31, 2020.

OR's businesses have thrived as a result of its extensive network of petroleum product storage terminals and product distribution. As of December 31, 2020, a total of 71 facilities of petroleum product storage tanks, LPG terminals, aviation fuel terminals, and storages of other products are directly accessible to OR. Of these facilities, 53 are domestically located nationwide, while the remaining 18 facilities are operated in the Philippines, Cambodia, and Laos. All facilities are connected to networks of storage and distribution with accessibility to shipment and transport via pipelines, inland and marine vessels together with road and rail systems.

1.1.1 Vision, Mission, Competitive Advantages, and Business Strategies

Vision

Leading Thai global brand enriching community values through oil, retail, and related business

Mission

To conduct integrated oil, retail, and related businesses both domestic and international as a globally recognized company which creates values and engages among all stakeholders

Long-term Objectives and Goals

OR's goal is to retain domestic leadership in the oil business with emphasis on the growth of non-oil businesses as well as regional and global expansion while also striving for opportunities to establish future business under the Mobility Ecosystem and Lifestyle Ecosystem. Under these, OR's focus is on sustainable and inclusive growth in parallel with all stakeholders' interests and engagement.

Competitive Advantages

OR's competitive advantages vital to the achievement of its vision are described below.

(1) OR is the flagship company for the oil and retail businesses of the PTT Group, and our brand "PTT Station" symbolizes with reliability, quality, and "one-stop" convenience

OR is the flagship company for the oil and retail businesses of the PTT Group through sale and distribution of petroleum products in the retail and commercial markets under the supervision and resolution of PTT's Board of Directors pertaining to the Heads of Agreement between PTT and OR and subsidiaries. The agreement details the scope of business activities assigned to OR and subsidiaries on the sale and distribution of petroleum products and non-petroleum products under a total business strategy known as the "Energy Solution Provider." As a flagship, OR is directly responsible for driving retail business growth by leveraging the following competitive advantages.

- With over 40 years of ongoing growth and business success of PTT, the "PTT Station" brand is well-known and recognized with numerous awards, reflecting its position as a single stop for reliability, quality, and convenience.
- OR enjoys the economies of scale through its effective procurement of petroleum products in vast amounts under generally long-term commercial supply agreements with PTT Group for sale and distribution of reliable petroleum products.
- OR can effectively leverage long-term and secure business relationships between PTT Group and its partners and customers.
- OR has executives with excellent management capabilities and technical experts with proven track records and years of experience in specific oil and retail and non-oil businesses
- OR can efficiently access sources of fund thanks to the support of PTT, which has robust financial credibility.

(2) OR is the domestic business leader in sale and distribution of fuels with full and effective accessibility to nationwide networks of storage terminals and product distribution centers to support and enhance retail and commercial services throughout the country.

Based on its total cumulative sales of fuels recorded by the Department of Energy Business as of December 31, 2020, OR is the local market leader. This business success results from many key factors, including years of experience in domestic retail and commercial markets, very close business relationships and cooperation with sales agents and dealers, and accessibility to, as of December 31, 2020, nationwide networks of 53 terminals and product distribution centers of a variety of products, including LPG, aviation fuels, and other petroleum products, all connected to various modes of transport of goods, such as pipelines, marine vessels, trucks, and trains. All these key factors enable OR to operate with high efficiency, credibility, and reliability as well as to monitor and assess the entire supply chain.

Retail Market

Statistical records managed by the Department of Energy Business over the past 23 years indicate that OR is a true leader of sale and distribution of fuels in Thailand based on the total cumulative volume. With 1,997 service stations covering all 77 provinces nationwide as of December 31, 2020 (including Bangkok Metropolis and main highways across the country), OR is also a leader in the oil retail businesses, fully capable of responding to customers' needs.

Other operations that OR manages alongside its oil retail businesses are non-oil businesses, which integrate retail sale of petroleum products, coffee shops, food and beverage outlets, convenience stores, and retail space management. The success of this integration results from OR's business models that allows for the synchronization of all interrelated business activities within the retail space of the service station. OR's integrated business strategy has proven effective at proactively responding to customers' needs and attracting an increasing number of customers to its service stations, both motorists seeking services of fuels for vehicles and other

products and services in retail stores within these stations and local customers in the vicinity of service stations. OR is confident that this hybrid business model will increase the sales of both petroleum products and non-oil products and services, most of which have higher profit margins. The success of OR's integrated retail business is reflected in the continuous gasoline and diesel sales and the distribution market leadership.

Another critical factor for the significant growth of OR's network of service stations nationwide is the long-term and very close relationships between OR and its dealers. As of December 31, 2020, more than 60.0% of such dealers and distributors had been working with OR for more than 10 years, resulting in a strong foundation for OR's retail businesses. Also, as of December 31, 2020, 80.0% of all service stations were DODO (Dealer Owned Dealer Operated). In addition to continuously strengthening relationships with long-term dealers, OR's business model illustrated by modern service stations has effectively attracted new business operators and investors to become new dealers and distributors in new strategic locations. Such long-term relationships, extensive coverage, and business model adopted by OR have become a significant business barrier to entry, thus deterring competitors in the same industry in the near future.

Commercial Market

OR has also been the domestic market leader in the sale and distribution of aviation fuels, fuel oil for marine vessels and industrial uses, and LPG for household and industrial uses, and lubricating products under the PTT Lubricants brand, based on sales volumes as of December 31, 2020. It also exports lubricant products to over 40 countries. Armed with the strategy of becoming an Energy Solution Provider, OR has retained its market-leading position by continuously introducing a variety of fully integrated goods and services as well as recommending suitable alternative products and enhancing customer relations. Besides, OR's commercial marketing has played a vital role in driving national economic development and growth through the sourcing and distribution of fuels to airline operators and marine vessel operators via more than 20 aviation and marine ports across the country, thus fostering customers' confidence and positive branding for OR's petroleum products.

(3) OR has developed Non-Oil businesses, which are highly complementary to our oil business, and show high growth potential in domestic and international markets.

OR's non-oil businesses have lent support to the oil retail businesses and shown high growth potential in domestic and international markets. It manages non-oil businesses within and outside service stations and sells a diverse range of basic products favored by consumers. The operational excellence and the synergy of OR's oil and non-oil businesses have bolstered its business growth. In addition, the variety of OR's non-oil products has earned OR's service stations greater satisfaction scores compared to those of other domestic operators, as demonstrated by the average satisfaction score of 96.0% in customer surveys during 2014-2020, versus 78.0% in the average satisfaction score of competitors, based on customer satisfaction and engagement studies conducted by Infosearch Co., Ltd. from 2014 to 2018, by Research Intelligence Co., Ltd. in 2019, and by the Nielsen Company (Thailand) in 2020.

Café Amazon is a classic example of OR's business success in the brand development of non-oil businesses and the modernization of the franchising model, consisting of both outlets located within and outside the service stations. As of December 31, 2020, OR successfully developed Café Amazon into a truly well-known and widely accepted brand across all segments of customers, based on the revenue stream, number of outlets, and sales volumes. Café Amazon was also voted the "Number 1 Brand in Thailand" for 2019-2020 by Marketeer Magazine, marking its ninth consecutive year earning this recognition. The number of cups of coffee sold rose from 264 million in 2019 to 274 million in 2020. The continuous business growth of Café Amazon has been supported by the daily coffee drinking behavior of consumers in both domestic and international markets.

OR believes that Café Amazon's business model provides optimal flexibility and adaptability in the face of a very wide range of constraints, including market environments and space limitations, making it tailorable to both within and outside service stations.

(4) OR has established businesses in Cambodia, the Philippines, and Laos with a strong foundation ready for future growth.

OR has expanded its businesses into and fostered a strong business foundation in Cambodia, the Philippines, and Laos since 1995, 1997, and 2012. The successfully integrated oil and non-oil business model earlier proven in Thailand was introduced in these emerging regional markets. As of December 31, 2020, OR operated a sizeable network including 335 service stations, 255 Café Amazon outlets, and 95 Jiffy convenience stores in Cambodia, the Philippines, and Laos.

With spiraling sales indicating rapid market growth in this network of these three countries, combined with the impressive rises in their gross domestic products (GDP) and supportive market environment, OR believes there are still ample opportunities for expansion and development in these markets. In addition, with Thailand located at the region's geographic center, and in turn the center of economic expansion and infrastructural connectivity, OR has seriously taken this competitive advantage to perform all logistical support as a regional hub supplying and transporting all petroleum products to all these neighboring markets at the lowest possible costs. It is also actively leveraging its strengths in terms of successful business model, technical knowhow, as well as operating and management competency and skills.

(5) OR executives and management team are highly capable and skillful, with years of experience and successes under solid corporate governance.

OR is under the management of highly experienced and dedicated executives, together with employees with professional expertise in oil and non-oil businesses. Having been assigned various roles and responsibilities in both in oil and non-oil businesses within PTT Group over the course of more than 20 years, OR's executives are equipped with insights into OR's oil and non-oil businesses and able to leverage PTT Group's technical know-how, along with its organizational value, knowledge, and specialized expertise accumulated for over 40 years in defining OR's business strategies and plans. They also use past experience and achievements to define a corporate governance framework that corresponds with the corporate governance framework of PTT Group, which has won various awards from various institutions.

Business Strategies

To strengthen and expand its businesses in accordance with its vision and mission, OR has adopted the following short-term and long-term business goals and strategies.

(1) To maintain leadership in the domestic retail and commercial markets for gasoline, LPG, and lubricating products

One of OR's business goals is to strengthen its business integrity to maintain domestic leadership in the retail and commercial markets of fuels, LPG, and lubricating products.

Retail Market

OR has adopted the "Living Community" concept to help maintain its domestic leadership for the retail market. This concept calls for active participation among OR and all customers beyond the buy-and-sell and use-of-services relationship. OR has analyzed and developed selected business models comprising architectural design of service stations and specific goods and services for each outlet to best respond to specific customers' needs for specific locations. This concept has also attracted people in the vicinity to become customers to enjoy OR's goods and services, resulting in not only higher satisfaction but also stronger relationship between OR and the surrounding communities, which in turn increases business opportunities.

OR's medium-term business objective is to add over 500 service stations to its network by the end of 2025 by universally applying the business model of tailoring service stations to meet specific customers' needs in each specific location. OR intends to take advantage of its data analytics to select the best possible service station locations and specific design of each station suitable to specific location. As of December 31, 2020, OR operated 1,997 domestic service stations, 81% of which were DODO. OR selects dealers nationwide with due circumspection by years of specific work experience and financial performance. OR also intends to maintain the ratio of domestic DODO to COCO (company owned company operated) at 80:20. With the competitive advantage of the nationwide network of service stations, vast knowledge, and years of work experience in retail businesses, OR continues to seek more opportunities, including the expansion of the network of EV stations and service stations along rest areas of main highway routes throughout the country.

Commercial Market

OR has adopted the “Energy Solution Provider” concept to help maintain its domestic leadership for the commercial market through a wide range of products, recommendations of suitable alternative products, the development of new products, fully integrated service solutions, as well as the strengthening of customer relations.

OR has plans to develop strategic alliances with leading international oil companies to provide aviation services, including into-plane service of Jet A-1 for aircraft operated by Thai and international airlines at international airports. Moreover, to maintain its domestic leadership, OR aims to improve work efficiency through digital transformation, including the installation of E-Aviation Refuel Ticketing system to help collect all Jet A-1 refueling data and customer data on site.

Thanks to the support and synergy with PTT Group, OR has successfully become the first operator in Thailand to sell low-sulfur fuel oil and provide refueling services for marine vessels, leading to its retention of the commercial market leadership. With this success, OR has expanded the same concept to international markets with a particular focus on Singapore, the regional maritime hub of the Asia-Pacific.

For the LPG business for the household sector, OR has plans to retain the household customer base and expand towards hotels, restaurants, and catering services (HoReCa), by leveraging its product and service reliability and quality. Meanwhile, OR ensures that its gas tanks meet industrial standards (both in production and maintenance), which is one of OR's main fortes, thus increasing customers' confidence.

For industrial users, OR focuses on market and business development to improve the diversity of products and services to better meet customers' needs, including the installation of solar rooftops and other energy solutions that are high quality, safe, and friendly to communities and the environment at reasonable prices. OR also has plans to work with PTT Group to add value to its products and enhance its competitiveness.

For lubricating products, OR has been expanding to industrial customers and taking advantage of its FIT Auto shops and other sale channels to increase business-to-customer (B2C) sales volumes, which generally have higher profit ratios. Moreover, OR is continuously seeking to achieve business growth through strategic investments, including mergers and acquisitions of the lubricating oil businesses.

(2) To boost growth for the domestic non-oil retail businesses to diversify revenue bases and increase overall profitability

To enhance overall profitability, OR has continuously been expanding the non-oil segment, which has higher profit ratios than the oil segment, with emphasis on maintaining its liquidity and cash flow for the oil business. To this end, it seeks to leverage its service stations as a base to expand its non-oil business opportunities with branded products and other non-oil services as well as to develop new brands, starting from inside service stations and then, once the brand has become popular, expanding outside either by franchising or COCO business option. Additionally, to increase the diversity of its food and beverage businesses, OR has plans to seek strategic partnerships with casual dining restaurants, quick-service restaurants, and local small to medium food and beverage operators. Meanwhile, plans to acquire master franchises of other brands and food and beverage businesses are consistently pursued. OR intends to have all service stations furnished with Café Amazon and convenience stores and to optimize service station space through its space management services to provide products and services that cater to ever-changing customer needs and to increase the number of customers.

Café Amazon Business

OR's business goal for Café Amazon is to brand Café Amazon as the coffee-of-choice for coffee consumers in Thailand by strengthening its market-leading position with continuous expansion of outlets, both within and outside service stations operated by OR. Franchising of Café Amazon to local business investors automatically generates work and employment opportunities for the community. OR intends to maintain the franchising ratio between DODO and COCO at 80.0% and 20.0%. Its medium-term business plan is to add

more than 2,100 outlets nationwide by 2025. OR believes that the higher number of outlets and a larger network will provide higher profits due to the economies of scale. OR also seeks to increase its sales and profit ratios by continuously introducing a wider variety of products and unique outlet designs while improving the quality of its products and services to achieve customer satisfaction. For the medium-term business plan, OR seeks to increase its investments throughout the business chain, including the construction of central bakery facilities, facilities for drink mix ingredients, and product distribution centers. OR believes that these facilities will enable OR to preserve product quality, store sufficient inventories to meet customers' demand, cut costs, and develop new products such as ready-to-drink and nutritious drink products to meet changing customer needs.

Non-Oil Businesses

OR believes that all the current branded food and beverage shops and restaurants still have tremendous potential to grow further in Thailand. The current business plan therefore is to expand OR's networks of food and beverage shops and restaurants to new locations, both within and outside service stations, especially with Texas Chicken, a booming branded restaurant with strong growth, with a robust 83.3% year-over-year increase in the overall sales as of December 31, 2020, as a result of the opening of 33 new outlets. The key success factors of Texas Chicken include high quality, the freshness of the chicken, and the menu consisting of popular items, all of which have fostered Texas Chicken as a popular alternative for consumers, as can be seen in the growth of the brand not only in Thailand but also in Malaysia, Singapore, Indonesia, and Vietnam. As of December 31, 2020, OR operated 78 outlets of Texas Chicken in Thailand. Despite the success, OR continues to conduct market research to identify more opportunities for the expansion of branded food and beverages to provide more choices for consumers.

(3) To expand its businesses in regional and global markets by leveraging its expertise, business models, brands, and infrastructure

Taking advantage of brand recognition, expertise in the management of service stations and non-oil businesses, as well as track records of business successes, OR seeks to expand its businesses throughout the region, both in existing and other emerging markets, and across the world.

Regional Business Expansion

OR's plan is to add more service stations across the region and deploy the hybrid model with integrated services of oil and non-oil businesses that has proven successful in Thailand in other countries. Under this business plan, OR focuses on (a) the expansion of OR's Café Amazon outlets in both DODO, COCO, and CODO (Company-Owned-Dealer-Operated) stations, which is part of OR's medium-term plan, (b) replacing local brands and international brand service stations with the PTT Station brand, (c) building new PTT Station service stations, and (d) strategic moves to acquire businesses or jointly invest with local business investors. In addition, OR intends to grow Café Amazon outlets beyond service stations either under franchising or the COCO system. The medium-term goal for OR's oil and non-oil businesses overseas is to add over 320 service stations and over 300 Café Amazon outlets both inside and outside service stations in Cambodia, the Philippines, and Laos by 2025.

Moreover, OR has launched different initiatives for its short-term to medium-term business plans in international markets across various regions. An example is a joint venture with the Central Group to operate Café Amazon in Vietnam, with its first outlet inaugurated on October 30, 2020. OR has also planned to expand its regional LPG businesses and infrastructural networks, such as through joint ventures to expand storage facilities and retail networks in Myanmar. In addition, OR is planning to provide its aviation refueling services in regional markets where it is currently operating and has begun selling lubricating products to a mining corporate in Philippines. Apart from the outlets of Café Amazon currently operated in Malaysia and Singapore, OR also plans to expand into the Southeast Asian and Asia-Pacific markets in the long term.

Global Business Expansion

Thanks to its success in the domestic market, OR plans to leverage its strengths to expand its Café Amazon business globally. It is also considering granting master franchises to widely recognized investors as well as embarking on joint ventures with or becoming a shareholder in local businesses. The first outlet in Japan, inaugurated in 2016, was developed through franchising to a local operator. Similarly, the first Café Amazon outlet in Oman was introduced in 2018 under master franchising, while the first outlet in China was launched in Nanning, China, in 2019. OR is set to expand its Café Amazon business to the Middle East and the Far East to support its long-term plan to become a global brand.

OR also plans to expand PTT Lubricants into a globally recognized brand and become one of the global market leaders in lubricating products in continuous rise in sales volumes and profitability. OR's strategic moves include organic growth and strategic inorganic growth through mergers and acquisitions and/or joint ventures overseas, such as the establishment of subsidiaries in China to market OR's lubricant products.

(4) To leverage our existing platform to enter joint ventures and partnerships to expand into the future mobility and lifestyle ecosystems

OR intends to take advantage of the strengths of its oil and non-oil business models and the growth potential of digital economy under its business frameworks of Mobility Ecosystem and Lifestyle Ecosystem.

Within the Mobility Ecosystem, OR foresees significant growth in the demand for electric vehicle (EV) business in both Thailand and countries around the world and has thus started expanding investments to meet future customers' needs. As

of December 31, 2020, OR had installed EV chargers in 25 service stations. It will soon upgrade the service capabilities of FIT Auto mechanic shops to better serve EVs. OR has also been closely monitoring the EV industry and is confident of its readiness to address customers' and market needs.

Within the Lifestyle Ecosystem, OR seeks to provide seamless online-to-offline experience to customers, in addition to existing services at all service stations, coffee outlets, food shops, and restaurants operated by OR. Several other marketing programs under the Lifestyle Ecosystem are underway, including personalized marketing, digital menus, loyalty program marketing, online pre-ordering, and on-demand delivery.

(5) To continuously improve its efficiency with state-of-the-art information technology systems to improve cost management, boost profitability, and capture business opportunities

To achieve its goal of optimizing profitability through higher efficiency in business processes and cost management, OR has developed operational plans and approaches that focus on making investments across the entire supply chain. This includes the construction of the central bakery and drink mix facilities for the Café Amazon business and a new drinking water bottling facility for retail businesses of the service stations, Jiffy convenience stores, and Café Amazon operated by OR and external customers, as well as work efficiency enhancement of OR's business operations, and responding to new customer needs, such as by constructing a new automated lubricants distribution center.

To improve operational efficiency, OR has adopted modern technologies and information systems, which enable it to continuously generate impressive shopping experience for customers and proactively respond to customers' needs in

order to generate more revenue and profits while reducing marketing costs. OR also has plans to fully automate product inventory and distribution systems for its service stations so as to optimize its cost management. Moreover, OR has begun analyzing customer data from the database of PTT Blue Card, which had 6,975,900 members as of December 31, 2020, to identify customers' true needs so that it can better

respond to such needs with specific products and services. Additional technologies have been introduced to provide more convenience, such as QR codes for electronic payment at OR's retail shops and service stations. In addition, a plan to develop technological infrastructure for retail and other related businesses (the Retail Platform) has been underway to support future business growth and strategic direction.

(6) To foster value and equitable engagement with all stakeholders in a balanced manner

OR strives to achieve sustainable growth as well as bring benefits to and foster engagement with all stakeholders as follows :

Country

Create sustainable economic growth through oil, retail and related business operation

Community and Society

Being a good member of society, conducting business in a green manner and taking part in the improvement of the quality of life of community and society

Shareholders

Engaging in commercial businesses, generating reasonable returns, and expanding businesses abroad for sustainable growth

Customers

Creating customer satisfaction and engagement through delivery of quality products and services of international standards at fair price

Business Partners

Together conducting business based on fairness, trust and healthy relationship, together with cooperation for the development of capacity and efficiency for long-term businesses

Employees

Relentlessly supporting professional competency development and ensuring employees' quality of working life on a par with other leading companies, ultimately for greater employee engagement

1.1.2 Milestones

Formerly known as the state enterprise Petroleum Authority of Thailand, PTT was established in 1978. The “Fuel Organization of Thailand” brand of service stations was rebranded as “PTT” in 1979—the dawn of Thailand’s oil retail business. PTT assumed the top oil market share in the gasoline and diesel sectors (based on sales volumes) in 1992, less than 15 years after its establishment. In 2001, PTT Public Company Limited was formed through the corporatization and privatization of PTT. The company embarked on business expansion into other countries, beginning from Cambodia in 1995, the Philippines in 1997, and Laos in 2002. Today, it has formed subsidiaries and/or joint ventures with foreign-based companies, including those in China, Myanmar, Singapore, and Vietnam. In 2002, it began operating non-oil businesses with the operation of 7-Eleven convenience stores and Café Amazon outlets located in PTT’s network of service stations.

On July 1, 2018, as part of PTT restructuring, PTT’s oil and non-oil businesses, along with the shares of companies related to PTT’s Oil Business Unit, were transferred to PTT Oil and Retail Businesses Public Company Limited (OR), in accordance with a business transfer agreement with PTT, dated June 18, 2018 (including amendments), which stated that PTT agreed to transfer to OR assets, liabilities, contractual obligations,

and shares of the following companies related to PTT’s Oil Business Unit:

- (1) Bangkok Aviation Fuel Services (BAFS) Public Company Limited,
- (2) Fuel Pipeline Transportation Company Limited,
- (3) Intoplane Services Company Limited,
- (4) Petroasia (Thailand) Company Limited,
- (5) PTT (Cambodia) Limited and its subsidiary PTT (Lao) Company Limited,
- (6) PTT Oil Myanmar Company Limited,
- (7) Thai Petroleum Pipeline Company Limited, and
- (8) Thai Lube Blending Company Limited,

and that OR received such companies on an as-is basis on July 1, 2018 (except the shares of THAPPLINE, of which the contract parties agreed to transfer share ownership on July 23, 2018). Under the business transfer agreement, a portion of assets related to PTT’s oil business unit was not transferred, such as the parcel of land transferred from the Fuel Organization of Thailand to PTT, LPG gas terminals in Chonburi (Khao Bo Ya LPG Terminal and Ban Rong Po LPG Terminal), Si Racha Terminal, tank farms on the land under lease agreements between PTT and government agencies/ state enterprises, service stations and retail stores on the land of government agencies, the sale of oil and petroleum products to government agencies under the Public Procurement and Supplies Administration Act, B.E. 2560, and potential liabilities resulting from ongoing litigations prior to the date of business transfer.

Year	Events
2001	<ul style="list-style-type: none"> PTT transformed from the state enterprise Petroleum Authority of Thailand into PTT Public Company Limited, listed on the Stock Exchange of Thailand (SET).
2002	<ul style="list-style-type: none"> Launched the Café Amazon business in PTT's service stations in Thailand Launched the 7-Eleven convenience store business (under space leases) in PTT's network of service stations in Thailand
2003	<ul style="list-style-type: none"> Exported lubricant products for distribution in Cambodia for the first time Assumed the top market share of Jet A-1 aviation fuels in Thailand (according to the Department of Energy Business sales statistics)
2004	<ul style="list-style-type: none"> Launched the "Pump in the Park" service station model with more green space to promote motorists' rest areas
2005	<ul style="list-style-type: none"> PTT's Oil Business Unit adopted PTT's new vision to become a Thai Premier Multinational Energy Company.
2007	<ul style="list-style-type: none"> Formed PTT Retail Management Co., Ltd. (PTTRM), to acquire the Jet service station business and the Jiffy convenience store business from the ConocoPhillips group Launch the "One Stop Service" concept for motorists' total convenience at service stations
2009	<ul style="list-style-type: none"> Presented the "PTT Life Station" concept to give service stations more for everyone, addressing different needs in each locality for greater customer participation Assumed the top market share of lubricant products in Thailand (according to the Department of Energy Business sales statistics) Exported lubricant products for distribution in China Launched the "Restroom 20" project at a service station in Saraburi
2010	<ul style="list-style-type: none"> PTT's Oil Business Unit set a BU's mission to become the "Regional Top Brand."
2011	<ul style="list-style-type: none"> Jointly extended assistance to victims of the Great Floods in Thailand through the "PTT Group Joins Thai Force to Help Flood Victims" project by allocating part of service stations as their shelters Established PTT (Lao) Company Limited to operation oil and non-oil businesses in Laos
2012	<ul style="list-style-type: none"> Inaugurated a PTT service station with the maiden outlet of Café Amazon in Laos Launched the Café Amazon franchise model Launched Amazon Bio Cups (biodegradable plastics) at all Café Amazon outlets
2013	<ul style="list-style-type: none"> Launched the Blue Card: Loyalty Program, linking PTT's oil and non-oil businesses with customers' lifestyles Established PTT Oil Myanmar Company Limited (PTTOM) to provide services to operators in Myanmar and franchisees of service stations and Café Amazon. Launched the first Café Amazon outlet in Cambodia Launched premium-quality "PTT HyForce Premium Diesel"
2014	<ul style="list-style-type: none"> Launched the FIT Auto automotive service business in Thailand

Year	Events
2015	<ul style="list-style-type: none"> Acquired an exclusive franchise for the Texas Chicken restaurant business in Thailand Launched the Café Amazon Roasting Plant and the Oil Business Academy (OBA) Initiated an In-Vehicle Monitoring System (IVMS) in support of transport business management in Thailand and established a Transportation Control Center (TCC) for around-the-clock control and monitoring of transport
2016	<ul style="list-style-type: none"> Launched the Amazon Inspiring Campus (AICA) business center Operated Café Amazon in Cambodia and the Philippines, with master franchises awarded to the company's subsidiaries in these countries Launched the first Café Amazon outlets in the Philippines, Japan, and Myanmar Acquired a master franchise for "Hua Seng Hong Dim Sum" restaurants in Thailand Launched the Yaek Laek Yim (Turning Garbage into a Smile) project, soliciting service station customers' to sort waste, under which sales proceeds went to community and public services Launched the "PTT Friendly Design," with modified service station features for greater convenience and safety for all genders, ages, and physical conditions Launched a project to aid farmers facing market gluts, under which PTT allocated space for the sale of farm products at service stations free of charge Renamed PTT Retail Management Co., Ltd. (PTTRM) as PTT Oil and Retail Business Co., Ltd. (OR) Unveiled the manually operated check-lock valve for 15-kg and 48-kg LPG cooking cylinders for greater safety and tank users' confidence
2017	<ul style="list-style-type: none"> Operated Café Amazon outlets in Laos, where a master franchise was awarded to OR's subsidiaries in that country
2018	<ul style="list-style-type: none"> Launched novel diesel products (UltraForce Diesel and UltraForce Premium Diesel) Established PTTOR China (Shanghai) Company Limited to sell lubricants and other products and operate the Café Amazon business Established PTTOR Singapore Pte. Ltd. to operate the Café Amazon business Listing transformation of OR into a public company limited PTT transferred its oil and non-oil businesses, along with shares of companies related to its Oil Business Unit, to OR, with effect from July 1, 2018. Launched the first Café Amazon outlet in Oman Transformed "PTT Life Station" into "PTT Living Community" to grow the business and communities together Launched the "Thai Det" project to provide distribution channels for community enterprise products in various localities of Thailand in keeping with OR's vision of operating businesses in parallel with community stewardship
2019	<ul style="list-style-type: none"> Launched first Café Amazon outlets in Singapore, China, and Malaysia Established Brighter PTT Oil and Retail Business Company Limited (BOR) to expand the service station and Café Amazon networks and established Brighter Energy Company Limited (BE) to operate a petroleum tank farm and wholesale business in Myanmar Established PTTOR Holdings Company Limited and PTTOR International Holdings (Singapore) Pte. Ltd. to manage the investment and compliance of companies under OR that operate overseas

Year	Events
	<ul style="list-style-type: none"> Launched B20 and B10 at “PTT stations” to aid Thailand’s palm growers and ease hardship caused by excessive airborne particulates in various areas, lower motorists’ expenses, and promote environmental quality Launched Café Amazon Circular Living outlets featuring an environmental conservation concept, stylishly adorned with recycled waste
2020	<ul style="list-style-type: none"> Launched XtraForce Benzine, a novel gasoline product Started selling diesel products that help ease PM 2.5 at PTT Stations, consisting of UltraForce Diesel, UltraForce Diesel B7, and UltraForce Diesel B20, which have an average sulfur content of approximately 10 PPM, about five times lower than the legal requirement of 50 PPM, and do not produce air pollution Expanded investment in EV stations in PTT Stations in support of the growing EV vehicle trend in Thailand, with a total of 25 EV stations as of December 31, 2020 Established ORC Coffee Passion Group Joint Stock Company (ORCG) through joint investment with the Central Group to operate the Café Amazon business in Vietnam Invested in Flash Incorporation Co., Ltd. (Flash), to acquire business partners under the Mobility Ecosystem and Lifestyle Ecosystem concept; Flash is an integrated express delivery and e-commerce service provider under the Flash Express trademark. Invested in Peaberry Thai Co., Ltd., to complete the coffee business cycle; enhance the capability for supplying raw materials and equipment to OR and providing equipment repair and maintenance services to support Café Amazon’s network expansion; and launch OR into the specialty coffee market under the Pacamara brand Launched the first Pearly Tea outlets in Laos and Cambodia

1.1.3 Use Of Proceeds

OR has launched an initial public offering (IPO) to raise up fund on February, 2021.

1.1.4 OR’s Obligations According to Registration Statement

As the flagship company for the oil and retail businesses of the PTT Group, OR sells and distribute petroleum products through retail and commercial marketing segments under PTT Board’s Resolutions on Non-Competition and under the Head of Agreement. The scope of products covered under the Head of Agreement comprises crude oil, condensate, gasoline and its components, diesel and its components, jet fuel, fuel oil, bitumen, lubricants, lube base oil and lube additives, as well as liquefied petroleum gas (LPG) for household, industrial and/or transportation uses, and the scope of transactions covered includes distribution in Thailand and overseas, exports and imports and international chartering. OR procures and distributes products falling outside the scope products covered under the Head of Agreement in order to respond to changes in market conditions and customer demands, with a strategy of becoming an energy solution provider for commercial customers, and operator of retail management businesses. Additional details are shown in Topic 1.3.3 “Relationship with the major shareholder’s businesses.”

1.1.5 Name, Head Office, Business Type, Registration Number, Phone, Fax, Company Website, Number and Type of the Company's Paid-up Capital

Company Name	PTT Oil and Retail Business Public Company Limited (OR)
Head Office Location	555/2 Energy Complex Building B, 12th Floor Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
Business Type	Distribution of petroleum products and retail business of other products and services (Non-Oil) both domestically and internationally
Registration Number	0107561000013
Phone	+66-2196-5959
Fax	+66-2196-5000
Website	www.pttor.com
E-mail	Investor Relations : ir@pttor.com Corporate Secretary : corporatesecretary@pttor.com
Registered Capital	THB 120,000,000,000 with 12,000,000,000 ordinary shares at a par value of THB 10 per share
Paid-up Capital	THB 116,100,000,000 with 11,610,000,000 ordinary shares at a par value of THB 10 per share (as of February 11, 2021)

1.2 Nature of Business

1.2.1 Revenue Structure

The following tables show the revenue derived from OR's and OR Group's businesses, including gross profit (before depreciation and amortization), earnings before interest, tax, depreciation and amortization (EBITDA) and EBITDA after total profit share appropriation (before and after eliminations) in the specified years as follows:

(THB Million)

	As of December 31		
	2018	2019	2020
Oil Business			
• Revenue (before eliminations)	559,296.7	539,835.4	396,708.5
• Gross Profit (before eliminations, depreciation, and amortization)	23,825.8	24,686.6	23,594.5
• EBITDA (before eliminations)	10,346.4	12,016.4	12,144.6
Non-Oil Business			
• Revenue (before eliminations)	15,537.2	17,016.2	16,867.0
• Gross Profit (before eliminations, depreciation, and amortization)	8,090.5	8,828.4	8,960.2
• EBITDA (before eliminations)	4,350.6	4,254.7	4,494.4
International Business			
• Revenue (before eliminations)	31,460.9	33,657.0	21,361.0
• Gross Profit (before eliminations, depreciation, and amortization)	1,490.6	1,649.6	1,613.5
• EBITDA (before eliminations)	695.1	707.2	861.1
Other Businesses			
• Revenue (before eliminations)	1,645.2	1,714.2	1,608.9
• Gross Profit (before eliminations, depreciation, and amortization)	65.7	75.3	100.0
• EBITDA (before eliminations)	95.1	36.1	120.5
Total Revenue (before eliminations)	607,940.0	592,222.8	436,545.4
Total Gross Profit (before eliminations, depreciation, and amortization)	33,472.6	35,239.9	34,268.2
Total EBITDA (before eliminations)	15,487.2	17,014.4	17,620.6
Total Revenue (after eliminations)	594,128.7	577,134.0	428,804.1
Total Gross Profit (after eliminations and before depreciation and amortization)	31,804.3	34,099.5	33,152.6
Total EBITDA (after eliminations)	15,059.0	17,005.4	17,619.0

1.2.2 Nature of Business by Business Group

1.2.2.1 Oil Business

Retail and commercial market sectors play principal roles in OR's product marketing. OR's retail market unit is in charge of the sale of fuel products (including gasoline, diesel, and LPG) and lubricant products, mostly to motorists and other retail customers through direct sale by company-owned, company-operated service stations (COCO) and indirect sale via agreements with dealers of dealer-owned, dealer-operated service stations (DODO). OR's commercial market unit, on the other hand, is responsible for the sale of petroleum and other products to commercial customers locally and internationally,

including the export of lubricant products to more than 40 countries worldwide, and FIT Auto service stations.

Details of the market sectors under OR's Oil Business are as follows:

(1) Retail Market

In the retail market, OR sells and distributes gasoline and diesel at service stations and fuel to independent oil traders, such as fuel traders under Article 10.

This table exhibits information on major products and types of goods sold under OR's retail market unit.

Product	Type of Goods	Details
Gasoline	<ul style="list-style-type: none"> XtraForce Gasoline Octane 95 XtraForce Gasohol Octane 95 XtraForce Gasohol Octane 91 XtraForce Gasohol E20 XtraForce Gasohol E85 	<ul style="list-style-type: none"> Gasoline with octane 95 Gasoline with octane 95, containing 10.0% ethanol Gasoline with octane 91, containing 10.0% ethanol Gasoline with octane 95, containing 20.0% ethanol Gasoline with octane 95, containing 85.0% ethanol
Diesel	<ul style="list-style-type: none"> UltraForce Diesel UltraForce Premium Diesel B7I UltraForce B10 UltraForce B20 	<ul style="list-style-type: none"> Regular diesel, containing 10.9% bio-diesel Premium diesel, containing 7.0% bio-diesel Regular diesel, containing 7.0% bio-diesel Regular diesel, containing 20.0% bio-diesel
LPG	<ul style="list-style-type: none"> LPG for Transportation Sector 	<ul style="list-style-type: none"> LPG consumed by motorists as alternative of gasoline
Lubricating Products	<ul style="list-style-type: none"> Performa Dynamic Challenger 	<ul style="list-style-type: none"> Lubricating product for gasoline engines Lubricating product for diesel engines Lubricating product for motorcycle engines
Kerosene Products	<ul style="list-style-type: none"> Kerosene 	<ul style="list-style-type: none"> Kerosene in container

(2) Commercial market

In the commercial market, OR conducts the sale of a variety of quality and reliable products and services. Products and services include Jet A-1 aviation fuel under procurement and sales contracts with various Thai and foreign airlines; into-plane services for aircraft at airports; fuel oil and high-speed diesel for marine vessels under procurement and sales contracts with marine logistics providers, locally and internationally. Major products sold to customers in the industrial sector are fuel oil, LPG, high-speed diesel, and other petroleum products, including asphalt. OR's commercial market unit also retails LPG to the transportation sector through networks of LPG stations located outside service stations and to the household sector through LPG household dealers, as well as sells fuel oil and LPG to fuel traders under Article 7. In addition, OR sells lubricant products for gasoline and diesel engines for vehicles (cars and motorcycles) and industrial lubricants with grades ranging from standard to premium. OR's commercial market unit also sells and

distributes oil to foreign customers, including service station dealers and independent fuel traders in Myanmar.

OR's commercial market unit also operates networks of FIT Auto service shops, which sell lubricant products and provide services ranging from lubricant and auto fluid changes, light maintenance and mileage preventive maintenance to tire and battery changes. As of December 31, 2020, OR operated 61 FIT Auto service stations nationwide.

1.2.2.2 Non-oil Business

OR operates a range of non-oil businesses, consisting of:

1. Food and beverage businesses, namely Café Amazon and other food and beverage shops and restaurants
2. Other businesses, comprising convenience stores and retail space management businesses.

Brand/Business	Unique Selling Point
Café Amazon	A variety of quality coffee and beverages that offer great value for money, in a green and eco-friendly environment, with earnest attention to community and society
Texas Chicken	Quality fried chicken with superior freshness at reasonable prices
Hua Seng Hong Dim Sum	Modern Chinese cuisine with quick grab-and-go services
Pearly Tea	Refreshing tea made with premium tea leaves
7-Eleven	Convenience services for communities
Jiffy	Convenience stores catering to the lifestyles of travelling consumers
Space management of OR premises	Prime location with easy access for travelers and motorists

Below are details of OR's market sectors under the Non-Oil Business.

(1) Food and Beverages

(a) Café Amazon

Café Amazon was established in 2002 to promote sale of products in OR's service station networks. In 2012, Café Amazon became OR's franchise business under the Café Amazon brand. The business has grown rapidly, with outlets expanded beyond service stations to business areas with high footfall, including department stores, university campuses, and office buildings.

Café Amazon outlets offer premium coffee, including hot and cold beverages, bakery items and snacks under the brands owned by OR and local SMEs. As the brand owner, OR is committed to maintaining the outstanding flavor and quality of its Café Amazon coffee and other products.

To maintain consistent quality of the products and services across all outlets, inspection teams have been set up to conduct inspections in Café Amazon outlets on a regular basis.

Moreover, OR has developed a standard design, layout, and atmosphere for Café Amazon outlets, keeping the overall appearance and vibe consistent across all outlets and thereby enhancing success and efficiency. This strategy has also allowed new coffee outlets to be opened within defined timeframes and budget, allowing OR to achieve sales and business performance targets as quickly as possible. OR also deploys its own architecture and design team to keep the interior design in line with OR's standards and requirements. Besides, OR continues to create new styles of Café Amazon outlets to boost consumer engagement, such as new Café Amazon outlets with a drive-thru service in service station and outlets outside service stations with a co-working space. Once the location for each new outlet is decided, training and set-up teams will work together with the quality inspection team to provide training to the personnel to ensure the product and service quality meets the standard.

In addition, OR generates incomes from Café Amazon outlets in other countries through OR's International Business Group.

Café Amazon operates principally in a franchise system. Revenue is primarily derived from sale to franchised dealers of raw materials and other utensils (coffee beans, sweetened condensed milk, evaporated milk, drink mixtures, cups, and straws), one-time franchise fees, right and marketing fees under franchise contracts. For COCO outlets, OR gains revenue from direct sale of products to consumers.

(b) Other Food and Beverage Businesses

OR sells other food and beverages through food and beverage outlet networks, namely Texas Chicken, Hua Seng Hong Dim Sum, and Pearly Tea.

Texas Chicken, established in 1952, is an American fried chicken brand. The products are made with large and juicy pieces of fresh, unfrozen chicken. The major target consumer groups are kids, teenagers, and working people, while the secondary target group is young families. As of December 31, 2020, OR operated 78 Texas Chicken outlets in Thailand.

Hua Seng Hong Dim Sum, established in 2013, carries on a long history of Chinese cuisine from Yaowarat. Target customers are working people and families. OR operates Hua Seng Hong Dim Sum in both COCO and franchise models.

Pearly Tea is a brand developed and solely owned by OR. The business of Pearly Tea is sale of bubble tea products in the outlets inside and outside service stations. OR conducts Pearly Tea in both COCO and franchise models.

OR's revenue is derived from direct sale of products to consumers of COCO outlets. Other revenues are one-time launch fees for a new outlet, license fees, marketing fees (in case of Hua Seng Hong Dim Sum), and / or marketing support fees (in case of Texas Chicken) from sub-franchise shops under a sub-franchise agreement with OR. As agreed in the master-franchise agreement, OR is required to return to the master-franchise license grantor a portion of these one-time launch fees, license fees, marketing fees, and marketing support fees.

(2) Other Businesses under the Non-Oil Group

(a) Convenience Store Business

OR operates the convenience store business under the Jiffy and 7-Eleven brands. Most sales of convenience stores are derived from sales to motorists in OR's service station networks. Products sold in OR convenience stores are food and non-food items, with an average of 2,000 to 5,000 stock keeping units (SKUs) for general shops with an average size of 60 to 360 square meters. Goods and services are carefully selected to increase profit rates and in-store customers, comprising daily consumer products that attract customers to service stations and impulse purchase products, such as snacks or beverages. The actual layout of goods and services can be changed according to the market situation and size of the store. As of December 31, 2020, OR operated 2,006 convenience stores in Thailand and Laos under the Non-Oil Business Group.

OR gains revenues from Jiffy franchises through different fees under the franchise agreement and from COCO Jiffy outlets through direct sale of products to customers. As for 7-Eleven, OR gains revenue from the license fee for DODO shops and license and management fees for COCO shops.

(b) Space Management Business

OR also operates a space management business catering to business operators and brand shops wishing to lease space in OR's service stations as well as other areas under OR management, such as highway rest areas. OR earns revenue from both COCO and DODO service stations. For COCO, OR gains revenue from lease fees, of which the sum can be fixed or vary with sales of the shop. In case of DODO, OR gains space management fees directly from tenants. As of December 31, 2020, OR earned revenue from more than 265 brand shops in service station areas, including well-known local brands such as Black Canyon, Chester's Grill, S&P, The Pizza Company, and Chao Sua, as well as notable international brands like A&W, Burger King, KFC, and McDonalds.

1.2.2.3 International Business

OR gains revenue from the sales of overseas subsidiaries that operate oil as well as non-oil businesses. Petroleum products offered through OR's International Business Group comprise diesel, gasoline, aviation fuel, fuel oil, lubricant products, and other petroleum products.

OR has developed a business expansion strategy for international investments, starting with the selection of brands that match the demand and popularity of a particular new market, after which OR will export high-quality products and start non-oil businesses under its proprietary brands marketable in that country (such as Café Amazon) to enhance brand awareness. Once the brand is widely known with a secure customer base, OR will expand its network of service stations and/or retail product and service outlets in each market. OR enters each market as an experienced leader of the industry from Thailand and strives to share and expand success to other countries in the region and globally. Recognizing the complexity of business operation in different countries, OR carefully studies the business model of each country and strategically tailors its business operation models to best fit each specific country.

Cambodia

OR established the first service station in Cambodia in 1995. As of December 31, 2020, OR's subsidiaries operated 106 service station networks, 7 product storage depots, 66 Jiffy stores, 167 Café Amazon outlets, and 1 FIT Auto service station. OR also provides in-plane services for aircrafts at the international airport in Cambodia.

The Philippines

OR's first fuel service station in the Philippines was established in 1997. As of December 31, 2020, OR's subsidiary in the Philippines operated 181 service stations, 4 product storage depots, and 18 Café Amazon outlets. OR also provides in-plane services for aircrafts at the Philippines' international airport.

Other Countries

Other countries include Laos, China, Myanmar, Singapore, and Vietnam.

OR established its first service station in Laos in 2012. As of December 31, 2020, OR's Laos subsidiary operated 48 service stations, 7 product storage depots, 70 Café Amazon outlets, and 4 FIT Auto service stations.

In China, OR's subsidiary generates revenue from the oil business, including sale and distribution of lubricant products and other non-oil products through the commercial market unit. The business is still in an early development stage, with the first Café Amazon outlet established in 2019. As of December 31, 2020, there were 3 outlets in China.

OR has established two joint-venture companies in Myanmar, namely Brighter PTT Oil and Retail Business Company Limited to expand networks of service stations and Brighter Energy Company Limited to conduct a petroleum depot and wholesale business, with a new depot currently under construction.

In Singapore, OR's subsidiary earns revenue from Café Amazon outlets, which began commercial operation in April 2019. As of December 31, 2020, there were altogether 3 outlets in Singapore.

In 2020, OR started a joint venture in Vietnam named ORC Coffee Passion Group Joint Stock Company with the Central Group to expand its Café Amazon network into Vietnam. Four outlets were in operation as of December 31, 2020.

1.2.3 Procurement, Preparation, Storage, and Distribution of Product

1.2.3.1 Procurement and Preparation

(1) Oil Business

OR purchases petroleum products primarily under supply or purchase agreements with refineries owned by PTT subsidiaries and non-PTT entities. OR also procures some petroleum products, including gasoline, from oil importers to supplement the volumes obtained from domestic refineries

and diversify supply sources. As a leading oil retailer with high volumes of purchase and good long-term relationships with PTT, PTT Group refineries, non-PTT refineries, and other petroleum product producers in Thailand and in Southeast Asia, OR can procure a variety of petroleum products to satisfy customers' demand. Petroleum products from suppliers have so far been delivered to OR with quality and quantities as agreed. Petroleum products purchased by OR are delivered through pipelines, by sea, by road, and by railway to depots. Petroleum products for the oil businesses of the International Business Group are mainly purchased from OR Group and PTT Group.

OR purchases most products through long-term offtake agreements with PTT and with refineries owned by entities within and outside PTT Group, with the agreed price based on market prices and adjusted through negotiation to suit the demand and supply of Thailand and the region.

OR purchases LPG from PTT's separation plants and refineries both within and outside PTT Group. Condensate and methanol are supplied to specific groups of customers. Besides, OR purchases ethanol, biodiesel (B100), and fuel additives from selected suppliers under long-term and spot supply agreements for blending with gasohol and diesel for sale to OR's customers.

For lubricant products, OR procures basic lubricants from Thai Lube Base Public Company Limited, IRPC, and other domestic and international traders for producing lubricant-based products. It also procures lubricant additives from domestic and international distributors.

(2) Non-Oil Business

OR procures and prepares products for non-oil businesses as follows:

Café Amazon

For the Café Amazon business, OR procures raw materials, food, and beverages mostly from wholesalers and partly from various small suppliers. Depending on product types, suppliers may deliver products to OR's distribution centers or distribute products directly to the outlets.

Coffee beans for Café Amazon outlets are from domestic sources, such as the Royal Project Foundation, Sarn Palung Social Enterprise Co., Ltd., community enterprises, and cooperatives. This is to promote coffee plantation by communities and farmers as well as other coffee bean suppliers. Every step of the coffee roasting process is overseen by OR inspectors, from the selection and purchasing of raw coffee beans that meet Café Amazon's standards, to the roasting process and the quality inspection before packaging and distribution to consumers. At present, OR has collaborative projects for environmentally friendly plantations and high-quality coffee production. One is a research project in cooperation with the Royal Project Foundation on coffee planting and production under a natural resource conservation system. Another cooperation is with Sarn Palung Social Enterprise on hilltribe farmer development for higher-quality coffee cultivation and production under a system that conserves natural resources. OR purchases these products to elevate the capability of hilltribe coffee growers in line with business growth.

For Café Amazon's overseas businesses, in particular in Cambodia and Laos, OR procures coffee beans mostly from local suppliers in Laos because it is a major regional source of coffee production. In the Philippines, OR supplies roasted Thai coffee beans to Café Amazon franchises. OR is confident that it can continuously supply sufficient volumes of quality coffee beans to Café Amazon outlets in Thailand and other countries to support their business's growth.

OR also sources other raw materials related to its Café Amazon business, such as sweetened condensed milk and evaporated milk, powdered drink mixes, cups, and straws, from capable and industrially recognized local producers. The producers have joined hands with OR to develop quality products, following OR's recommendations and requirements to provide products under the Café Amazon brand. As a rule, OR does not have long-term product supply contracts with any supplier because OR is confident that there are many alternative supply sources for most of its products.

Other Food and Beverage Businesses under the Non-Oil Group

For Texas Chicken, Jiffy, and Pearly Tea, OR sources raw materials, food, and beverages mostly from wholesalers, with some products from small suppliers. Generally, suppliers transport their products to OR's warehouses for further distribution, but they may deliver products to the shops directly, depending on product types. For Hua Seng Hong Dim Sum, OR procures goods and raw materials from the franchise grantor (except some small items supplied by local suppliers).

For convenience stores under the 7-Eleven brand, the supplier is the sole product distributor and owner of goods in the stores located in OR's networks.

As a rule, OR does not sign long-term contracts with product suppliers for food and beverage shops because OR is confident that there are many alternative supply sources for most of its products.

1.2.3.2 Product Storage and Distribution

(1) Oil Business

As of December 31, 2020, OR's product storage and distribution network comprised 71 depots in Thailand, Cambodia, the Philippines, and Laos, with a total storage capacity of 2,021 million liters. All facilities in Thailand are connected to networks of product distribution and transportation by pipeline, marine vessels, by road, and by rail.

(a) Depots

Petroleum depots accessible and available to OR have a total capacity of 2,021 million liters across 71 facilities, comprising 53 depots in Thailand, 7 in Cambodia, 4 in the Philippines, and 7 in Laos. OR uses these facilities to store petroleum gasoline, diesel, fuel oil, aviation fuel, LPG, and lubricating products. Depot networks are located in strategic locations to support the transportation of products to consumers and to other storage facilities in the region, affording competitive advantages to OR in terms of logistics and management costs.

OR's network of storage and distribution facilities has nationwide coverage, comprising 53 depots, of which 8 are owned by OR and the remaining 45 storage facilities are owned by non-PTT parties which OR has the right to use under several types of agreements with PTT.

OR's overseas network of storage and distribution facilities consists of 18 depots. Of these, 12 are owned by OR, and the remaining 6 depots are accessible to OR under agreements with external parties.

OR ensures these depots have adequate storage capacity to supply petroleum in times of normal distribution, emergency, or during shortage (including unforeseen events which may force one or all facility owners or service operators to unexpectedly close their operations temporarily), and that the storage capacity is able to serve the storage for export and high volume purchases. In addition, to comply with Thailand and other countries' laws and regulations, OR reserves some certain volumes of fuel as required by law. The reserved volume varies with the types of petroleum products. Current regulations on reserve storage for gasoline, gasohol, diesel, fuel oil and JET A-1 aviation fuel produced in Thailand require 1% of the annual trading volumes produced in Thailand, deducted by the volumes of oil products sold to other oil traders under Article 7, volumes of exported oil products, and volumes of oil sold as feedstock for petrochemical or other industries. In addition, the amount of reserve required by law for LPG is 1% and will be increased to 2% from January 1, 2022 onwards.

OR's inventory may increase occasionally in line with withdrawal plans of petroleum products, scheduled shutdown maintenance (turnaround) of refineries, or preparation plans for rising demand during holiday seasons. OR has never experienced problems with depot usage or insufficient storage for fuel oil, LPG, and other petroleum products.

(b) Petroleum Product Distribution

In Thailand, OR distributes its products to customers and consumers via networks of product depots through pipeline, marine vessels, by road, and by rail, in compliance with quality control standards in Thailand. OR chooses the most appropriate transport mode fitting conditions and points or ports of delivery and does not limit its transport to any specific mode. OR primarily uses the pipeline systems of Thapline Company Limited and Fuel Pipeline Transportation Limited for pipeline distribution because it is efficient, safe, environmentally friendly, and it increases the efficiency of product distribution.

To distribute aviation fuel and diesel to customers, in particular customers at Suvarnabhumi and Don Mueang international airports, OR has connected its pipelines with the available pipeline network system of Fuel Pipeline Transportation. Besides, a new depot equipped with a marine port has been built in Surat Thani to increase aviation fuel and diesel storage capacity in support of market growth and effective distribution, especially that of aviation fuel, to other facilities in southern Thailand. Moreover, OR is establishing an automated lubricants distribution center, expected to commence in 2021, to increase its effectiveness of lubricant product distribution.

OR hires third parties to distribute petroleum products (including lubricant products), from depots to customers and consumers. The logistical fees are based on market prices and calculated from sales volumes. In the distribution of products to customers in different businesses, OR may include logistical fees into the invoice, depending on negotiation. The contracts for distribution service are mostly long-term. For the sale of petroleum products to DODO service stations, dealers are responsible for expenses related to transport and distribution to their service stations.

In other countries, OR conducts distribution and transportation of its products in compliance with the standards for road safety and pollution emissions of each country as well as relevant local regulations. OR may transport products by vessel or by road, depending on the environment of a given area.

(2) Non-oil Business Group

OR primarily uses its network of distribution centers to store and manage inventories in its non-oil businesses. As of December 31, 2020, 5 distribution centers belonging to external parties were in use.

(a) Café Amazon

OR uses external parties' distribution centers to keep stock of raw materials and merchandise for Café Amazon, such as roasted coffee beans, powdered drink mixes, bakery items, and other raw materials. OR hires third parties to distribute these products to Café Amazon outlets across the country with the exception of some fresh baked items and some small items, for which suppliers take responsibility for direct distribution to outlets.

OR has its own coffee roasting plant and sells coffee beans to all branches of Café Amazon in OR's network within Thailand. Besides the plant, OR is constructing a new warehouse, a distribution center, a powdered drink mix production plant, and the central bakery facilities. This is to ensure product quality and adequate stock of merchandise while reducing costs to support Café Amazon's steady growth.

OR takes ownership of all merchandise stockpiled in distribution centers until they are transferred to customers in the case of COCO branches or until they are transferred to franchisees for the case of franchised branches.

(b) Other Food and Beverage Businesses

Products for Texas Chicken are delivered through two main channels. Fresh ingredients, consisting of raw chicken, vegetables, and bread as well as drinks and French fries, are delivered by suppliers directly to shops. As for raw materials and consumables, such as packaging items, suppliers will deliver them to distribution centers rented from third parties by OR. OR will then use the delivery service of a third party to hand over these merchandise and raw materials from the distribution centers to each outlet.

For Hua Seng Hong Dim Sum, the franchise grantor is still the sole supplier and distributor of all products from its distribution center to the outlets.

For Pearly Tea, most of the merchandise and raw materials are delivered by producers or suppliers to the distribution centers for further distribution to Pearly Tea outlets.

In addition, OR has its own drinking water bottling plant, which started operation in early 2020. The plant produces drinking water of house brands owned by OR for sale in convenience stores and other shops. It also serves as a manufacturing plant of drinking water for other brands.

(c) Convenience Stores

OR uses 2 distribution centers rented from external parties to keep most of the stock for Jiffy convenience stores. OR assumes ownership of the entire inventory at distribution centers and in Jiffy stores until the products are handed over to customers.

For 7-Eleven, the supplier takes full charge of product distribution from its own distribution centers to outlets and retains ownership of all merchandise at 7-Eleven stores in OR's network.

1.2.4 Sales and Marketing

1.2.4.1 Distribution Channels

OR's distribution channels are scattered across all regions of Thailand with extended coverage to Cambodia, the Philippines, Laos, Japan, Oman, Singapore, Myanmar, Malaysia, China, and Vietnam. As of December 31, 2020,

OR's network of retail stores clocked up 14,062 sites, consisting of oil service stations, LPG refueling stations, LPG retail shops, FIT Auto service stations, Café Amazon outlets, food and drink outlets, and convenience stores.

The table below presents the numbers of all service stations and retail outlets in OR's network in Thailand and abroad, as of the date stated:

	As of December 31		
	2018	2019	2020
Service stations / retail outlets in the oil business	(outlets)		
• Retail fuel in service station	2,024	2,213	2,334
• LPG service station ⁽¹⁾	265	247	228
• LPG (cooking gas) retail shop	999	1,046	1,057
• FIT Auto service station	44	54	66
Food and beverage outlets	(outlets)		
• Café Amazon	2,633	3,150	3,575
• Other food and beverage outlets	262	281	317
Other retail outlets	(outlets)		
• Convenience store	1,810	1,959	2,072
• Rental space management	4,386	4,815	4,929

Remark : ⁽¹⁾ Excluding LPG service stations provided on fuel service station premises

For oil and non-oil businesses as well as other services in OR's network, OR has developed a systematic evaluation and selection process, in which all data are integrated to support OR executives in their analysis into location potential. The number of customers, location, competition, target customers in each locality, and distance from existing sites in the network are taken into consideration. Final selection of the location will be in agreement with the recommendations of OR's sub-committees. Regarding the selection of locations for franchised eateries, endorsement from brand owners will have to be sought as well. The interior and the exterior of all retail outlets in OR's network follow the standard design. However, some adjustments are allowed, depending on locations and target customers.

Moreover, OR requires dealers or franchisees to conform to operating and service standards as defined by dealer or franchise contracts in order to uphold the quality of products and services. For example, dealers or franchisees are required to meet OR's specifications in sourcing their raw materials, such as some pieces of machinery and equipment. Dealers and franchisees must also go through training under OR's management. To this end, OR has set up inspection teams to regularly inspect the quality of service stations and retail outlets. Data collection systems and management systems are applied to ensure compliance with OR's standards.

(1) Oil businesses in Thailand and overseas

(a) Retail Marketing

Service stations in OR's network present the company's corporate image and play a role as touchpoints for consumers, who are also considered an important group of customers for OR. Service stations currently bear the PTT Station brand, and OR is applying the Living Community concept to station development, which involves the offering of other products and services besides oil products.

As of December 31, 2020, OR had a total of 1,997 service stations in Thailand and 337 ones abroad: 181 in the

Philippines, 106 in Cambodia, 48 in Laos, and 2 in Myanmar. As of December 31, 2020, as many as 25 stations were equipped with and licensed to operate EV chargers.

As for the charging service for vehicles (including both EVs and plug-in hybrid EVs) outside service stations, the business is not under the authority of PTT's Board of Directors to grant any approval since its business scope or business type is still unclear. An investor in this business could thus be OR and/or PTT and/or a company in PTT Group, either solely or jointly, taking into consideration agreement with future business models and overall benefit for both OR and PTT.

The table below shows the number of PTT service stations under the management of OR in Thailand and abroad, as of the date stated:

	As of December 31		
	2018	2019	2020
Service stations	(stations)		
• Thailand	1,770	1,911	1,997
• The Philippines	151	176	181
• Cambodia	62	78	106
• Laos	41	48	48
• Myanmar	0	0	2
Total	2,024	2,213	2,334

OR makes adjustments to sales areas, products, and services to match target customers at each location and prevalent conditions. Planning, licensing, construction, and commissioning of a service station in Thailand normally require four to six months. Generally, renovation of a service station is to be carried out after 10 years of operation at dealers' expense for the case of DODO sites.

Types of Service Stations

OR manages DODO and COCO service stations. By policy, COCO stations are limited to 20.0% of the total number of stations in OR's network in Thailand.

OR primarily focuses on DODO stations since network expansion relies very much on them. OR will sign a contract to appoint a dealer, who must be the landowner and station operator. The dealer will have to buy oil and other merchandise from OR, of which brands and intellectual properties are entailed. Under the contract, the dealer will take responsibility for land acquisition either by holding proprietary or lease right, while having to seek all operating licenses required and to buy all fuel stocks from OR with a minimum volume defined per month. The dealer will also arrange for oil product procurement from OR's depots in each region, where ex-depot prices are standardized. Retail

prices must not exceed those defined by OR, which are based on the oil pricing structure, world price, and competition with other oil brands.

Regarding transport, oil products would be delivered from OR's depots to a dealer's site at the dealer's expense. Alternatively, dealers may opt for their own arrangement. OR may consider allowing dealers to borrow some sales equipment, such as oil dispensers and brand signboards, with dealers bearing investment expenses and other expenses related to operation and construction. Other support from OR includes provision of regular training and guidance as well as the license to use the PTT Station brand and other brands under OR.

OR has in place a process to select DODO operators using the PTT Station brand by taking into consideration their capability and financial status, which has to be strong enough for both investment and operation. Decision-making on a DODO location is based on population density, competition, and public acceptance in OR's brands in the neighbourhood. OR believes that it can still attract and retain DODO operators on the following grounds:

- OR's business has won trust from dealers and consumers for over 40 years.
- OR dealers are allowed to choose their preferred station format that suits each location.
- OR has systematic roll-out procedures, starting from construction and training for station staff to daily operating systems.
- OR's retail products that complement one another can generate higher income for dealers.

A dealer contract normally lasts ten years and can mostly be renewed. If the operator cannot perform as stated in the contract, OR has the right to terminate the contract and may select a new dealer to run the service station in that location.

As for COCO stations, OR holds ownership or land lease right and operates the station by itself. OR earns income from the sale of various products to motorists and other customers.

OR, in addition, takes responsibility for investment and other costs incurred from the operations. OR will consider operating a COCO station only for specific purposes, such as when OR needs to test a new technology or a new concept or when OR needs to run a flagship station on a strategic location to introduce a new technology or a new station concept to the market.

Living Community Concept for Service Stations

The Living Community concept has been applied to the design of OR service stations of all sizes and formats. The concept is an expansion of OR's vision and aims to add value to communities surrounding service stations. Therefore, OR carefully plans the selection of products and services to match the lifestyles and needs of each locality. It may also offer new services in service stations, which may vary by location, in order to increase customers' average visit duration. In addition, to support local communities, OR stations provide space for local entrepreneurs to bring their locally made products for sale. OR believes that the Living Community concept will enhance cooperation among stakeholders and communities in the vicinity. This will result in OR's ability to take care of the community and thus become a driving force for national development.

OR intends to equip its service station network with the following key features to expand customer engagement:

- **Basic products** : OR offers quality basic products and services, including daily consumer products, such as fuels, food and drinks.
- **One-stop convenience** : OR aims to operate stations in its network as an option for shopping with a diverse range of shops. Featured in a service station are coffee shops, eateries, ATM and financial services, and convenience stores, among others. At most of the stations in OR's network, there must be at least one non-oil business offered in addition to fuels.
- **Standardized quality and services** : Station design, staff training, and the quality of products and services are of the same standard, which can ensure that customers' needs are equally catered to anytime anywhere.

- **Modern appearance** : Stations in OR's network boast a modern look with sufficient lighting and cleanliness, so that customers can feel safe and secure on every visit.

OR is capable of making adjustments to its station format to meet customers' particular expectation and preference at different locations to reach all groups of customers. It has also applied the 'friendly design' to its service stations and incorporated features such as dedicated parking spaces and ramps in order to serve those with disabilities and the

elderly. OR strives to do its utmost to ensure that its service stations meet highest safety standards for both customers and communities so as to offer convenience and keep the area within its service stations accessible and safe for all. For instance, OR ensures that its design features a green area, adequate parking, adequate lighting at both forecourts and walkways, toilets with regular cleaning, seating areas, food and drink shops, and a coffee shop, so that its service stations can serve as a rest area for travellers.

Service stations in OR's network are classified into three categories as follows:

Type	Description	Offering
Platinum	A platinum station is located in a gateway area, tourist attraction area, town area, or on a provincial highway. A suitable station area should stretch at least 8,000 sq.m. (five rai).	The station has a large variety of offerings with at least two types of retail business, such as a convenience store, café, restaurant, and other shops.
Standard	A standard station is located on a minor road or an inter-district road. A suitable station area should be at least 4,800 sq.m. (three rai).	The station has a variety of offerings with at least two types of retail businesses, such as a convenience store, café, restaurant, and other shops.
Compact	A compact-size station is located on a minor road or serves particular groups of customers. A suitable station size should be at least 1,600 sq.m. (one rai).	The station is equipped with a convenience store or a café as considered appropriate. However, choices of fuels may be limited.

(b) Commercial Marketing

OR competes in the commercial market by providing an integrated service with emphasis on being an Energy Solution Provider with a large variety of products along with quality and reliable services.

OR sells Jet A-1 fuel to aviation customers (both full-service and low-cost airlines flying on both domestic and international routes). It has entered into aviation fuel supply and purchase contracts with a number of Thai and world-leading airlines

to provide services at main airports in Thailand, such as Suvarnabhumi, Don Mueang, Phuket, Krabi, Chiang Mai, and U-Tapao international airports.

In the commercial market, OR primarily sells high-speed diesel and fuel oil to marine customers, with service rendered at the three largest ports in Thailand, namely Bangkok, Laem Chabang, and Mab Ta Phut ports, as well as some ports overseas, namely those in Singapore, China, Hong Kong, the

United Arab Emirates (UAE), and South Korea. OR has, in addition, entered into supply and purchase contracts with various marine logistics providers both within and outside Thailand.

The commercial products OR sells to most industrial customers include fuel oil, LPG, and high-speed diesel. LPG customers are multi-national corporations as well as well-known local companies.

OR sells LPG to transport and household sectors primarily in the retail format. As of December 31, 2020, OR sold LPG to the transport sector through 228 LPG stations outside service stations in the network, 189 cooking gas bottling plants, and 1,057 cooking gas retail shops in Thailand, all of which were DODO (except for 3 cooking gas bottling plants that OR operated as COCO sites). OR also has an LPG cylinder refurbishing plant carrying out LPG cylinder maintenance under Thailand's TISI standards in compliance with the Ministry of Industry's requirements.

Furthermore, OR sells fuels and LPG to oil traders under Article 7, with 12 customers in the year ending December 31, 2020. The majority of agreements with these customers last for one to 3 years.

OR sells lubricant products and provides quick fix maintenance services, which cover changing of lubricants and automotive liquids, regular maintenance, tire changing, and battery changing for motorists through the network of FIT Auto shops. As of December 31, 2020, OR registered 66 branches of FIT Auto in Thailand, Cambodia, and Laos.

OR markets and sells lubricant products for both automobile and industrial markets in Thailand and abroad. For the domestic market, the products are sold primarily through wholesale agents with a national network. These agents deliver products to retail shops and end-customers. OR currently exports lubricant products to over 40 countries. In the year ending December 31, 2020, OR marketed lubricant products to over 800 customers in industrial and marine sectors. OR has also launched Lube Solution to provide integrated presales and aftersales technical services to increase customer engagement. According to

the Department of Energy Business, OR was the leading lubricant distributor in Thailand based on sales volumes in 2020.

(2) Non-oil Businesses

The customer base of non-oil businesses consists of motorists visiting service stations and general customers visiting shops outside the stations. OR therefore takes no significant risk of relying on any particular customer or group of customers. The Living Community concept draws travellers and people in the neighbourhood from all socioeconomic groups to the station. Moreover, OR tries to offer a combination of products and services that serve the needs of travellers and communities. As the transport system in Thailand, the Philippines, Cambodia and Laos has much developed along with economic growth, OR believes that its service stations will form a firm foundation allowing it to respond and adapt to changes in customers' preferences, behaviour, and lifestyles in each country.

(a) Café Amazon Marketing

Café Amazon has developed from a coffee brand offered in service stations to a brand that captures the Thai consumers' lifestyle and a place for leisure, business discussions, recreation, and travel. Café Amazon has now emerged into a popular brand for customers and travellers in Thailand both within and outside OR's service stations. OR is confident that a good blend between coffee and the Amazon rainforest, together with lush areas that offer a shady atmosphere along with reasonable prices will have a positive impact and turn Café Amazon into a top-of-mind brand in OR's markets.

Revenue from Café Amazon comes mainly from the sale of products for customers visiting service stations and stand-alone branches. As of December 31, 2020, OR had 3,290 branches in Thailand.

Under the franchising contract, franchisees agree to follow OR's standards in running the coffee business and to buy all raw materials from OR. OR will not only provide quality raw materials and merchandise as well as equipment, but will also organize brand promotion and marketing activities. OR will also arrange training and give advice and assistance to franchisees. On franchisees' side, they will need to have

the right for land use and bear the costs of investment, equipment, and maintenance as well as operating costs.

To expand Café Amazon to overseas markets, OR's strategy is flexibility. Adjustments are made to the business model to meet the demand of local consumers. Today, OR has already launched Café Amazon in, for instance, the Philippines, Cambodia, Laos, Japan, Oman, Singapore, China, and Vietnam. The strategy will lay a foundation for building Café Amazon into a brand of quality coffee in the international market.

OR will look into an appropriate method of expansion on a case-by-case basis. In some countries, OR may solely invest in entering a new market and then expand the business in partnership with franchisees. Then, OR may award Café Amazon's master franchise to a major, well-recognized operator. Meanwhile in some countries, OR may aim for a joint venture or a partnership with a local operator. However, a master franchise contract will demand a certain number of shops to be operational by the time defined.

The table below presents the number of Café Amazon branches in and outside Thailand, as of the date stated:

	As of December 31		
	2018	2019	2020
Café Amazon	(outlets)		
Thailand			
Franchised branches			
• Inside service station	1,434	1,556	1,605
• Outside service station	589	793	1,007
Total	2,023	2,349	2,612
COCO branches			
• Inside service station	231	306	361
• Outside service station	195	257	317
Total	426	563	678
Total	2,449	2,912	3,290
Overseas			
• Philippines	11	17	18
• Cambodia	110	134	167
• Laos	54	65	70
• Myanmar	5	8	8
• Japan	2	2	2
• Oman	2	7	9
• Singapore	-	3	3
• Malaysia	-	1	1
• China	-	1	3
• Vietnam	-	-	4
Total	184	238	285
Total	2,633	3,150	3,575

Most Café Amazon franchisees in Thailand have been working with OR for a long time. As for new franchisees, OR will carefully evaluate them by looking into the proposed locations with particular attention to the population and motorist density, cost of land, as well as their financial strength and credit. Franchise holders have to go through training at Amazon Inspiring Campus (AICA) and pass both written and practical tests before they can begin operation.

Assessment will be made on franchisees' operation to ensure that OR standards are fully met. OR retains the right to terminate the franchise contract with operators who fail to meet the standards.

(b) Other Food and Beverage Marketing

As of December 31, 2020, OR had 317 food and beverage outlets under its management, namely Texas Chicken, Hua Seng Hong Dim Sum, and Pearly Tea.

The following table shows the number of food and beverage outlets where OR has the operating rights in Thailand, as of the date stated:

	As of December 31, 2020		
	2018	2019	2020
(outlets)			
Food and Beverage Market			
• Texas Chicken	22	45	78
• Hua Seng Hong Dim Sum	58	72	70
• Pearly Tea	182	164	169
Total	262	281	317

(c) Convenience Store Marketing

As of December 31, 2020, OR's network of convenience stores registered 1,997 branches in all 77 provinces in Thailand, Cambodia, and Laos, most of which were in service stations.

The table below shows the number of convenience stores in Thailand and abroad, as of the date stated:

	As of December 31, 2020		
	2018	2019	2020
(outlets)			
Convenience Store			
• Thailand	1,745	1,880	1,977
• Cambodia	36	50	66
• Laos	29	29	29
Total	1,810	1,959	2,072

(d) PTT Blue Card

In 2013, OR launched PTT Blue Card, a point collection card, part of the loyalty program for motorists and customers of Café Amazon and other businesses under OR. Points earned from goods purchase using PTT Blue Card can be redeemed for discounts at PTT Stations, Café Amazon, Jiffy, Texas Chicken, and Hua Seng Hong Dim Sum, and others. Points can also be transferred to other cards under OR's partnership, namely The 1 Card and Muang Thai Smile Club Card. Holders of PTT Blue Card will also receive discounts and privileges from restaurants, cinemas, and many other allied retail shops. OR will work to offer more and more privileges to PTT Blue Card holders.

OR has plans to turn PTT Blue Card into a payment card through the use of QR Code and e-wallet after OR website is connected to a payment gateway to provide customers with more payment options. Customers can redeem more rewards when their cash card or credit card is topped up with more points.

As of December 31, 2020, there were 6,975,900 holders of PTT Blue Card. Such customers have been found to have higher spending per year at retail outlets under OR than those who are not.

Cardholders' database is considered a channel for in-depth analysis into customers' preferences and trends, which will benefit strategy and business plan formulation. With the help

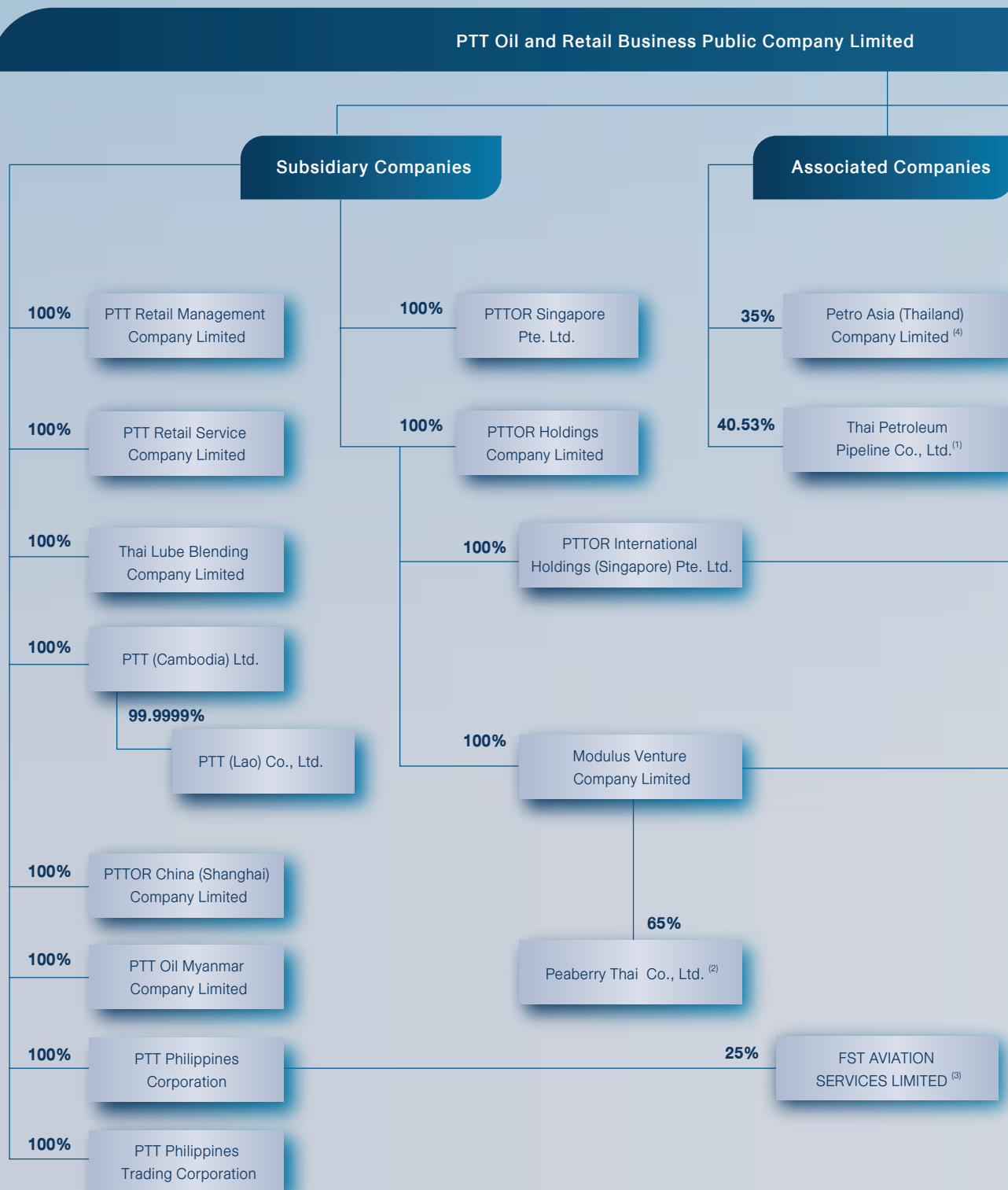
of the customer database, OR will be able to give customers a better experience while maintaining existing customers, drawing in more new customers, and anticipating changes in customers' needs. OR expects that the customer database will lead to customers' higher average spending per visit to service stations and retail outlets and enable OR to cross-sell products and services. OR will get in touch with customers via e-mail or messaging to present marketing campaigns to help it achieve sales volume targets in particular businesses. PTT Blue Card will help increase repeated visits to service stations and retail outlets. OR will continue to expand its customer database and offer more privileges (including new partners) to make PTT Blue Card even more attractive.

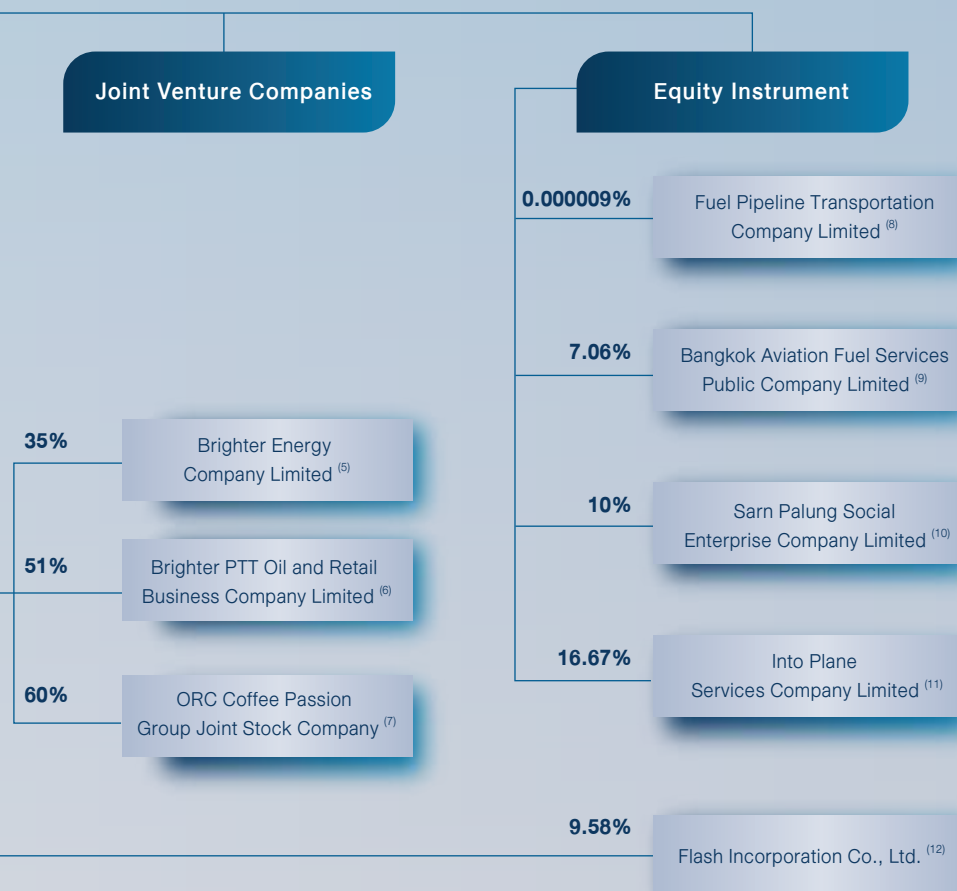
OR will leverage the customer database for pricing strategy analysis and development not only to increase the overall profit but also to analyze the operating results of each shop or branch to assess the existing network and seek new business opportunities. The use of information obtained from such in-depth analysis will benefit the development of business operations and the ability to generate profit from product and service development and impact-based advertisement while increasing customers' satisfaction. OR is now implementing initiatives according to the results of data analysis and drawing up marketing campaigns for specific groups of customers. Cross-selling and upselling as well as the launch of new products are based on customers' recorded purchase behaviour.

1.3 Shareholding Structure

1.3.1 Shareholding Structure of Affiliated Companies

Shareholding structure as of December 31, 2020 :





⁽¹⁾ OR has a total shareholding in Petroleum Pipeline Co., Ltd. (including common and preferred shares) accounted for 40.4% of the total shares, and voting rights of 40.53% of total voting rights as preferred voting rights are set in addition of common share rights

⁽²⁾ MODULUS holds shares with Peaberry Co., Ltd (32.45%), Mr. Chatree Treerertkul (2.55%) and Mr. Wutthipong Songwisit (0.000004%)

⁽³⁾ PTT Philippines Corporation holds shares with Total Petroleum (Hong Kong) Limited (50%) and Singapore Petroleum Company (Hong Kong) Limited (25%)

⁽⁴⁾ OR holds shares with Petro Asia International Corporation Company Limited (35%), Casinopek Maoming Petrochemical Company Limited (15%) and China Petro-Chemical Company International Company Limited (15%)

⁽⁵⁾ SGHOLDCO holds shares with U AUNG KO WIN (35%), U KAUNG SAN (15%) and U MIN KHANT (15%)

⁽⁶⁾ SGHOLDCO holds shares with Brighter Energy Retail PTE. LTD. (49%)

⁽⁷⁾ SGHOLDCO hold shares with CENTRAL RESTAURANTS GROUP (VIETNAM) COMPANY LIMITED (39.9%) and Mr. Ty Chirathivat (0.1%)

⁽⁸⁾ OR holds shares with Bangkok Aviation Fuel Services Public Company Limited (75.000605%), PTG Logistics Public Company Limited (9.551249%), Bangkok Airways Public Company Limited (7.000008%), Bangchak Corporation Public Company Limited (4.954905%), Bangkok Insurance Public Company Limited (3.492809%), Thai Airways International Public Company Limited

(0.000255%), Mr. Supadis Diskul (0.000084%), Susco Dealers Company Limited (0.000042%), Capital Fast Company Davan Company Limited (0.000018%), The Shell Company of Thailand Company Limited (0.000006%), State Railway of Thailand (0.000003%), Air Total Company Limited (Thailand) (0.000003%), and Esso (Thailand) Public Company Limited (0.000003%)

⁽⁹⁾ OR holds shares with Thai Airways Public Company Limited (22.59%), Bangkok Airways Public Company Limited (10%), Esso Thailand Public Company Limited (7.06%), The Shell Company of Thailand Company Limited (7.06%), Company Airports of Thailand Public Company Limited (4.94%), Chevron (Thailand) Company Limited (2.51%), Singapore Petroleum (Thailand) Company Limited (2%), Air Company Total (Thailand) Company Limited (2%), Susco Dealers Company Limited (2%) and retail investors (32.78%)

⁽¹⁰⁾ OR holds shares with PTT Public Company Limited (20%), Thai Oil Public Company Limited (15%), PTT Global Chemical Public Company Limited (15%), PTT Exploration and Production Public Company Limited (15%), IRPC Public Company Limited (15%), and Global Power Synergy Public Company Limited (10%)

⁽¹¹⁾ OR holds shares with Bangkok Aviation Fuel Services Public Company Limited (83.08%), Mr. Prakobkiat Ninnat (0.08%), Miss Prapis Ruthairung (0.08%) and Mrs. Pandao Sukyang (0.08%)

⁽¹²⁾ MODULUS holds shares with Flash Holding Co. Ltd. (87.54%), Durbell Co., Ltd. (2.16%) and Krungsri Finnovate Co., Ltd. (0.72%)

General information of companies where OR holds shares

Company	Business	Ownership Structure	Share Type	Number of Paid-Up Capital (share)
Subsidiary Companies				
PTT Retail Management Company Limited (PTTRM) 1010, 6 th Floor, Shinawatra Tower 3, Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok, 10900 Tel +66-2030-0444 Fax +66-2030-0444	Managing service stations, convenience stores, and food shops at service stations	100%	Ordinary Share	Registered Capital THB 1,667,600,000 (THB 100 /Share) 16,676,000 Shares
PTT Retail Service Company Limited (PTTRS) 1010, 6 th Floor, Shinawatra Tower 3, Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok, 10900 Tel +66-2030-0444 Fax +66-2030-0444	Providing services and workforce for service stations and shops managed by PTTRM	100%	Ordinary Share	Registered Capital THB 6,000,000 (THB 100/Share) 60,000 Shares
Thai Lube Blending Company Limited (TLBC) 8 th Floor, PTT Oil Depot Office Building, Phrakhanong, No. 555 At Narong Road, Klongtoey Subdistrict, Klong Toey District, Bangkok 10260 Tel +66-2239-7825	Formulating and packaging lubricant products and lube OEM production	100%	Ordinary Share	Registered Capital THB 286,000,000 (THB 10/Share) 28,600,000 Shares
PTT (Cambodia) Ltd. (PTTCL) 320, Kamuchea Krom Blvd. (128), corner of street 171, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia. Tel (+855)-23-300-018-019 Fax (+855)-23-880-083	Supplying and selling petroleum products and managing retail business in Cambodia	100%	Ordinary Share	Registered Capital 83,660,000,000 Riels, equivalent to USD 20,915,000 (20,000 Riel or USD 5 /Share) 4,183,000 Shares
PTT (LAO) Co., Ltd. (PTTLAO) 426 Kamphengmeung Rd, Ban Hongke, Saysettha, Vientiane, Lao P.D.R Tel (+856)-21-453391-2 Fax (+856)-21-453393-4	Supplying and selling petroleum products and managing retail business in Lao PDR	99.9999% (through PTT (Cambodia) Ltd.)	Ordinary Share	Registered Capital 190,000,000,000 Lao Kip (100,000 Lao Kip/ Share) 1,900,000 Shares

Company	Business	Ownership Structure	Share Type	Number of Paid-Up Capital (share)
PTTOR China (Shanghai) Company Limited (ORCN) Room 112, Floor 13, No. 1000, Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone Tel (+86)-2150-783-298	Operating lubricant business and Café Amazon in China	100%	Not yet Listed company on the China Stock Exchange, hence no details on share numbers or types	Registered Capital RMB 56,500,000 *Not yet Listed company on the China Stock Exchange, hence no details on share numbers or types
PTT Philippines Corporation (PTTPC) 32 nd Floor, LKG Tower, 6801 Ayala Avenue Makati City 1226, Philippines Tel (+63)-2-884-8155 Fax (+63)-2-884-8150	Supplying and selling petroleum products and managing retail business in the Philippines	100%	Ordinary Share	Registered Capital 2,450,000,000 Peso (100 Peso/Share) 24,500,000 Shares
PTT Philippines Trading Corporation (PTTTC) Lot 11 & 12, Liberty Compound, Argonaut Highway Boton Area Subic Bay Freeport Zone 2229, Philippines Tel (+63)-47-252-1177 Fax (+63)-47-252-1166	Supplying and selling petroleum products in the Philippines	100%	Ordinary Share	Registered Capital 18,000,000 Peso (100 Peso/Share) 180,000 Shares
PTTOR Singapore Pte. Ltd. (PTTORG) 391A ORCHARD ROAD #12-01/04 NGEE ANN CITY SINGAPORE (238873) Tel (+65)-6694-7028	Operating Café Amazon in Singapore	100%	Ordinary Share	Registered Capital SGD 6,500,000 (SGD 1 /Share) 6,500,000 Shares
PTT Oil Myanmar Company Limited (PTTOM) ⁽¹⁾ 337, Pyay Road, Mote Lat Saung Gone (South), San Chaung Township, Yangon, Myanmar Tel (+95)-94-4888-8365	Providing services and consultation on petroleum product market. Supplying petroleum products and additives for distribution in Myanmar	100%	Ordinary Share	Registered Capital USD 2,300,000 (USD 1/Share) 2,300,000 Shares
PTTOR Holdings Company Limited (OR HOLDINGS) ⁽²⁾ 555/2 Energy Complex, Building B, 12th Floor, Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok 10900 Tel +66-2196-5151	A holding company managing investment and regulating affiliated companies under OR Group in domestic and international markets	100%	Ordinary Share	Registered Capital THB 3,125,820,500 (THB 100 /Share) 31,258,205 Shares

Company	Business	Ownership Structure	Share Type	Number of Paid-Up Capital (share)
PTTOR International Holdings (Singapore) Pte. Ltd. (SGHOLDCO) 391A Orchard road #12-01/04 Ngee Ann city Singapore (238873) Tel: (+65)-6434-2601	A holding company managing investment and regulating affiliated companies under OR Group in international markets	100% (through PTTOR Holdings Company Limited)	Ordinary Share	Registered Capital USD 27,793,091 (USD 1 /Share) 27,793,091 Shares
Modulus Venture Company Limited (MODULUS) 555/2 Energy Complex, Building B, 12 th Floor, Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok 10900 Tel (+66)-2-196-5960	A holding company managing investment and regulating companies under OR Group in Thailand	100% (through PTTOR Holdings Company Limited)	Ordinary Share	Registered Capital THB 1,429,000,000 (THB 100 /Share) 14,290,000 Shares
Peaberry Thai Co., Ltd. (PEABERRY) 123/17 Nonsee Road, Chong Nonsi Subdistrict, Yannawa District, Bangkok, 10120 Tel +66-2681-2424 Fax +66-2294-5887	Distributing and providing maintenance service concerning coffee machines for the coffee shop business	65% (through Modulus Venture Company Limited)	Ordinary Share	Registered Capital THB 264,600,000 (THB 10 /Share) 26,460,000 Shares
Joint Venture Companies				
Brighter Energy Company Limited (BE) 337, Pyay Road, Mote Lat Saung Gone (South) Quarter, Sanchaung Township, Yangon, Myanmar Tel (+95)-92-5699-9921	Operating petroleum terminals, LPG bottling plants, and wholesale of petroleum products, including procurement, port management, and oil depots in Myanmar	35% (through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary Share	Registered Capital MMK 101,714,000,000 (Paid-up capital MMK 80,804,000,000 and unpaid registered capital 20,910,000,000 MMK) 942,140 Shares
Brighter PTT Oil And Retail Business Company Limited (BOR) 337, Pyay Road, Mote Lat Saung Gone (South), San Chaung Township, Yangon, Myanmar Tel (+95)-94-4888-8365	Operating service stations and Café Amazon in Myanmar	51% (through PTTOR International Holdings (Singapore) Pte. Ltd.)	Ordinary Share	Registered Capital MMK 4,433,000,000 (MMK 10,000 /Share) 443,400 Shares

Company	Business	Ownership Structure	Share Type	Number of Paid-Up Capital (share)
<p>ORC Coffee Passion Group Joint Stock Company (ORCG)</p> <p>G11, ground floor (commercial area), Satra Eximland Building, No. 163 Phan Dang Luu Street, Ward 1, Phu Nhuan District, Ho Chi Minh City, Vietnam</p> <p>Tel (+84)-28-3995 8368</p>	<p>Operating service stations and Café Amazon in Vietnam</p>	<p>60% (through PTTOR International Holdings (Singapore) Pte. Ltd.)</p>	<p>Ordinary Share</p>	<p>Registered Capital VND 57,626,250,000 (VND 10,000 /Share)</p> <p>5,762,625 Shares</p>
Associated Companies				
<p>FST Aviation Services Limited (FST)</p> <p>Room 5906, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.</p> <p>Tel (+852)-2180-2559</p> <p>Fax (+852)-2180-9936</p>	<p>Refueling aircraft for various airlines at Hong Kong International Airport</p>	<p>25% (through PTT Philippines Corporation)</p>	<p>Ordinary Share</p>	<p>Registered Capital HKD 1,000,000</p> <p>Paid-up Capital HKD 840,000 (HKD 10 / Share)</p> <p>100,000 Shares (Paid-up 84,000 Shares)</p>
<p>Petro Asia (Thailand) Company Limited (PAT)</p> <p>1 Fortune Town Building, Ratchadaphisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok, 10400</p> <p>Tel +66-2641-1609-10</p>	<p>Selling oil and petroleum products</p>	<p>35%</p>	<p>Ordinary Share</p>	<p>Registered Capital THB 500,000,000 (THB 10 /Share)</p> <p>50,000,000 Shares</p> <p>Paid-up Capital THB 375,000,000</p>
<p>Thai Petroleum Pipeline Co., Ltd. (THAPPLINE) ⁽³⁾</p> <p>2/8 Moo 11, Lam Luk Ka Road, Lat Sawai Subdistrict, Lam Luk Ka District, Pathum Thani Province, 12150</p> <p>Tel +66-2034-9199</p>	<p>Transporting oil via domestic pipelines</p>	<p>40.53%</p>	<p>Ordinary Share and Preferred Share</p>	<p>2,877,500,000 Ordinary Share (THB 100/Share)</p> <p>28,755,000 Shares</p> <p>5,601,500,000 Preferred Share (THB 100 /Share)</p> <p>56,015,000 Shares</p>

Company	Business	Ownership Structure	Share Type	Number of Paid-Up Capital (share)
Equity Instrument				
Fuel Pipeline Transportation Limited (FPT) ⁽⁴⁾ 424 Kamphaeng Phet 6 Road, Don Mueang Subdistrict, Don Mueang District, Bangkok, 10210 Tel +66-2574-6180	Providing transport of jet fuels and ground fuels via high-pressure pipelines	0.000009%	Ordinary Share	Registered Capital THB 3,660,663,580 (THB 5 /Share) 732,132,716 Shares
Bangkok Aviation Fuel Services Public Company Limited (BAFS) ⁽⁴⁾ 171/2 Kamphaeng Phet 6 Road, Don Mueang Subdistrict, Don Mueang District, Bangkok, 10210 Tel (+66)-2-834-8900	Providing aircraft refueling service at Bangkok International Airport, including fuel storage service and refueling service for aircraft	7.06%	Ordinary Share	Registered Capital THB 637,496,657 (THB 1 THB/Share) 637,496,657 Shares Paid-up Capital THB 637,496,153
Flash Incorporation Co., Ltd. (FLASH) 184/235 Forum Tower, 36 th Floor, Ratchadaphisek Road Huai Khwang Subdistrict, Huai Khwang District, Bangkok, 10310 Tel +66-2168-2111	A holding company managing investment and regulating Flash Group companies	9.58% (through Modulus Venture Company Limited)	Preferred Share	Paid-up Capital THB 500,000,000 (THB 100 /Share) 5,000,000 Shares
Sarn Palung Social Enterprise Company Limited (SPSE) ⁽⁴⁾ 555/1 Energy Complex Building A, 10 th Floor, Vibhavadi Rangsit Road, Chatuchak Subdistrict, Chatuchak District, Bangkok, 10900 Tel +66-2-537-2971	A social enterprise investing in communities strengthening and problems solving to constantly develop society, community, and the environment sustainably	10%	Ordinary Share	Registered Capital THB 10,000,000 (THB 10 /Share) 1,000,000 Shares
Into Plane Services Company Limited (IPS) ⁽⁴⁾ 171/2 Kamphaeng Phet 6 Road, Don Mueang Subdistrict, Don Mueang District, Bangkok, 10210 Tel +66-2834-8982 ext. 3	Refueling aircraft (labor contract only). Currently providing service at Samui Airport, Sukhothai Airport, and Trat Airport	16.67%	Ordinary Share	Registered Capital THB 120,000 (THB 100 /Share) 1,200 Shares

Remark : ⁽¹⁾ In the business restructuring process

⁽²⁾ Formerly known as "PTTOR International Holdings (Thailand) Company Limited.". Renamed as PTTOR Holdings Company Limited on April 2, 2020

⁽³⁾ OR holds all shares in THAPPLINE (including common and preferred shares), representing 40.4% of the shares in total. OR's voting rights account for 40.53% of the total. Voting rights of preferred shares are set in addition to the voting rights of ordinary shares

⁽⁴⁾ Recorded as non-current financial assets measured at fair value through other comprehensive incomes shown in OR's interim financial statements

1.3.2 Shareholding in OR, subsidiaries, or associated companies exceeding 10% by parties of potential conflicts of interest - None -

1.3.3 Relationship with the major shareholder's businesses

OR purchases petroleum products under offtake agreements with PTT and refineries owned by companies in the PTT Group, namely PTT Global Chemical Public Company Limited, Thai Oil Public Company Limited and IRPC Public Company Limited. OR also engages PTT to store certain products at PTT's storage terminals (which include petroleum product storage terminals, LPG storage terminals and aviation refueling stations) and to provide certain services with respect to the receiving and storing of products at PTT's storage terminals. OR has entered into the O&M Agreements with PTT, pursuant to which we are responsible for management, operation and oversight of the receipt, storage, transfer, pumping, blending, testing and quality checking and distribution of petroleum products at these storage terminals, as well as providing certain maintenance service at these storage terminals.

Furthermore, OR has commissioned PTT to provide finance and accounting, IT and communication, and other organizational services. PTT TCC, a wholly-owned subsidiary of PTT, has also provided OR financing in the form of a long-term facility for the repayment of certain indebtedness owed to PTT and a short-term facility for the purposes of working capital and any general corporate purposes. PTT has also provided us with short-term facilities under PTT's intercompany borrowing and lending program, which is designed to assist companies within the PTT Group (in which PTT's shareholding is less than 100%) in the form of loans from related parties.

Additional details are disclosed under Topic 9.2 "Connected Transactions."

Through resolutions passed on March 19, 2020 and additional comments made on July 18, 2020 (collectively, the "Resolutions on Non-Competition"), the board of directors of PTT resolved that so long as PTT remains OR's major shareholder, whether directly or indirectly, PTT's policy shall

be to not engage in any business that competes with OR's oil businesses and non-oil businesses (including those of our subsidiaries).

Further, it resolved that PTT, to the extent of its shareholding in PTT's subsidiaries, shall ensure that PTT's subsidiaries do not compete with OR's oil businesses or our non-oil businesses (including those of our subsidiaries). Certain businesses are exempted from the terms of the Resolutions on Non-Competition. These include:

- (a) Businesses related to assets of PTT that were not transferred to OR under the Business Transfer Agreement (as amended), such as certain retail fuel service stations for which OR have been appointed as an administrator, sales of diesel, fuel used for transportation, and fuel oil under the specific method to the Electricity Generating Authority of Thailand and Government Sales of oil and petroleum products pursuant to the Procurement Act B.E.2560
- (b) Businesses conducted pursuant to a joint venture, a collaboration, a similar undertaking between PTT or any of PTT's subsidiaries and OR or any of our subsidiaries or certain businesses within the scope agreed between PTT or any of PTT's subsidiaries and us or any of our subsidiaries, pursuant to relevant laws and regulations and subject to regulations concerning conflicts of interest
- (c) businesses which PTT may need to undertake pursuant to a government policy or for the purposes of national security, or in response to a national energy emergency
- (d) Oil business and Non-oil business conducted by PTT and/or any other companies in the PTT Group which were in operation prior to and up until the date of the business transfer under the Business Transfer Agreement

- (e) Investments in a current scope business which have been presented to OR and/or OR's subsidiaries and in which OR and/or any of OR's subsidiaries have declined to participate or invest. In the decision making process, OR's management will review the feasibility outcomes and/or the suitability of future ROI and present to OR's Board of Directors. To this end, any OR's directors with vested interests must refrain from voting on such agenda item. OR is to notify PTT of its decision about the investment in due time.

The terms "oil business", "retail businesses", "PTT's subsidiaries", and "OR's major shareholders, whether directly or indirectly" under the aforementioned resolutions for PTT's and OR's business segregation has the following definitions:

"Oil Business" means

1. A business that purchases, sells and distributes gasoline, aviation fuel, kerosene, diesel, fuel oil for the industrial and transportation sectors, and the commercial marketing of such products, and the operation of retail fuel service stations
2. A business that purchases, sells and distributes LPG for use as fuel in the residential, industrial and transportation sectors, as well as the operation of LPG service stations (excluding the sale and distribution of LPG to Section 7 traders)
3. A business that procures, stores, maintains, imports, exports, transports, purchases, sells, and distributes packaged lubricants and grease, including the retail and commercial marketing of such products
4. A business that provides electric vehicle charging services (including electric and plug-in hybrid vehicles) inside service stations.

"Non-Oil Business" means

a business that operates, promotes or supports businesses related to an oil business, a non-oil business or a business that supports such related businesses, namely

1. Businesses located in a retail fuel service station and an LPG service station; for example, a coffee business, a drinking water business, a franchised food and beverage business, a convenience store business, a space management business, an automobile service station business or a hotel business, etc.
2. Businesses located outside a retail fuel service station or an LPG service station (excluding any such business located in a natural gas vehicle (NGV) service stations); namely, a coffee business, a drinking water business, a franchised food and beverage business, a convenience store business and an automobile service station business.

In the future, should PTT engage in any business regarded as competing with the oil and retail businesses or those directly extended from such businesses (collectively called **"future businesses"**) apart from the aforementioned definitions, OR is entitled to the right to operate or invest in such future businesses first. If OR desires, PTT may invest in these businesses with OR, whether directly or indirectly, provided that it complies with related legal provisions, including the criteria for conflicts of interest. OR management team is to consider the feasibility of future businesses and/or review suitability of ROI, then present the study to OR's Board of Directors for a decision making whether to engage in such future businesses or invest in them. To this end, any OR's directors with vested interests must refrain from voting on such agenda item. OR is to notify PTT its decision in due time.

“PTT’s subsidiary” means

1. A limited company or a public limited company in which PTT has control, either directly or through a chain of control, starting from a company which PTT has direct control, but excluding any flagship company (including any subsidiaries thereof) of the PTT Group which is listed in the Stock Exchange of Thailand
2. A company under the control of (1)
3. A company under the control of (2) and its successively controlled companies, beginning with control subjugated under (2)

However, regardless of the definition of **“PTT’s subsidiaries”** above, the term excludes any juristic persons beyond PTT’s control under the Thai Financial Reporting Standards concerning preparation of consolidated financial statements. PTT also cannot include such juristic persons as subsidiaries for preparing consolidated financial statements.

OR’s “major shareholder, whether directly or indirectly”

means shareholders who hold voting rights in OR which accounted for more than 10%, including shares held by related persons of such shareholders.

“Related persons” above means companies with one of the following relationships with the shareholders:

1. A limited company or a public company limited where such major shareholders hold more than 30% of the total shares sold
2. A limited company or a public company limited where such major shareholders or companies under (1) together hold more than 30% of the total shares sold
3. Juristic persons that such major shareholders can have administrative power as representatives of juristic persons

In the future, should PTT engage in an oil business, retail businesses, or other future businesses (collectively, a “Right of First Refusal Business”) such engagement (participation, operation, or investment) in these franchise businesses must conform to the following guidelines and procedures in obtaining approval from OR’s Board of Directors:

1. PTT must first notify OR about a Right of First Refusal Business to allow OR the right to participate, operate, or invest in them.
2. OR’s Board of Directors review for approval must follow the following procedure:

(a) Call a Board meeting by stating in the notice of meeting that if the board of directors decides not to exercise its right of first refusal, PTT and/or PTT’s subsidiaries may decide to participate, operate, or invest in such business, and further explaining any potential impact that may arise.

(b) Call a Board meeting for which OR management team is to consider the feasibility of future businesses and/or review suitability of ROI, then present the study to OR’s Board of Directors for the Board’s deliberation whether OR’s participation, operation, or investment in such franchise businesses is justified. Note that OR’s directors with vested interests must refrain from voting on the agenda item.

(c) The Board meeting in question must include business suitability and implications review in case PTT and/or its subsidiaries take up such participation, operation, or investment, thus resulting in businesses competition with OR, all the while taking into account OR’s and its shareholders’ best interests. To this end, the Board of Directors could seek additional professional advice from third-party sources.

(d) The decision will be made by a majority vote of the attending directors who are eligible to vote, and the decision must be made by the full board in attendance and not delegated to any sub-committee of the board.

(e) OR's decision to participate, operate, or invest in the Right of First Refusal Business will be communicated to PTT in due course.

(f) OR's directors without vested interests may vote on individual transactions or vote in principle for investments of a similar nature as seen fit.

If OR and/or its subsidiaries approve the participation, operation, or investment in franchise businesses, OR must disclose only the data for the cases where such participation, operation, or investment is selected by them or PTT and/or PTT's subsidiaries. The disclosed data are either: (a) for a given transaction size needing OR's Board of Directors or shareholders' approval where disclosure is via SET's SET Portal under SEC's and SET's criteria for acquisition or disposition of assets and/or engagement in related transactions or (b) for a given transaction size not needing OR's Board of Directors or shareholders' approval under SEC's and SET's criteria for acquisition or disposal of assets or engagement in related transactions where disclosure of selected participation, operation, or investment in franchise businesses combines all transactions (if applicable) goes through SET's SET Portal quarterly. To this end, OR must combine all items under (a) and (b) (if applicable) in their annual information disclosure form and the annual report, which will, as a minimum, contain the number of transactions decided by OR's Board of Directors on such franchise businesses. Note that such disclosure is subject to the condition that it will not harm OR's, its subsidiaries', PTT's, or its subsidiaries' interests or those of related third parties, or that it is subject to OR's agreement on confidentiality with PTT and/or its subsidiaries or between PTT's or PTT's subsidiaries related third parties regarding the franchise businesses (if applicable).

Despite OR and PTT's current overlapping businesses of petroleum product distribution, on June 22, 2018, both companies engaged in a Heads of Agreement, amended on July 24, 2020, to define explicit roles in petroleum product trading, international transport, hedging transactions, and OR's international business operation. Below is the summary of these roles.

PTT engages in integrated energy businesses, including international trading business listed in the trading market for around-the-clock worldwide trading in petroleum product supply and distribution. Since international trading transactions are regarded as major items among traders, PTT commands more extensive distribution channels and networks. As a result, OR and PTT have agreed to assign PTT as the distributor under the Heads of Agreement in PTT Group's best interests.

In this regard, OR and PTT recognize OR's current role as a petroleum product distributor in Thailand and agree to divide the scope of supply, distribution transactions, and petroleum products—which consist of crude oil, condensate, gasoline and associated components, diesel and associated components, aviation fuels, fuel oil, asphalt, lubricant products, base lubricants, lubricant additives, and LPG consumed in the household, industrial and/or transport sectors. In principle, the contract parties agree to let OR and/or its subsidiaries supply and distribute these petroleum products under this scope in the following cases:

1. Domestic transactions: OR and/or its subsidiaries can supply and distribute petroleum products in Thailand and/or countries where OR's subsidiaries operate. Exceptions apply where (a) PTT and/or its subsidiaries serve as suppliers and distributors of crude oil and condensate [Note that OR supplies condensate derived from PTT for sale to condensate splitters in Thailand], and (b) distribution results from specific sale to government agencies and certain state enterprises under the Public Hiring and Supply Administration Act of 2017, and (c) PTT's supply and distribution of

petroleum products is required by public policy for security or in response to national energy emergencies.

2. Export transactions: OR and/or its subsidiaries can engage in export only in the following cases:

1) The following petroleum products can be exported worldwide by OR and/or its subsidiaries: (a) lubricant products, base lubricant products, and lubricant additives, (b) aviation fuels strictly for sale and/or into-plane purposes direct to international airliners or through into-plane business partners, and (c) fuels for transport vessels, particularly sale and/or bunkering direct to their operators or through bunkering business partners.

2) As for petroleum product export to countries where OR's subsidiaries operate, OR can distribute all products except for products requiring vessels sized over 5,000 tons, crude oil, and feedstock for oil refineries and/or condensate splitters.

3. Import transactions: OR and/or its subsidiaries can serve as importers of lubricant products, base lubricant products, and lubricant additives. As for other petroleum products, OR must import them by giving PTT and/or its subsidiaries the right of first refusal. OR's subsidiaries can, however, import such products from OR before PTT and/or its subsidiaries only for the portion available for export transactions. At any rate, such transactions do not apply to imported lubricant products, base lubricant products, and lubricant additives, which can be imported by OR and/or its subsidiaries.

4. International transactions: Worldwide, OR can supply and distribute only the following petroleum products: (a) lubricant products, base lubricant products, and lubricant additives, (b) aviation fuels for sale or into-plane purposes direct to international airliners, or both, or through into-plane business partners, and (c) fuels for transport vessels, particularly sale and/or bunkering direct to their operators or through bunkering business partners.

In the above paragraphs, "subsidiaries" means juristic persons directly or indirectly controlled by either contract party, whereas "control/controlled" means any of the following: (1) more than 50% of voting shares in a juristic person, (2) direct or indirect control over a majority of votes in that juristic person's shareholders' meetings or for whatever reason, or (3) control over the appointment or removal of half of the board or more.

However, the term "subsidiaries" in the above paragraphs excludes any juristic persons beyond the control of either contract party under the Thai Financial Reporting Standards (TFRS) for the preparation of consolidated financial statements, where such contract party cannot incorporate such juristic person as its subsidiary for the preparation of consolidated financial statements. This definition excludes any subsidiary that is a SET-listed Flagship Company of PTT Group, regardless of its inclusion in PTT's consolidated financial statements.

1.3.4 Shareholders

(1) Top 10 major shareholders of OR as of February 11, 2021

List of Major Shareholders	Number of Shares (Shares)	Shareholding Proportion (Percentage)
1. PTT Public Company Limited	8,609,999,998	74.16
2. Merrill Lynch (Singapore) Ple Ltd. ⁽¹⁾	397,500,000	3.42
3. Ministry of Finance	153,349,808	1.32
4. Social Security Office (2 cases)	110,538,700	0.95
5. Morgan Stanley & Co. International Plc.	52,500,000	0.45
6. Bualuang Long-Term Equity Fund	45,491,660	0.39
7. SCB Dividend Stock 70/30 Lone-Term Equity Fund	34,941,856	0.30
8. Krungsri Dividend Stock LTF	32,483,583	0.28
9. Muang Thai Life Assurance Public Company Limited	30,771,498	0.27
10. N.C.B.TRUST LIMITED-NORGES BANK 29	26,355,500	0.23

Remark : ⁽¹⁾ Held OR's shares on February 11, 2021 (the initial public offering (IPO) date) as an initial purchaser for to investors abroad. The shares sold has also been transferred to the investors on the IPO date.

PTT, as the major shareholder of OR, takes part in setting management and operating policies of OR through the approval of the Board of Directors. As of February 11, 2021, PTT has 3 representatives as OR's directors or executives out of 10 directors of OR.

1.4 Registered and Paid-Up Shares

Registered Capital THB 120,000,000,000
with 12,000,000,000 ordinary shares
at a par value of THB 10 per share

Paid-up Capital THB 116,100,000,000 with 11,610,000,000
ordinary shares at a par value of THB 10
per share (as of February 11, 2021)

1.5 Issuance of Other Securities

- None -

1.6 Dividend Policy

1.6.1 OR's Dividend Policy

Once the Board of Directors has decided on annual dividend payment, it must seek approval from the shareholders' meeting. An exception is made for interim dividend payment, which the Board can occasionally approve once profits

satisfactorily accrue, after which it must report to the next shareholders' meeting.

Each year, OR dividend payout ratio is no less than 30% of the net income under its financial statements after deducting all provisional reserves required by law and obligations. Such payment must not exceed OR's retained earnings, and should its financial statements show a cumulative loss in earnings, OR will disregard dividend payment. The Board examines the ability to pay dividends as required by law and OR's articles of association. To this end, OR primarily considers various factors for shareholders' interests, including the state of the economy, performance outcomes, its financial position, cash flow, investment plans, provisions for loan repayment and compliance with loan terms or for OR's working capital, as well as other necessities and future suitability as seen fit by the Board.

Top 10 major shareholders of PTT as of January 5, 2021

List of Major Shareholders	Number of Shares (Shares)	Shareholding Proportion (Percentage)
1. Ministry of Finance	14,598,855,750	51.1
2. Vayupak Fund 1, MFC Asset Management Public Company Limited	1,736,895,500	6.1
3. Vayupak Fund 1, Krung Thai Public Company Limited	1,736,895,500	6.1
4. Thai NVDR Company Limited	1,493,046,473	5.2
5. Social Security Office	568,209,000	2.0
6. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	542,303,745	1.9
7. The Federation of Savings and Credits Cooperative of Thailand Limited	368,807,400	1.3
8. STATE STREET EUROPE LIMITED	362,097,167	1.3
9. THE BANK OF NEW YORK MELLON	197,436,468	0.7
10. EGAT Saving and Credit Cooperative Limited	190,786,100	0.7

Source : The Stock Exchange of Thailand's website

(2) Shareholder's Agreement regarding cases that impact the issuance and offerings of securities or the company's management

- None -

1.6.2 Profile of Dividend Payment

Year	2018	2019	2020
Net profit per share (THB)	0.60	1.21	0.98
Dividend per share (THB)	-	0.37	0.78
Dividend : net profit	-	30.6%	83.3%

1.6.3 Dividend Policy for Subsidiaries

Once the board of a given subsidiary has approved annual dividend payment, it must seek approval from the shareholders' meeting. An exception is made for interim dividend payment, which the board can occasionally approve once profits satisfactorily accrue, after which it must report to the next shareholders' meeting.

The annual dividend policy of a given subsidiary is subject to the endorsement of its board of directors, which is then tabled for the approval of the shareholders' meeting that

year. In reaching its decision, the board reviews the ability to pay dividends as required by law and the articles of association of the subsidiary in question. Factors that go into this decision include the state of the economy, the subsidiary's performance outcomes and financial position, cash flow, investment plans, provisions for loan repayment and compliance with loan terms or the subsidiary's working capital needs, and other necessities and future suitability as seen fit by the Board.



2. Risk Management

2.1 Risk Management Policy and Plans

In a volatile dynamic marketplace, effective risk management is crucial to corporate sustainability as it inspires confidence in the ability of OR to achieve its mission. Effective risk management ensures a balanced response to all stakeholders' needs and the prevention of potential losses caused by assorted volatility, while still allowing OR to safely pursue new business opportunities. Because of this, OR has engaged in continual risk management under the principle and approach of The Committee of Sponsoring Organization of the Treadway Commission (COSO-ERM), which is an international standard for risk management. OR, risk management is a critical component for success at all levels of business. OR has created a company-wide risk management plan that encompasses all employees and is overseen by the Enterprise Risk Management Committee (ERMC), which steers the overall risk management strategy in order to ensure maximum efficiency.

2.2 Risk Factors Facing Business Operation

OR analyzed both internal and external circumstances, along with economic, social, political, technological, industrial, competitive, and related trends before defining the following risk factors.

2.2.1 Strategic Risks

(1) Risks from Strategic Directions

New innovations and technologies create an ever-changing dynamic that can impact present and future business operations. OR, therefore, annually adjusts its long-term strategy and direction to ensure alignment with the current market and global trends. Brainstorming seminars are held among the senior executives, as part of Strategic Thinking Session (STS) workshops, in order to establish a business direction and strategy and communicate the

outcomes to the employees so they may develop their own strategies to ensure success at their respective functions.

(2) Investment Management Risks

OR is continually investing and growing its businesses through exploration of internal investments opportunities and also those that arise through Group companies. However, there are potential risks that these investments could yield off-target returns, face project delays or unforeseen cost overruns. As a result, OR has instituted a Strategic Investment Management (SIM) process where a committee screens, monitors, and reports investment items in order to aid decision-making by the Management Committee and the Board of Directors (as applicable). This mechanism ensures that investment yields optimal returns and efficiency

alike. OR also requires certain units responsible for group companies' administration to supervise these group companies' operating approaches so that they strictly align with OR's policy, strategic scope, and direction. It also required that OR's prior endorsement is secured before voting on critical matters at shareholders' meetings, or Board meetings of group companies.

(3) Personnel Development Risks to Sustain Business Growth

OR's domestic and international investment strategy strives to pursue new business opportunities. The company also applies digital, technological, and innovative systems to drive businesses. If OR cannot recruit and develop skilled and experienced personnel to keep pace with others, its long-term business operation goals could suffer. Therefore, OR has created written policies and procedures for human resource development along with planning of the short and long-term administration of manpower across the entire organization. OR annually analyzes and reviews its personnel in line with its business directives. OR then communicates and coordinates with all related units to arrange recruitment of qualified individuals and alters the expense budgets as needed to accommodate new essential personnel. Competency assessment is conducted to ensure efficient personnel development in line with OR's business directives. Career model, competency, and upskill development reviews are applied to executives and other personnel via multiple channels, including training under various internal and external curriculums and on-the-job training to adapt to dynamic business environments.

(4) Corporate Reputation Risks

Diverse expectations among stakeholders and technological advancements in communication have accelerated the dissemination of news, events, and issues, all have the possibility of affecting OR's business image and investor confidence. Therefore, OR closely monitors data, news, and related issues to rectify possible misunderstanding in a timely manner. In addition, OR utilizes tools for receiving and handling complaints so that they might be remedied to closure.

2.2.2 Operational Risks

(1) Operating Costs Risks Due to Fluctuations in the Global Market's Petroleum Price

The fluctuation in oil and petroleum prices is dependent on many factors outside of OR's control, even though these factors could significantly impact OR's revenue. As OR purchases petroleum products at set global-market prices, it then has to adjust the petroleum prices to the proper frequency so the price is align with the petroleum's manufacturing costs. Any increase in petroleum products' global market prices and/or any rise in fuel sales prices during a given period may affect petroleum product sales, as well as OR's business operations. OR might not be able to raise the selling price in order to reflect the rising costs in a timely manner. Apart from this, OR's ability to adjust fuel prices will come under competitive pressures in the market due to high price sensitivity in customer groups in some markets or varying approaches in setting fuel retailers' pricing. Reflecting the rising cost in a timely manner or reducing the cost slower than its competitors could lead to negative consequences to OR's customer demand, and significantly affect OR's business operation, financial position, operation performance and cash flow.

(2) Risk from Volatility in the Price of Petroleum Products Inventory

The nature of OR's business operations requires it to keep petroleum products as inventory. The law also requires OR to manage a certain amount of petroleum products in reserve. The reserve amount of petroleum varies depending on the type of petroleum product. Because OR's products are commodities, it is impossible to control potential changes to market prices on the reserved inventory. Even though the petroleum products purchase agreement with PTT Group and third parties might help mitigate some of this volatility as both PTT Group and third parties have partial ownership of the inventory of the petroleum products, but ultimately OR still retains the inventory in the petroleum product depots and hence volatility in the market may still impact OR's financial position and performance. Even after OR enters into hedging transactions to reduce the risk of volatility in petroleum product prices, such protections are still subject to limitations.

(3) Risks from OR's Right to Use Licensed Third-Party Brands Under the Terms and Conditions of the Contract

OR's rights relating to brands that are not owned by OR, including future new brands such as "Texas Chicken", "Hua Seng Hong Dim Sum" and "7-Eleven", which are subject to the terms and conditions of relevant contracts, are limited. In addition, any breach of the agreement may lead to contract termination and render OR's rights to use the brand. In addition, the renewal of contractual agreements requires the consent of all relevant parties and must be renewed periodically. However, OR cannot guarantee the renewal of these contracts at the end of the contract, neither the renewal under conditions that are beneficial to OR nor the renewal which is equivalent to the terms of the former contract.

(4) Risks from Business Disruption

OR's operations lie across various regions of the world which makes it susceptible to business disruptions arising from personal errors, machinery failure, deficient equipment, natural disasters, epidemics, political unrest, and other dangers that could significantly impact the financial position and operating performance of OR. As a result, OR has adopted Business Continuity Management (BCM) and trained its personnel to utilize, comply, and apply it during emergencies. By utilizing BCM plans, OR's businesses can proceed uninterrupted. Workshops are continuously held in relevant operation sectors and marketing units in order to assess potential incidents and arrange for BCM.

Currently, the impact of the COVID-19 pandemic on OR's business is still uncertain and unpredictable and thus, OR continues to constantly monitor the spread of COVID-19 closely. The impact of COVID-19 on OR's business depends on various unforeseeable factors including duration, severity, scope of outbreak, geographical

impacts, its impact on foreign and domestic economic activities, and government restrictions. Consequently, operations are conducted in accordance with Crisis Management and Continuity Management Plan (Business Continuity Management: BCM) in order to mitigate any impacts on operations and enable OR to continue its operation during the epidemic. Utilizing this plan, OR is able to establish measures for distributing and adjusting goods and services in order to adapt to dynamic situations and change working formats to having meetings and seminars via electronic media and Work-From-Home regime.

(5) Risks from Cyber Security

Cyber-security threats are on the rise and carry a wide range of impacts, such as theft of key data, computer viruses attacks, ransomware, and infiltrating systems in an attempt to control them. OR therefore values preventive and mitigating actions in order to avoid becoming a target of attacks and has launched a cyber-security roadmap to increase its security. Key focuses include system scrutiny, assessment of risks that occur from possible system loopholes, and educating employees and BCM about threats to OR's information systems.

2.2.3 Financial Risks

Foreign-exchange (forex) risks could directly and indirectly affect OR's revenue and profit, both of which are tied to the value of the baht currency. Therefore, OR has created a forex risk policy to minimize its exposure to foreign exchange rate risk. OR does hedging without speculation while ensuring that does not exceed the burden of triggering underlying assets. Also, OR's risk management covers cost forex rates via financial instruments including forward contracts, FX-swap buy-sell, forward trading of foreign currencies, and matching of revenue and/or expenses in foreign currencies to lower bid-ask spreads.

2.2.4 Compliance Risks Related to Policies, laws, rules and regulations

The complexity of legal provisions under the current laws, such as trade competition laws, Public Procurement and Supplies Administration Act, Personal Data Protection Act, including change of policies, requirements, regulations, and vague interpretations or inaccurate understanding of laws could impact OR's operation, image, and reputation. Thus, OR has assigned its Legal Department to serve as a hub in steering legal tasks related to business operations and investment, provides counsel on legal issues while maintaining its scope of ensuring preparation for any requirements, and internal directives in agreement with business operations related to laws and regulations. The Office of the President and Corporate Secretary ensure and monitor compliance by the Board of Directors, Management Committee, executives, and personnel in regards to rules relating to public companies limited, company rules, and articles of association.

2.3 Risk Factors for Securities Holders' Investment

OR cannot guarantee that the market price of OR's shares will remain at the same or at a significantly deteriorated level. OR's share price may fluctuate due to a variety of factors beyond OR's control, such as:

- Actual or projected volatility in OR operating performance
- Economic or political circumstances or events at the global, regional and local levels
- Outbreaks (including COVID-19 at the present)
- Market conditions of the stock market on both the general and broad scopes
- Market conditions of Thailand's oil business or abroad (for example, a price war between the Organization of the Petroleum Exporting Countries, led by Saudi Arabia and Russia in April 2020)
- Market conditions of Thailand's non-oil retail business or overseas
- Attitudes towards entrepreneurial opportunities within the industry and in general

- Differences between operating performance, financial results, and performance results previously forecasted by investors and analysts
- Advice or attitudes of analysts toward the company's securities or industry
- OR's liquidity traded on the stock market
- Changes in consumer behavior that affect the financial industry, general state of economy, stock market's circumstance and other events or factors
- Tighter regulations or restrictions in OR's industry as required by governmental agencies, including improvement and amendments in laws and regulations
- Tax code changes
- Fluctuations in interest rates and market prices of fixed income securities and equity instruments
- Exchange rate fluctuation and measures to control foreign exchange rates of the Bank of Thailand
- Lawsuits and investigations from governmental agencies whether credible or possibly impending
- Competitive advancement business acquisition or strategic alliances formed in the OR's industry
- Acquisition or loss of key OR personnel or competitors of OR
- Changes in market valuation methods and share prices of listed companies operating in the same manner as OR and
- Volatility of stock prices in the Stock Exchange of Thailand

The aforementioned factors and other potential factors might cause the market price and demand for OR stock to fluctuate. This might limit or prevent investors from selling their shares immediately. These factors may also adversely affect the liquidity of OR's shares. During the stock fluctuation, there is possibility that shareholders might gather to prosecute securities against OR or the issuing authority. In the event that any shareholder files a lawsuit against OR, OR might be liable for the damages and hence OR's management time allocation will also be affected.

3. Driving Business for Sustainability

OR is committed to a vision to be a global leading Thai brand that creates value for communities through its oil and retail businesses, as well as other relevant businesses. OR, under the direction of the sustainability management of PTT Group companies, aims to develop corporate sustainability, and pledges to maintain its responsibilities towards the environment, society and economic growth to create balanced value for all stakeholders.



3.1 Policies and Goals in Sustainability Management

To achieve its vision, OR continues to abide by the latest sustainability management policy announced in 2019. Operationally, OR continues to integrate the Sufficiency Economy Philosophy and Sustainable Development Goals (SDGs) into its guidelines for corporate sustainability. OR strives to conduct business while maintaining and minimizing risk to the environment, society, Governance and Economics (ESG). In particular, OR's policy of sustainability management specifies several key points such as legal compliance, regulations and international practices, and maintenance of environmental, social and economic balance. At the same time, OR takes into account all the stakeholders while lessening operational impacts throughout the value chain. OR continues to realize its strength and application of technology to drive innovation and business growth along with the society and community.

OR's policy covers the following 10 organizational sustainability frameworks



Corporate Governance



Fair and Sustainable Business Operations in the Economic Dimension



Stakeholders Management



Good Corporate Citizenship



Human Rights



Supply Chain Management



Human Resource



Innovation and Development of Excellent Business, Products, and Services



Security, Safety, Occupational Health and Environment



Corporate Reporting and Reputation Announcement



Further details about Sustainability Management Policy is available on OR's official website www.pttor.com

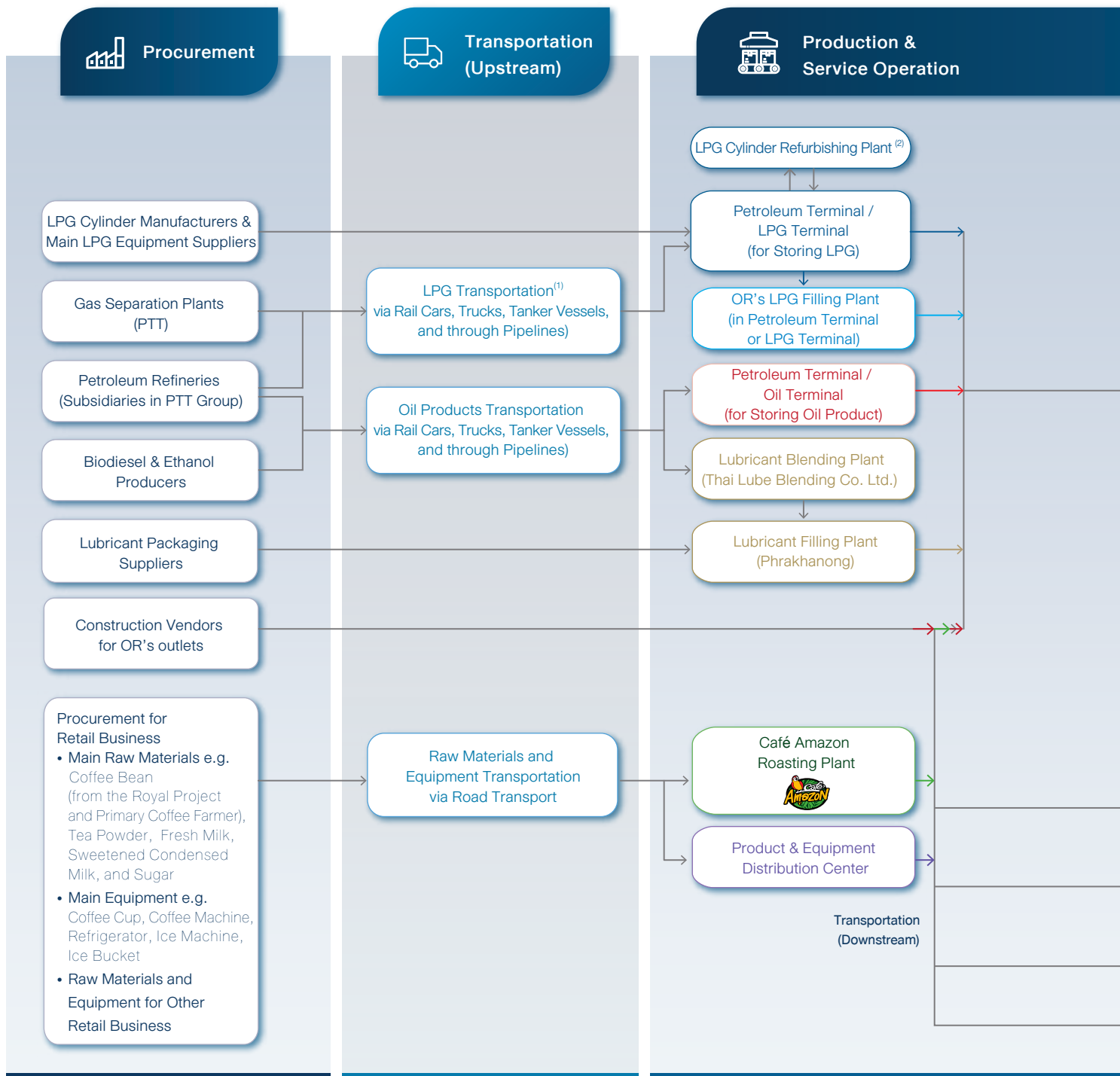


In 2020, OR formed the Sustainable Business Cooperation Executive Committee. The Committee is led by the Senior Executive Vice President of Corporate Strategy Innovation and Sustainability, and 21 representatives from different business units and other supporting agencies. The Committee is responsible for approving both Strategic Sustainability Plan and Operational Sustainability Plan, ensuring they comply with PTT Group policies. Other tasks also include consideration for approval of OR's sustainability key points, promotion of sustainability in operation within different sectors, and approval of OR's annual sustainability report.

3.2 Stakeholders Management

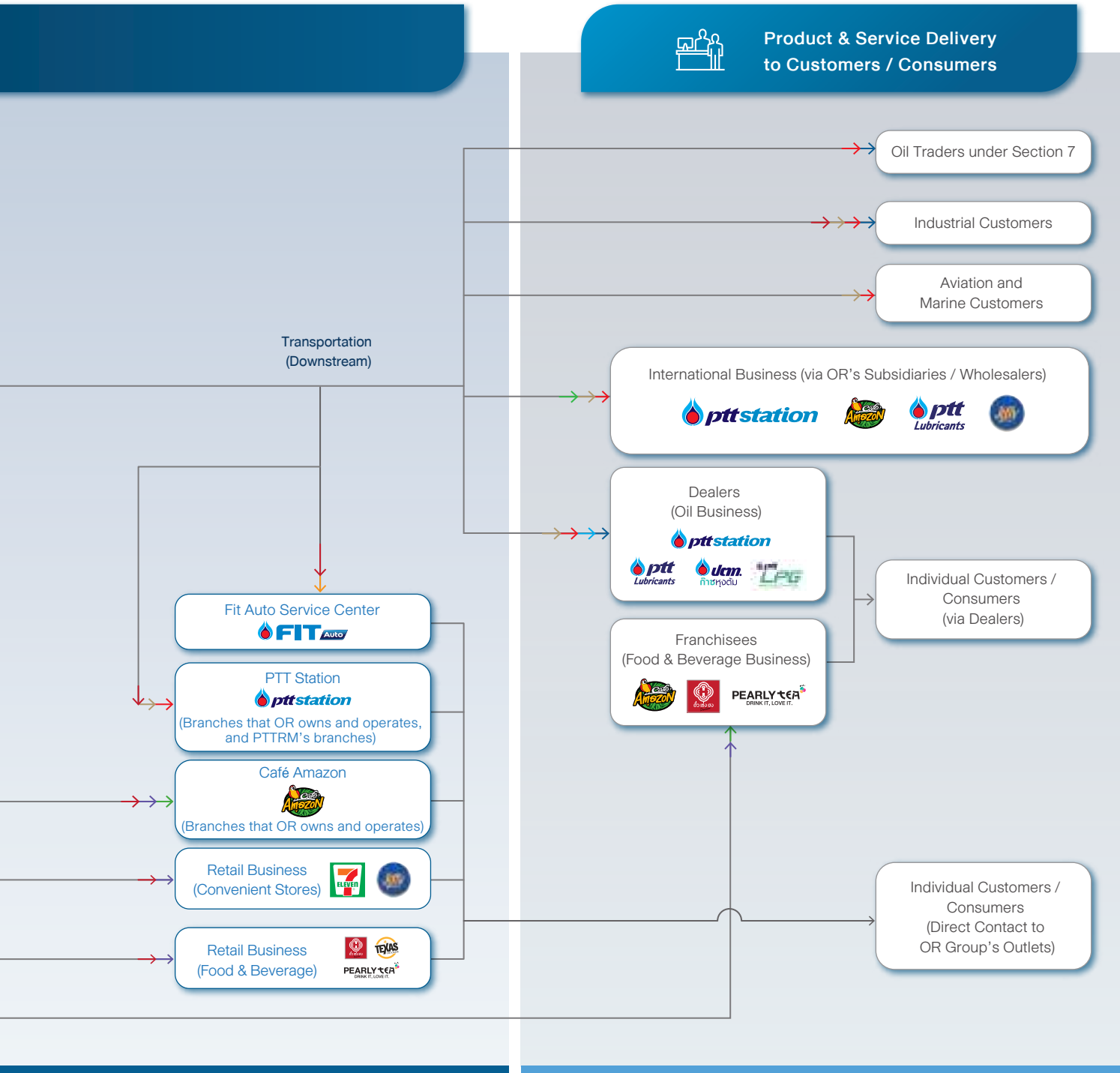
3.2.1 Business Value Chain

OR implements its business value chain while recognizing the significance of all stakeholders. OR continuously identifies stakeholders and analyzes their place within the value chain, while engaging them and addressing their expectations and concerns. This accumulates in fulfilling the stakeholders' expectations by addressing any of their concerns, thus making the business value chain efficient.



⁽¹⁾ LPG from PTT's Gas Separation Plants is transported through pipelines to Khao Bo Ya LPG Terminal and Ban Rong Po LPG Terminal, then further transported via rail cars, trucks, tanker vessels to other LPG terminals or petroleum terminals. Petroleum refineries are additional LPG supply source as well.

⁽²⁾ LPG cylinders at all sizes are sent back to petroleum terminals or LPG terminals when they are due for legal safety testing or they deteriorate in unacceptable level. Those LPG cylinders are forwarded to LPG cylinder refurbishing plant for testing, restoring, painting, and completing cylinders in order to get ready to use for filling LPG again.



3.2.2 Analysis of Stakeholders in Business Value Chain

3.2.2.1 Stakeholder Identification

OR's stakeholders can be categorized into 6 groups



3.2.2.2 Analysis of Stakeholders in Business Value Chain

OR conducts its business with a focus on creating a balance of participation and shared values for all stakeholders by setting strategies that create engagement with different stakeholder groups based on the suitability of the opportunity and the level of the relationship, both in the formal and informal form. The mission is to drive positive change and reduce the negative impact that may occur to all groups of stakeholders involved. OR's relationship management in 2020 with stakeholders can be summarized as follows:

OR's relationship management



To ensure the effectiveness of OR's stakeholder engagement strategy, OR has conducted workshops with the relevant departments in analysis of identification and prioritization of stakeholder groups, as well as establishment of strategies and work plans in creating stakeholders' engagement that is consistent with the AA1000 Stakeholder Engagement Standard. The performance results are as follows

Key stakeholders	Engagement-building guidelines	Concerns or expectations	Guidelines for addressing concerns or expectations
Country 	<p>Cooperating with government sectors in terms of environmental activities</p> <p>Constant performance reports to government sectors</p> <p>Regular meeting with government sectors</p> <p>Correct and complete performance report to the relevant government agencies</p>	<p>OR's business policy associated with renewable energy that may affect the business operations</p> <p>OR's involvement in creating economic growth, income distribution in the country, as well as improving the quality of life and build the community's economy at a local level</p> <p>OR's business operations which have caused environmental impacts such as greenhouse gas emissions</p> <p>OR's business operations adhering to Circular Economy principles which focus more on reducing domestic resources consumption</p>	<p>Support relating governmental sector's policies</p> <p>The integration of renewable energy, clean energy, energy consumption, reduction of waste from business operations to support the future transition of energy, as well as environmental concerns</p>
Shareholders 	<p>Create and ensure ROI for shareholders</p> <p>Communicate the information relation business operation with investors, investment analysts, and shareholders in a complete, transparent and timely manner via appropriate communication channels on a regular basis</p> <p>24-hour basis customer service available through 1365 Contact Center</p>	<p>The continued growth of OR's business performance amid the challenges and volatility of the business context</p> <p>Business strategy adjustment to be in line with the ESG guidelines, an international business framework</p>	<p>Applying the ESG principles as a guideline of strategy and business plan establishment and success indicators according to 3P (People Profit Planet) and ESG</p> <p>To research and invest in new S-Curve businesses to enhance the capability of ROI</p> <p>Prepare and disseminate the ESG report to raise awareness and confidence among shareholders and all groups of stakeholders towards OR's business operations</p>

Key stakeholders	Engagement-building guidelines	Concerns or expectations	Guidelines for addressing concerns or expectations
Business Partners 	<p>Conduct business operation with transparency, ethics, and fairness</p> <p>Mutual development in efficiency enhancement and business growth</p> <p>Build and develop good relationships through meetings, seminars and site visit in an appropriate frequency</p> <p>Business Partners' evaluation on post-delivery and services</p> <p>Arrangement of training to provide knowledge on business ethics and Labor Practices Safety standards that are in line with OR's way of conduct</p> <p>Conduct business partners' annual satisfaction survey</p> <p>Receiving feedback via 24-hour basis 1365 Contact Center</p>	<p>Compliance with rules and regulations regarding OR's procurement procedures which are complex and time consuming</p> <p>The effects which might occur from the implementation of ESG principles in business partner treatment and the value chain accordance with OR's policy</p> <p>The concerns over the continuity of agricultural product purchase from local enterprises for OR's business operation</p>	<p>Improve work process efficiency regarding the procurement</p> <p>Establish procedures in working with business partners to address concerns and build cooperation to improve ESG operations according to OR's policy</p> <p>Provide knowledge and development of community enterprise regarding agriculture, production, and distribution, in order to ensure that agricultural produces from local communities meet OR's standards and help create mutual business growth in a sustainable manner</p>
Community and Society 	<p>Conduct the business while taking into account the impact to the society and local communities in the area of OR's business sites</p> <p>Be a part of community development in quality of life and local economy, and make that the company's way of business conduct</p> <p>Build more trust and better relationship with local communities surrounding OR's business areas by arranging various CSR activities, site visit to meet and communicate with local communities, organize Open House activities for Petroleum, Gas, and Oil Terminal for the people and the reporters in local communities</p>	<p>Safety and environmental impacts which may have been caused by OR's business conduction. Put an emphasis on safety and environmental operations of Petroleum, Oil, and Gas Terminals</p> <p>OR will contribute to environmental impact reduction to help minimizing the severity in natural disaster</p> <p>Safe product transportation</p> <p>Community development through employment and revenue creation for betterment of life quality</p>	<p>To strictly follow the relating operation manuals</p> <p>To monitor and follow up on safety and environment and ensure the standards are met and communicate the follow-up results to the local community</p> <p>Develop environmental-friendly products such as gasohol and diesel (B10, B20) which contributes to the reduction of PM2.5</p> <p>To find the solution to lesson any impacts from OR's business operations, such as setting the time for petroleum transportation to prevent traffic jam, and avoid the use of main road during long weekends and festivals</p>

Key stakeholders	Engagement-building guidelines	Concerns or expectations	Guidelines for addressing concerns or expectations
	<p>Conduct survey on local communities' satisfaction</p> <p>Receive feedback via 24-hour basis 1365 Contact Center</p>	<p>The movement of global activist towards environment and human rights makes it crucial for the company to reflect more on ESG principles</p> <p>Reducing social disparity in terms of physical dysfunction, income levels, gender and age differences</p>	<p>Promote a business model that creates participation with society and communities, and be a part of quality of life and the community economy development in the form of Corporate Shared Value (CSV) or social enterprise such as the Café Amazon for Chance project (the employment of the hearing impaired and elderly as baristas at Café Amazon), the procurement and sourcing of local coffee beans, the research and development project for coffee planting and production in natural resource conservation system for sustainable development, in cooperation with the Royal Project Foundation, the development of coffee cultivation with the administrative center of the southern border Yala province, and Thai Det project.</p> <p>Developed PTT Stations under the concept of "Living Community" to be the center of the community which truly belong to the people in the society and surrounding communities, meeting the needs of society, communities and travelers</p> <p>Provide opportunities for people in society and communities to work under OR's brand of products and services to create more career and generate income</p> <p>Provide spaces in PTT Stations for farmers, community citizen and SMEs to sell products and services. This helps generate income, promote local knowledge and product innovation</p>

Key stakeholders	Engagement-building guidelines	Concerns or expectations	Guidelines for addressing concerns or expectations
Customers Consumers 	<p>Apply customer/consumer requirements as an early stage in business model design</p> <p>Build knowledge and understanding of OR's business strategy and direction for customers who are OR's dealers, such as organizing annual dealer seminars (PTT Station distributor, filling plants shops for cooking gas, distributor of PTT Lubricants products, road show by region with Café Amazon franchisees)</p> <p>Make a site visit with dealers and franchisees on a regular basis at an adequate frequency</p> <p>Evaluate product and service quality standard by OR and mystery shopper on a regular basis and specified timeframe</p> <p>Training sessions for efficiency enhancement of related personnel (shopkeepers, maids, baristas, dealers, franchisees etc.)</p> <p>Yearly customer satisfaction surveys OR's Order Management Center with full customer support</p> <p>Receiving feedback via 24-hour basis 1365 Contact Center</p>	<p>Constant development on products and services' quality, standards and variety to maintain the market leader position</p> <p>Safety, occupational health, and environment under OR's products and services</p> <p>Transparency and fairness in business conduct with business partners and clients</p> <p>Quick response for support or assistance</p> <p>Access to high quality energy with efficiency in consumption at the reasonable price</p> <p>Continuity in mutual sustainable business growth with adequacy in safety, occupational health, and nutrition of OR's food and beverage brands</p>	<p>Take suggestions and complaints for analysis and quick fixes in a systematic manner</p> <p>Organize workshops for product quality improvement of suitable workplace</p> <p>To create Knowledge Base (KB) within necessary and relevant sectors for responsive customer service regarding inquiries</p> <p>Development of innovation, business ecosystem and digital technology to upgrade the level of customer service in a comprehensive manner</p> <p>Set quality standards for food and beverages, along with creating new menus and drinks that are in line with good nutrition for health</p> <p>Innovation and technology development towards clean energy and efficiency in consumption to support future demand</p>

Key stakeholders	Engagement-building guidelines	Concerns or expectations	Guidelines for addressing concerns or expectations
Employees 	<p>Implementation of 5E: envision, explain, execution evaluation, and engagement principles in work and cooperation</p> <hr/> <p>Communicate necessary information via Town Hall meeting between executive management and employees in all levels, annual site visits throughout OR's regional worksites for opinion exchange with employees, welfare committee quarterly meeting, policy establishment regarding safety in work during COVID-19 crisis</p> <hr/> <p>Conducting an annual Employee Engagement Survey</p> <hr/> <p>Receiving opinions via various channels (LINE group and intranet)</p>	<p>A clear and flexible corporate strategic direction for the rapid change of business environment</p> <hr/> <p>Seeking proactive business opportunities</p> <hr/> <p>Suitable working environment and spaces with good condition equipment ready to use, and welfare regarding safety in work</p> <hr/> <p>Creating opportunities for career growth and welfare advancement, with emphasis on diversity, ensuring the message is communicated throughout the organization</p>	<p>To continuously encourage and develop employee's skills and knowledge based on OR's Human Resource Development plan</p> <hr/> <p>To improve and design the new model, working space, and equipment through technology Flexi Time, Work from Home, Virtual Meeting</p> <hr/> <p>Establish practice guidelines for safety and occupational health of employees</p> <hr/> <p>Establish human resource policy that widens and embraces diversity in recruiting and treatment of employees without discrimination</p> <hr/> <p>Prepare a Succession Plan for career growth in various professions and positions</p>

3.3 Sustainability Management in Environmental Dimensions

3.3.1 Environmental Policies and Practices

OR operates business according to the environmental practices that are compatible with the guidelines stated in Quality, Safety, Health and Environment Policy (QSHE). This policy defines how to build an organizational culture in terms of QSHE, management system, legal compliance, and relevant standards while focusing on the prevention and the minimization of environmental impacts that arise from OR's operations. Quality, Safety, Health and Environment Policy (QSHE) also covers other enterprises operated by OR including dealer and business partners in order to ensure that environment-related operations are carried out under a unified standard. This is considered within the development of operational capability's limitation, in accordance with internal standards that are agreed upon by stakeholders.

3.3.2 Environmental Management and Performance

3.3.2.1 Climate Change Management

OR places an emphasis on operating under the "Low Carbon Society" concept. OR also mitigates risks and adapts to climate change as outlined in the Quality, Safety, Health and Environment Policy (QSHE). OR also assigned a QSHE Vice President and a Sustainability Management Project Head of in order to support the operations in accordance with PTT Group Clean and Green Strategy. Furthermore, QSHE department is responsible for collecting analysis and monitoring relevant information regarding policies and the targets of OR's Clean & Green Strategy.

In addition, with awareness of the climate change and energy transition risks, OR therefore defines these as risk issues throughout the organization's annual "Process of Risk Assessment". OR continues to communicate with strategic units to ensure that they are fully aware of climate change and the need for energy transition with the goal that all facets of business operate with consideration and awareness towards climate challenges and the transition to sustainable energy.

3.3.2.2 Energy Transition

OR is fully aware that the world's Energy Mix is anticipated to change in the near future. A transition to clean energy will likely result in a decline in the fuel consumption, which poses a threat to fuel suppliers. However, this transition also creates opportunities for OR in terms of the adaptation and growth.

For oil business sector, in the immediate future the transportation sector will continue to use petrol as a primary source of energy. However, it is possible that the volume of fuel consumption may drop, especially in consumer groups utilizing electricity vehicles (EV). It is speculated that the proportion of electric vehicle users will significantly increase in the next 10-15 years, especially in the environment-cautious urban consumers. However, consumers on a broader scale still consider the application of electricity vehicles in performance contexts, such as battery performance, maintenance, and the availability of charging stations. These may be the important indicators for industries providing services regarding mobility in the future.

In response to the transition to electricity vehicles, OR therefore brings out the strength of PTT stations which are a wide range of consumer's touchpoint in accessing new energy sources. OR has already installed Electricity Vehicle Charging Stations inside 25 PTT Stations and plans to expand continuously in an effort to create a nationwide travel route. Apart from this, OR also researched and established an automotive service center, FTT Auto, in order to inspect and conduct maintenance of electricity vehicles while analyzing data with Big Data Analytics to design EV Ecosystem-related products and services suitable for future consumers, as well as to create OR's sustainable growth in the era of energy transition.

3.3.2.3 Efficiency in Energy Consumption

OR encourages all enterprises in efficient energy consumption. Each sector improves its energy efficiency through the collection of energy consumption's data. These results are analyzed constantly to ensure energy efficiency. Energy use is also monitored by QSHE. Since 2019, OR has included energy conservation into its business model and started serious energy conservation which would benefit OR in the form of business cost reduction.

Within its worksites, OR has implemented several measures to ensure the efficient use of energy. These include regular maintenance of equipment and machines, avoiding fuel transportation during peak traffic hours, and replacement of energy-saving light bulbs. Also, energy-saving specialists are stationed in oil and petroleum terminals for efficient energy consumption management.

For PTT Stations, OR applies the Deployment of Renewable Energy guidelines to enable energy transition and reduce fuel costs through installation solar of power system generating power for the station's signs and the digital fuel price display, research and development of solar power generator system as clean energy source for the consumption within the PTT Stations. As of now, OR has installed solar power system at 5 PTT Stations, and plans to expand in the near future.

3.3.2.4 Environmental Products

OR is determined to reduce the environmental impacts from production processes and encourage consumers to be a part of this through the use of OR's products or services. In accordance with this goal, OR supports the government's initial projects of Biofuel sale (fuel mixed with B100 biodiesel and ethanol), which is one of the products under the Group Clean and Green Strategy, which primarily focuses on reducing the amount of direct and indirect greenhouse gas emissions while increasing the income proportion from the low-carbon products.

3.3.2.5 Water Management

OR conducts water management according to PTT group's water management strategic plan, which sets comprehensive guidelines for the assessment of risks and impact to water from the company's water management, considering the possibility of stakeholder conflicts. The guidelines include monitoring and analysis of water quality and reports on the water quality in the areas where OR operates to set goals and directions for water management.

In 2020, OR set the target to reduce and monitor water consumption in the Phrakanong office building. Collected data from all enterprises is reported and recorded into SSHE Performance Database regularly.

3.3.2.6 Wastewater Treatment

OR has guidelines regarding wastewater treatment from the operation of petroleum terminals, PTT Stations, Café Amazon, and Texas Chicken which may be contaminated with oil and grease drained into the environment. In response to this concern, OR has installed an efficient grease trap system for all petroleum terminals, PTT Stations, and Café Amazon, and Texas Chicken. OR regularly inspects the quality of wastewater to ensure that the standards are met in all areas.

Currently, OR uses the centralized wastewater treatment system as the standard for all PTT Stations nationwide, which is the same standards of those in industrial factories or large shopping malls. The system collects all wastewater from restrooms, restaurants, coffee shops, and other activities within PTT station and integrate into the centralized wastewater treatment system, which helps increase efficiency in wastewater treatment to meet the standards stipulated by law before discharging into public drainage systems.

3.3.2.7 Air Pollution Control

OR maintains air pollution control with the targeted goal that all discharged air pollution from OR's operations comply within the laws and regulations. One of the challenges OR faces is the emission of Volatile Organic Compound (VOC) generated from OR's operations relating fuel storage, transportation, and trading. Therefore, OR has created the VOC Inventory List for Petroleum terminals which is updated annually and VOC evaporation amount is continuously monitored in designated areas. OR focuses on system development and application of new methods and devices to reduce VOC evaporation into the environment, such as changing the fuel drainage from top load draining to the bottom load, which helps lessen fuel evaporation during fuel transportation. OR also installed devices in fuel nozzles that sucks vapors back into the fuel storage system. These Vapor Recovery Unit (VRU) are now installed at all PTT Stations operated by OR, and oil, petroleum, and LPG terminals such as Phrakanong Terminal Lamlukka Terminal, Saraburi Terminal, Surattani Terminal and Songkla Terminal.

PM 2.5 Reduction Project

An increase in the severity of PM 2.5 every year has drastically impacted people's health and life especially in the heavy-traffic metropolitans. A research reveals that the major cause of this problem is the diesel engines with incomplete combustion, which release the emission to the atmosphere via exhaust pipes.

Due to the circumstance, OR has taken these problems into account by cooperating with the Pollution Control Department in terms to solve the problem of small dust pollution at the national level through the following products and services:

- **Low-sulfur diesel products** which sulfur is lower than the standard value (50 ppm) regulated by the law. They help reduce PM 2.5 and have been sold in Bangkok and metropolitan areas. The reduction of sulfur content in diesel fuel can help reduce dust and sulfur dioxide problems, as the sulfur in the oil is generated when combusted and then combine with other pollutants to form small particles (PM2.5).
- **B100 biodiesel-blended diesel** OR is the nation's first market leader by selling high quality and purity UltraForce Diesel B10 containing B100 biodiesel

certified by the Japan Automobile Manufacturers Association (JAMA), resulting in complete combustion. Helps reduce black smoke and reduce PM2.5 dust emissions compared to conventional diesel fuel. OR has also accelerated the expansion of UltraForce Diesel B10 outlets nationwide to support palm farmers while preserving the environment. OR also supports the Ministry of Energy's policy to promote the use of Diesel B10, has been announced as the country's standard grade diesel from October 1, 2020 onwards. Furthermore, OR sells B20 diesel to the customers in transportation sector such as truck, pickup trucks and public buses of the Bangkok Mass Transit Authority (BMTA) and the Transport Company Limited (TLC).

- **PTT Lubricants (Performa Euro Syn and Dynamic Super Commonrail)** have been developed for the new diesel engines according to the Euro V emission standard with the most complete fuel combustion. It's suitable for cars equipped with Diesel Particulate Filter (DPF) to filter and burn Particulate Matter (PM) into other gases, which helps reduce and control the amount of PM 2.5 emissions into the air with less than 0.005 gram per kilometer remains. This amount is 5 times lower than the PM 2.5 standard of Euro IV engines.



3.3.2.8 Waste Management

OR is committed to reducing the amount of waste produced from its operations through business conduction in accordance with ecological principles by extending product lifespan and promoting optimal use of resources by utilizing waste from one process for other purposes. OR has a guideline for waste management which includes garbage sorting, promotion of reusing and recycling the waste as production material of other products in collaboration with experts or agencies in various sectors. For example, the recycling of plastic waste collected for “Yak Lak Yim” (sorting for a smile) project, participation in the “Touch Green” project, a collaboration with PTT to encourage employees in the Phra Khanong office building and the Eastern Petroleum Terminal to separate different types of waste and send them to the recycling center, and collaboration with PTT Global Chemical Co., Ltd. (GC) to deliver the partially-used plastics obtained from various projects to be used as raw materials to produce shirts made of plastic fibers, including the use of coffee grounds for furniture production to be used in Café Amazon.

Additionally, OR has put in place the “Zero Waste” project in PTT Stations to efficiently manage garbage at its point-of-origin. This project includes the Waste Management’s Operation and Learning Center, which utilizes garbage generated from PTT Stations to the fullest while reducing the amount of waste and emissions of greenhouse gas. The project also aims to recycle wastewater while mitigating environmental impacts and produce multi-purpose cleaning agents used within PTT Stations.

3.3.2.9 Oil and Chemical Spills

The incidents of oil and chemical spills affect not only the environment and surrounding community but also the company’s image and reputation. Consequently, OR continues to focus on preparation and response to incidents of oil and chemical spills by establishing countermeasures that ensure the readiness of equipment and personnel. OR continues to practice its emergency plans annually for all oil and petroleum terminals, and airport depot, as well as providing equipment for emergency incidents of oil and chemical spills in all areas. This allows OR to take immediate action to spill and leak incidents. OR also collaborates with Oil Industry Environmental Safety Group (IESG) in fundraising for the procurement of equipment to respond to the incident of spill and leak.

Furthermore, OR practices are based on PTT Group Company’s Environmental Restoration Guidelines in the event of a spill or a leak that might impact the environment. OR also established the recovery plan in the event of an emergency incident and carries out fire and chemical spill drills every year.

3.4 Sustainability Management in the Social Dimension

3.4.1 Social Policy and Practice

OR places an emphasis and awareness on promoting human rights in business conduction in a responsible and sustainable manner, and therefore announced the Human Rights policy of the OR Group Company in 2020, adhering to the Universal Declaration of Human Rights by the United Nations Guiding Principles on Business and Human Rights (UNGPs), including compliance with international and local laws of the countries where OR operates. The Human Rights policy of OR is also in line with other internationally accepted Human Rights standards and practices.



Further details about
the Human Rights policy of
OR Group Company on OR’s
website at www.pttor.com



In 2020, OR carried out a comprehensive risk assessment of Human Rights to identify high risk Human Rights issues and created a registry for Human Rights risks. The company also prepared a management plan of Human Rights to reduce potential impact of those risks, and identified Human Rights risks that may occur with stakeholders such as employees, customers, consumers, business partners, employees of business partners, and the local communities. The risks cover the value chain of the organizational business process from procurement, transportation, production, operation, all the way to the transportation of products and services to customers and consumers. The risks OR considered is as follows.

1. Working Conditions
2. Occupational Health and Safety
3. Freedom of Association and Collective Bargaining
4. Illegal Forms of Labor
5. Vendor Discrimination
6. Community Health and Safety
7. Community Standard of Living
8. Community Access to Water and Sanitation
9. Land Acquisition
10. Customer / Consumer Health and Safety
11. Data Privacy for Customer / Consumer
12. Customer / Consumer Discrimination

3.4.1.1 Human Resource Management

In 2018, PTT Public Company Limited separated its oil business unit from PTT and established PTT Oil and Retail Business Company Limited or OR. Ever since, Human Resource Management has been one of OR's major challenges. OR is fully aware of the importance of its employees and how vital they are as an engine to drive OR's businesses smoothly through transitions and towards stable growth and sustainably. Therefore, OR takes care of employees equally and accepts differences while respecting all fundamental human rights. OR also focuses on recruiting outstanding personnel who possess both intelligence and morality and are ready to learn and develop themselves in order to have a wide variety of skills to respond to the business direction of the organization.

OR sets guidelines for Human Resource Management systematically and creates transparent, fair and verifiable policies that focus on encouraging employees to continuously develop their knowledge, skills, and abilities. OR also has a systematic human resource recruiting process focusing on recruitment of knowledgeable and competent personnel that are consistent with "OR's DNA in terms of Human resource development and retention. Furthermore, OR is committed to become a desirable organization that can take care of and retain excellent, smart and competent employees in the long-term through motivation and incentives for employees, while cultivating corporate values and building a commitment to cooperation. OR believes happiness in work and good relationship with the organization will result in employee's performance efficiency and ultimately leads to the organization's sustainable business growth.

3.4.1.2 Treatment of Customers and Consumers

Based on the expectation of Stakeholders for business sector provide healthy and safe products and services, OR is cautious and aware of its business operation nature which include direct interaction with customers and consumers via both oil and retail business, which covers the food and beverage business that is constantly expanding. OR therefore focuses on efficient customer relation management to increase the level of customer satisfaction and strengthen the relationship between OR and consumers. In addition, OR prioritizes the importance of health and safety for customers by maintaining the quality of products and services in accordance with international standards. OR selects quality products that meet consumer's needs such as healthy food and beverages, which showcases OR's true responsibility and care for customers and consumers.

OR applies practices in all businesses and brands that ensure the delivery of quality products and services to consumers, while respecting and protecting the privacy of customers and consumers' information. OR has established channels for complaints and feedback regarding its products and services. Customers can express opinions, concerns, and suggestions via 1365 Contact Center and social media 24 hours a day. Once OR receives the feedback or complaints, it will conduct investigation, take corrective action, and report back solutions and prevention without delay, to show sincerity in responding to complaints and to build confidence with consumers or complainants to return their trust in OR products and services.

3.4.1.3 Treatment of Business Partners

According to OR's business value chain, business partners or partners such as product or service providers, including labor and service contractors, are regarded as significant factors in the success of OR. As such, OR complies with business partners guidelines according to Human Rights Principles to have no discrimination against business partners. OR continues to ensure that business partner's operations and their employees comply with OR's stringent health and safety regulations. Additionally, OR conducts a screening process that comply with human rights guidelines when selecting business partners, with the goal of human rights promotion and support. Furthermore, OR monitors key business partners by communication, company visit, and evaluation of quality and sustainability management of its business partners' worksites. In the event that OR found any human right violation, OR will take immediate action on countermeasures implementation. OR expects all business partners to have a remedy for those affected by human rights abuses as a result of their activities or any actions involved that cause the violation.

3.4.1.4 Local Community Engagement

Due to OR's business model which directly provides services to consumers and is closely engaged with the community, OR prioritizes the importance of excellent service delivery while building relationships that develop the local community. This aligns with OR's visions as the global leading Thai company that contributes to the benefit of society and the community. OR will continue to enhance the quality of living, strengthen

the community, and the economy in the areas where it operates while creating value to all stakeholders equally.

Creating value to society has always been one of OR's major corporate missions along with business development. Therefore, OR abides by a "Policy of Reputation Management and Social Enterprise" as an operational guideline that integrates the concept of awareness towards OR's impact on society, community and environment as well as stakeholder engagement which allows all groups of stakeholders to mutually design a corporate business model that yields mutual benefits and values toward every stakeholder evenly.

3.4.2 Management and Operating Performance in the social dimension

3.4.2.1 Employee Management

OR complies with Human Rights principles from hiring to caring for its employees, to ensure they feel connected as a part of the family with the organization. The company disclosed a detailed report regarding employees in the 2020 Sustainability Report which included the following key topics:

- **Employee Retention** OR applies various practices, such as the arrangement of Town Hall, where the executive management can communicate with employees about corporate business for employees to better understand the business direction and motivate them to continue their work with the company. OR also allows employees to rotate their roles internally to gain diverse skills and experience. Moreover, OR adjusted more flexibility of regulations and welfare to respond to the needs of employees from different generations, for instance, allowing employees to select flexible working hours according to their lifestyles, as well as welfare customization according to their needs. The results of the employee retention evaluation through the annual turnover rate indicators showed that in 2020 the turnover rate of employees accounted for 1.15% of the total workforce.
- **Cultivating Corporate Value.** The SPIRIT value, according to PTT Group's practices, is the key element that ensures the behaviors of OR employees to value both intelligence and morality. In 2020, OR's employees scored 74% of SPIRIT value commitment.

In addition, OR has initiated a unique identity "OR DNA" to be used as corporate values in business operations in line with PTTOR Group's SPIRIT values. OR DNA has been designed and started in 2020 as desirable behaviors that are expected to be demonstrated and developed by all executives and

employees in order to maintain OR's robust culture. In 2020, OR DNA was focused on Down-to-Earth and Empowered, which are critical features urgently needed in retail business, which the nature of business requires close and direct contact with customers.

The SPIRIT work culture will be the cornerstone of PTT group in enhancing its competitive, leading the organization to excellence, as well as reflecting the image of OR Group as an organization that creates value and takes pride in sustainability of the society, community and the country as a whole.



CONSIDERATE

DOWN-TO-EARTH

EMPOWERED

INNOVATIVE
ENTREPRENEURIAL
COMITTING TO RESULT

DEPENDABLE

- **Building Corporate Engagement.** OR established a policy to enhance employees' happiness and relaxation at work. This includes "Flexible Working Hours" and "Work from Home". Furthermore, OR arranged various activities for employees such as OR Family Day, retirement ceremony, and best employee ceremony. OR continues to care for employees' safety and wellbeing, especially during the COVID-19 outbreak in 2020. OR established measures to prevent the spread by distributing face masks and alcohol gel as well as implemented "Work from Home" measures to avoid congestion at work. Consequently, the survey on employee's corporate engagement illustrated that employee's corporate engagement rate was 77% in 2020.
- **Safety, Occupational Health and Working Environment.** In 2020, OR formulated training curriculum regarding the safety of relevant employees and workers in PTT Stations such as station managers and executives, fuel-filling staff, and security officer. OR continues to accelerate employee's safety skills and ensure that all operations are carried out according to safety standards by arranging 10 safety training sessions for occupational health in the working environment, with participation from 470 employees. OR's 2020 safety performance could be summarized as follows:

Performance Results of Safety and Occupational Health Lost Time Injury Frequency Rate (LTIFR)

*unit: case/ 200,000 hours

	2019	2020	Target
Employees	0	0	0
Subcontractors	0.015	0	0

Total Recordable Incident Rate (TRIR)

*unit: case/ 200,000 hours

	2019	2020	Target
Employees	0	0	0
Subcontractors	0.022	0.0061	0.007

Total Recordable Occupational Illness Rate (TROIR)

*unit: case/ 200,000 hours

	2019	2020	Target
Employees	0	0	0.066
Subcontractors	N/A	N/A	N/A

3.4.2.2 Customer and Consumer Operation

OR constantly develops products and services to meet customer satisfaction with responsibility, morality and ethics. In addition, OR has carried out annual customer's satisfaction surveys to analyze performance and finalize a plan with success indicators for each business unit in terms of OR's products and services development and improvement. The result of 2020 customer's satisfaction survey is as below.

Satisfaction survey results Customer Service (1365)

Based on enquiries/suggestions/compliments

scored 4.76 points
out of 5 or

95.2%



Based on complaints

scored 4.82 points
out of 5 or

96.4%



Customer Satisfaction ⁽¹⁾



91%

Consumer Satisfaction ⁽²⁾



96%

(1) "Customer" under the scope of satisfaction survey includes customers in the groups of business, industry, government, aviation, container ship, overseas customer and OR's sale representatives.

(2) "Consumer" under the scope of satisfaction survey covers individual customers or consumers that purchase or use OR's products and services, for instance, PTT Station, Café Amazon and LPG.

In 2020, OR received contacts from customers via several channels totaling 734,993 times, with complaints accounted for 11,596 times.

3.4.2.3 Creating Values for Society

OR conducts business with responsibility towards the community and society, while placing an emphasis on lessening environmental impacts and avoiding any operation that may cause negative consequences to the surrounding communities of OR's enterprises. In 2020, no complaints were filed to OR from the community in terms of society and environment. This is a testament to OR integrated concept of environmental and societal impacts consideration as part of business operation. OR promotes business operation by creating shared value (CSV) between business, society and community, and develops social enterprises that create equity for the disadvantaged by emphasizing inclusiveness of all stakeholders. Examples of ongoing projects are as follows:





Thai Det

Thai Det project is initiated in 2018 to develop, create and add value to any products derived from local wisdom as well as create opportunity for community businesses to grow sustainably in accordance with OR's Social Inclusiveness concept. The project aims to generate benefits to the community by allowing community members and SMEs to mutually design business

models with OR, setting the concept of developing OR's PTT Station to become community center or "Living Community" for everyone in surrounding areas. In 2020, 201 local enterprises and 150 PTT Stations across the country participated in this project.





Café Amazon for Chance

Café Amazon for Chance is one of the social enterprise projects using Café Amazon's success and strength to create values for society. This project focuses on the career development of disabled and elderly people under the social enterprise business concept which help develop sustainable society.

Currently, 10 branches of Café Amazon employ elderly people and baristas with hearing disabilities. In 2020, OR was able to create careers for 20 hearing disabled people, 2 intellectually disabled people, 7 elderly people and 3 disabled soldiers and families, and plans to expand the program continuously.



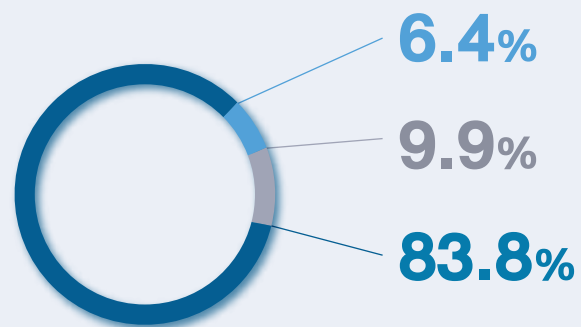
COVID-19 Related Community Activities

The COVID-19 crisis, a global health crisis which began in early 2020, has been affecting businesses and people's lives around the world. Consequently, OR has taken measures to prevent the occurrence of oil shortage in 1,997 PTT stations nationwide. In addition, OR implemented countermeasures for employees in prevention of COVID-19 spread such as temperature check, surgical or fabric masks regulations, providing alcohol gel to petrol drivers and carriers at fuel terminals and PTT stations. Additionally, the implementation of measures in both domestic and cross-border transportations results in no interruption of the supply of oil and fuels, and the people in Thailand had sufficient oil supply and were able to maintain the livelihood without disruption.

OR donated medical equipment and distributed alcohol gel to hospitals and clinics surrounding OR's enterprises nationwide. Thus, OR contributed in helping alleviate the shortage of medical and nursing units, making volunteer doctors, nurses, safe, ready and able to provide continuous service to the public.

In 2020, OR spent a total amount of THB 134.9 million on operations that create value in communities. The spending proportion in the operations for society is as follows:

Social Work Model	Amount
● Donation ⁽¹⁾	THB 8.6 Million
● Community Investment ⁽¹⁾	THB 13.3 Million
● COVID-19 related Activities ⁽²⁾	THB 113.0 Million
● Total Expenses	THB 134.9 Million



⁽¹⁾ The expenses in operations for society includes donation and the implementation of social projects whose scope covers OR's corporate level and the operation related to community surrounding petroleum terminals, gas terminals. The amount, however, excludes social contribution of each business unit responsible for selling products and services under various OR brands

⁽²⁾ The expenses in social activities relating to the COVID-19 crisis totaled over THB 116.5 million from all OR departments. The partial amount of donation and some expenses were categorized as donation and community investment.



4. Management Discussion and Analysis

Executive Summary

Financial Highlights

Unit : THB Million	2019	2020	Variance
Total Sales and Services	577,134	428,804	(25.7%)
EBITDA	17,005	17,619	3.6%
Net Profit	10,896	8,791	(19.3%)
Earnings Per Share (THB/share)	1.21	0.98	(19.0%)

2020 Performance

In the fiscal year 2020, PTT Oil and Retail Business Public Company Limited ("OR") and its subsidiaries ("OR Group") recorded total sales and services in the amount of THB 428,804 million, a decrease of THB 148,330 million (-25.7%) from the previous year. This was primarily attributable to (1) the significant declines in global petroleum product prices during the period, attributable to a combination of the price war between the Organization of Petroleum Exporting Countries (OPEC) and Russia, which unexpectedly increased global oil supply coupled with a reduction in global demand for petroleum products attributable to the COVID-19 pandemic, and (2) decreases in our volumes of petroleum products sold as a result of the COVID-19 pandemic in Thailand, where the government imposed widespread travel restrictions,

closure orders, quarantines, curfews and other government measures intended to contain the COVID-19 pandemic in April 2020. Nevertheless, sales volumes began to increase accordingly when the Thai government began easing COVID-19 control measures in May 2020. By 4Q/2020, the sales volume increased to almost the pre-COVID-19 level, except for jet fuel that was still affected by international flight restrictions and the significant decrease in global air travels, and expect LPG for the household sector that also declined due to the Thai economic slowdown. The Non-Oil business segment experienced a reduction in sales from convenience stores, while the International business segment also experienced a decline in sales volume and selling price, particularly in jet fuel (Jet A-1).

OR recorded an EBITDA of THB 17,619 million in 2020, an increase of THB 615 million (+3.6%) from the previous year. Some of this was due to the adoption of TFRS (Thailand Financial Reporting Standard) 16 "Leases," where leases that were once under operating expenses are now under depreciation and amortization, which caused the EBITDA to increase by approximately THB 1,361 million. Although gross profit decreased by THB 948 million (-2.8%) mainly from the decrease in jet fuel sales, we observed an increase in the jet fuel gross profit margin. Net operating expenses and other income decreased by THB 1,567 million (-9.2%), reflecting the decline in sales volume; these operating expenses include items such as but not limited to aircraft refueling services, transportation expenses, marketing, and advertisement expenses. The aforementioned TFRS 16 "Leases" also caused our EBITDA margin for 2020 to be at 4.1%.

OR recorded its net profit for the year 2020 in the amount of THB 8,791 million, a decrease of THB 2,105 million (-19.3%) from the previous year. This was mainly due to the higher depreciation and amortization expenses from the expansion of PTT Stations and Café Amazon outlets and the reclassification of expenses according to the new accounting standard (TFRS). In addition, there was an increase in loss from derivatives from the adoption of TFRS 9 "Financial Instruments" effective January 2020. As a result, earnings per share for the period was THB 0.98, a decrease of -19%.

Important Events during the Year

- **In August 2020**, OR invested in Flash Incorporation Co., Ltd. ("Flash") to create a partnership that explores business opportunities in the Mobility and Lifestyle Ecosystems, where Flash provides express delivery and integrated e-commerce business under the brand "Flash Express."
- **In October 2020**, Café Amazon began its operations in Vietnam through a joint venture with Central Group.
- **In December 2020**, OR invested in Peaberry Thai Company Limited to become a more encompassing coffee business by increasing the potential to source raw material, procure equipment, and receive equipment maintenance service, all of which will support Café Amazon outlets' expansion. Furthermore, this also opens up the

opportunity to enter the specialty coffee market through the Pacamara brand.

Economic Overview in 2020

The Thai economy in 2020 entered into a recession, with GDP at its lowest since the Tom Yum Kung crisis. This was due to factors such as the COVID-19 pandemic, an unexpectedly severe drought, and the delayed approval of the government's national budget for the fiscal year 2020. The Office of National Economics and Social Development Council (NESDC) previously projected that the Thai economy in 2020 would contract by 6.1% compared to an expansion of 2.3% in 2019. However, the Thai economy in the third quarter of 2020 appeared to recover faster than the projection in almost all aspects, particularly in the export sector, with a recovery in line with trade partners' economic recovery. Private consumption also improved due to the easing of control measures imposed for the COVID-19, coupled with the government's relief measures and subsidies that boosted household purchasing power. Notwithstanding, the tourism and private investment sectors are still facing significant decline.

The tourism sector recovered slower than expected due to the prolonged COVID-19 situation in Thailand and abroad. Consequently, Thailand still limits the number of foreign tourists and imposes strict public health measures. The number of foreign tourists in 2020 was estimated to be at 6.7 million people.

Private consumption in 2020 contracted less than expected. This was partly due to government measures to stimulate domestic tourism, contributing to a faster recovery once domestic travel was permitted. The labor market's gradual recovery was also in line with the decline in total and partial unemployment. Nevertheless, the second wave of COVID-19 in Thailand, the relief and subsidies from the government that will soon phase-out, and the weak labor market are all factors that will add pressure to the consumption in the following period. Private investment in 2020 continued to contract strongly due to high excess production capacity and the uncertainty surrounding economic recovery in Thailand and abroad.

The World economy in 2020. The International Monetary Fund (IMF) report on the World Economic Outlook retrieved in January 2021 projected that the world economy in 2020 would contract

3.5% but appeared to have contracted less than expected due to the recovery of global economic activity. The recovery is attributable to the increasing effectiveness and distribution of the COVID-19 vaccine, the ongoing support from the government's fiscal policy, and the loosening of monetary policy. The Chinese economy, as projected by the National Bureau of Statistics of China, will expand by 2.3% due to the recovery of economic activity in all sectors of production. The ASEAN economy showed improvement in correspondence

to the direction of economic recovery and the global trade volume. The Ministry of Trade and Industry of Singapore reported that Singapore's economy in 2020 contracted 5.4%, while the National Statistical Office of Vietnam reported that Vietnam's economy in 2020 expanded slightly by 2.9%. The World Bank forecasted that in 2020 the Economy of Cambodia, Laos, and the Philippines would contract by 2.0%, 0.6%, and 8.1%, respectively, while the Myanmar economy would expand slightly by 1.7%.

Performance and Financial Results: OR and Subsidiaries

Unit : THB Million	2019	2020	Variance
Total Sales and Services	577,134	428,804	(25.7%)
: Oil	539,835	396,708	(26.5%)
: Non-Oil	17,016	16,867	(0.9%)
: International	33,656	21,361	(36.5%)
: Other	1,715	1,609	(6.2%)
Gross Margin	34,100	33,152	(2.8%)
: Oil	24,686	23,594	(4.4%)
: Non-Oil	8,830	8,960	1.5%
: International	1,648	1,613	(2.1%)
: Other	76	100	31.6%
Other Income	5,856	3,876	(33.8%)
Operating Expenses	22,951	19,409	(15.4%)
EBITDA	17,005	17,619	3.6%
: Oil	12,016	12,145	1.1%
: Non-Oil	4,255	4,495	5.6%
: International	707	861	21.8%
: Other	35	121	>100%
Depreciation and Amortization Expenses	3,602	5,203	44.4%
Operating Profit	13,403	12,416	(7.4%)
: Oil	9,717	9,057	(6.8%)
: Non-Oil	3,333	2,962	(11.1%)
: International	354	291	(17.8%)
: Other	8	108	>100%
Share of Profit (Loss) from Investments in Joint Ventures and Associates	743	535	(28.0%)
Gain (Loss) on Derivatives	(1)	(1,172)	<(100%)
Gain (Loss) on Exchange rate	185	745	>100%
Others	258	(510)	<(100%)
EBIT	14,588	12,014	(17.6%)
Finance Costs	1,560	1,447	(7.2%)
Tax Expenses (Income)	2,132	1,776	(16.7%)
Net Profit (Loss) for the Periods	10,896	8,791	(19.3%)
Earnings Per Share (THB/share)	1.21	0.98	(19.0%)

Performance by Business Segment

1. Oil Business

Unit : USD/Barrel	2019	2020	Variance
Dubai	63.6	42.2	(33.7%)
Mogas	72.5	46.6	(35.8%)
Gasoil	77.2	48.3	(37.4%)
Kerosene	77.3	44.7	(42.2%)

Source : PTT PRISM

The Situation of Global Oil Prices

The global oil demand. A report from the International Energy Agency (IEA) retrieved in January 2021 showed a 2020 global oil demand projection at 91.1 million bpd, down 8.8 million bpd compared to 2019.

Crude oil prices in 2020 are below 2019. The average Dubai crude oil price in 2020 was USD 42.2 per barrel, lower than the 2019 average of USD 63.6 per barrel. This was due to (1) the COVID-19 pandemic, (2) a slowdown in the global economy, (3) the oil price war between OPEC and its allies prior to the negotiations and reunification of OPEC and its allies that helped stabilize oil prices once again. Overall crude oil prices declining caused by (1), (2) led to demand drop and increase in supply coming from (3)

Petroleum products prices in 2020. Gasoline crack spread (Gasoline to Dubai) averaged at USD 4.4 per barrel, decreased from USD 8.9 per barrel in 2019 due to an impact from the COVID-19 pandemic. **Diesel crack spread (Diesel to Dubai)** in 2020 was averaged at USD 6.1 per barrel, decreased from USD 13.6 per barrel in 2019, an impact from the COVID-19 pandemic and higher diesel refinery yield as refineries switched their productions from jet fuel to diesel. **Kerosene Crack Spread (Jet/Kerosene to Dubai)** in 2020 was averaged at USD 2.5 per barrel, decreased from USD 13.7 per barrel in 2019. This was mainly due to the global travel restrictions and the COVID-19 pandemic. However, there was an increase in the average spread in Q4/2020, from higher demand for kerosene in the winter season. Nonetheless, jet fuel demand was still highly affected by the uncertainty of a new wave of COVID-19, which prompted the resumption of lockdowns in several countries.

Energy Policy and Planning Office (EPPO) reported that Thailand's primary energy consumption decreased by 5.8% in 2020 compared to 2019 from a decrease in consumption of petroleum products, natural gas, and coal/lignite products as a result of the COVID-19 pandemic, which caused a further impact in the operations along the supply chain and led to an economic slowdown. Consumption of petroleum products decreased by 11.5%. Namely, diesel consumption fell 2.6% partly due to the decrease in agricultural products transportations, which resulted from the severe drought at the beginning of 2020, while flooding in several regions at the end of 2020 was another contributing factor. Reduced domestic travels from Work From Home policy and limitations on traveling between provinces caused gasoline consumption to fall by 1.2%. Jet fuel consumption fell 61.8% due to the restriction imposed on international flights and the reduction of domestic flights. However, towards the end of 2020, the Thai government rolled out a stimulus package to boost the tourism industry, indirectly encouraging domestic travel. On the other hand, LPG consumption fell across all sectors, particularly the transportation sector, demonstrating a decline of 26.3% due to lower gasoline prices, prompting certain motorists to switch from LPG to gasoline. The demand for LPG as feedstock for the petrochemical industry fell 17.7%, while the demand for LPG for industrial usage decreased by 7.9%, and LPG consumption for household usage decreased by 4.5%.

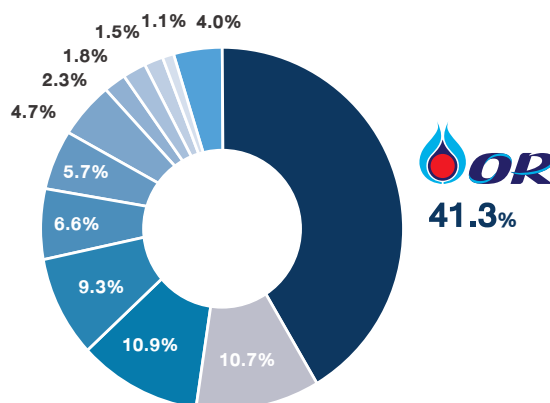
On October 1, 2020, the Department of Energy Business announced that diesel B10, Thailand's standard grade diesel fuel, was renamed 'diesel,' while the previous diesel fuel was renamed 'diesel B7'.

Previous Names	New Names
UltraForce Diesel B10	UltraForce Diesel
UltraForce Diesel	UltraForce Diesel B7
UltraForce Diesel Premium	UltraForce Diesel Premium B7

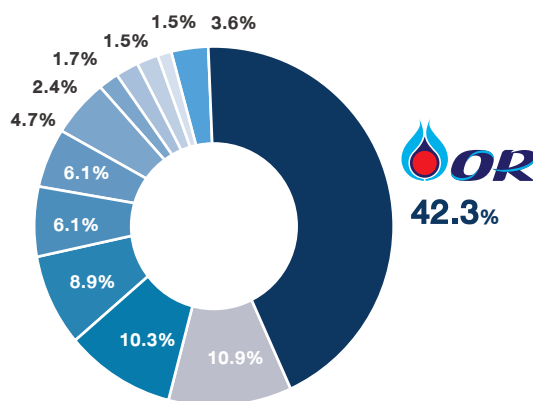
The renamed Ultra Force Diesel B10 contains 10% biodiesel, a 3% increase from the B7 diesel used, yet, performance test showed no significant difference. This high-quality biodiesel does not affect the engine fuel system or dispenser and has been certified for use by the Japan Automobile Manufacturer Association (JAMA). Moreover, a specially formulated UltraForce additive ensures its performance.

OR is Thailand's leading retailer of petroleum products in terms of volume, with a market share of approximately 42.3% as of December 31, 2020 excluding the amount of fuel oil sold to the Electricity Generating Authority of Thailand.

Market Share 2019



Market Share 2020



Source : Department of Energy Business, Ministry of Energy Total product (FO-EGAT excluded)

Performance of Oil Business Segment

Description	2019	2020	Variance
Number of Station			
PTT Station in Thailand	1,911	1,997	4.5%
LPG Station*	247	228	(7.7%)
Volume Sold (MML)			
Retail	12,079	12,547	3.9%
Commercial	15,548	11,853	(23.8%)
Total Volume Sold	27,627	24,400	(11.7%)
Volume Sold by Product (%)			
LPG	14.7%	14.0%	-
Aviation Fuel	15.8%	7.2%	-
Diesel	40.2%	46.3%	-
Fuel Oil	5.7%	5.7%	-
Gasoline	21.4%	24.7%	-
Lubricant	0.7%	0.7%	-
Others	1.5%	1.4%	-
Total Volume Sold by Product	100.0%	100.0%	-
Gross Profit: THB/Litre	0.89	0.97	8.2%
Oil EBITDA Margin (%)	2.2%	3.1%	-

* LPG Station located in ptt station is not included.

Performance FY2020 vs. FY2019

- **Revenue from sales and services** decreased by THB 143,127 million (-26.5%), mainly due to the lower average selling prices of petroleum products in the world market during the period. This resulted from the price war between OPEC oil-exporting countries and the overall decrease in sales volume from the COVID-19 pandemic that had a considerable impact in April of 2020. In May 2020, the situation began to improve, but international flights have not recovered, causing jet fuel sales to decline. The decline in revenue can also be attributed to the decrease in bunker oil (fuel oil) and LPG sales volume due to a contraction in demand from the government's lockdown measures, although the retail market had increased sales volume mainly from service station expansion of 86 stations
- **Gross profit** decreased by THB 1,092 million (-4.4%) due to a decline in the retail market, especially for gasoline

products. Although sales volume increased, the average gross margin per liter decreased due to continuously falling retail oil prices at the beginning of the year, which was in line with the significant drop in the global oil prices. For the commercial market, the gross profit margin of jet fuel and fuel oil increased. Nonetheless, sales volume decreased significantly, leading to a decrease in the gross profit. In 2020, OR recorded a stock gain of THB 25 million, while in 2019, there was a stock loss of THB 4,626 million.

- **EBITDA** increased by THB 129 million (+1.1%). The commercial market recorded an increase in EBITDA (+6.0%) from lower expenses, resulting from lower sales volume, coupled with effect from reclassification of expenses under the TFRS 16 "Leases". In contrast, there was from a drop in EBITDA from the retail market (-3%) following lower gross profit as stated above.

Remark : Stock gain / (Loss) is a measure used to measure the ability to operate that does not follow Thai Financial Reporting Standards. The calculation may differ from methods used by other companies

2. Non-Oil Business

Expansion of Non-Oil Outlets

Description	2019	2020	Variance
Number of outlets			
Café Amazon *	2,930	3,310	13.0%
Texas Chicken	45	78	73.3%
Convenience Store**	1,880	1,977	5.2%
Café Amazon Total Cups Sold* (Million cups)	264	274	3.8%

* Includes Café Amazon in Thailand, Myanmar, Japan, Oman, and Malaysia

** Includes both Jiffy and 7-Eleven convenience stores in Thailand only

In 2020, the Non-Oil business segment recorded 3,388 food and beverage ("F&B") outlets, divided into 3,290 Café Amazon outlets in Thailand that can be further classified into 1,966 in-stations and 1,324 outside-stations, at a proportion of 60% and 40%, respectively. There are 20 Café Amazon outlets overseas recorded under the Non-Oil business segment, 78 Texas Chicken outlets, and 1,977 outlets from 7-Eleven and Jiffy convenience stores.

In the fourth quarter of 2020, Café Amazon under the Non-Oil business segment recorded a total of 74 million cups sold, up from 72 million (+ 2.2%) compared to the previous quarter, and a total sales of 274 million cups in 2020, an increase from 264 million (+ 3.8%) compared to last year, all of which were attributable to network expansion.

Performance of Non-Oil Business Segment

Description	2019	2020	Variance
Sales and Services (THB Million)			
Food & Beverage	9,461	10,334	9.2%
Other Non-Oil	7,556	6,533	(13.5%)
Total Sales and Services	17,016	16,867	(0.9%)
Non-Oil EBITDA Margin (%)	25.0%	26.6%	-

Performance FY2020 vs. FY2019

- **Revenue from sales and services** decreased THB 149 million (-0.9%). This was mainly from a decrease in sales from other non-oil businesses by THB 1,023 million (-13.5%), from a decrease in sales from convenience stores following the lower domestic consumption as impacted by the COVID-19 pandemic and from restrictions on international travels that prevented foreign tourists from entering Thailand. The COVID-19 pandemic also affected OR's Space Management business negatively. Nonetheless, the F&B business saw an increase in revenue of THB 874 million (+9.2%) in line with the expansion of Café Amazon and other F&B outlets in the amount of 413 outlets.
- **Gross profit** increased by THB 130 million (+1.5%) mainly from effective cost management of Café Amazon business, while F&B business and other non-oil businesses showed a change in gross profit in line with the increased revenue from sales and services.
- **EBITDA** increased by THB 240 million (+5.6%), an increase from the food and beverage business by THB 515 million (+22.0%) due to the impact of the TFRS 16 and from a decrease in the other non-oil businesses by THB 275 million (-14.4%).

3. International Business

Overview of International Business

Cambodia has succeeded in containing the COVID-19 pandemic, which prompted the country to ease some control measures. Nevertheless, Cambodia's economy was affected by the missing international demand. The World Bank projected that their economy would contract by 2.0% in 2020 as the world economy shrinks more than expected while the global tourism sector continues to collapse uncertainty around the COVID-19 pandemic.

Laos has succeeded in containing the spread of COVID-19, but Laos was still affected by the world's economic recession. As a result, the Lao economy weakened by the continued border closure and the travel restriction that negatively affected border trade, which the Lao economy is highly dependent upon. The World Bank forecasted that the Lao economy will contract 0.6% in 2020 and that their public debt will rise to 69% of GDP. The outbreak and the recession both expected to increase the risk of reduced debt servicing further, while expenses increase, contrasting the fiscal sector income decline. Consequently, Moody's downgraded Laos credit rating to Caa2 with a negative view. It could cost the Lao

government and businesses higher funding costs, another low-profile risk for the Lao economy's recovery.

Myanmar encountered another wave of domestic infections. As a result, the Myanmar economy continued to contract significantly. The World Bank forecasted Myanmar's economy to expand only 1.7% in 2020 due to the impact of partial shutdowns and lower exports.

The Philippines is still experiencing the worst effect from the COVID-19 pandemic compared to other countries in ASEAN, and its economy has been severely affected as well. The World Bank estimated that the Philippines economy contracted as much as 8.1% in 2020. It is expected that the Philippines economy will gradually recover from the government's stimulus measures that will boost the GDP by 3.1%, along with additional approval of stimulus at the end of 2020 to raise the GDP by another 0.8%. The Philippines still having considerable fiscal space capability, as reflected in their public debt of 51.1% of GDP. Simultaneously, the Central Bank cut interest rates to 2%, leaving room for further easing from fiscal and monetary policies to combat the ongoing COVID-19 pandemic and their continuously contracting economy.

Performance of International Business Segment

Description	2019	2020	Variance
Number of PTT Stations	302	337	11.6%
Oil Volume Sold (MML)			
Philippines	936	555	(40.7%)
Cambodia	483	421	(12.8%)
Laos	217	237	9.2%
Total Volume Sold	1,636	1,213	(25.9%)
Cafe Amazon *			
Cafe Amazon Outlets	220	265	20.5%
Cafe Amazon Total Cups Sold (Million Cups)	21.5	20.0	(7.1%)
International EBITDA Margin (%)	2.1%	4.0%	-

* Includes number of outlets/cups sold in the Philippines, Cambodia, Laos, Singapore, China, and Vietnam

Performance FY2020 vs. FY2019

- **Revenue from sales and services** decreased THB 12,295 million (-36.5%), a decline in all counties due to the decrease in the selling price in line with the global oil market situation. Sales volumes in Cambodia and the Philippines have also declined, mainly due to jet

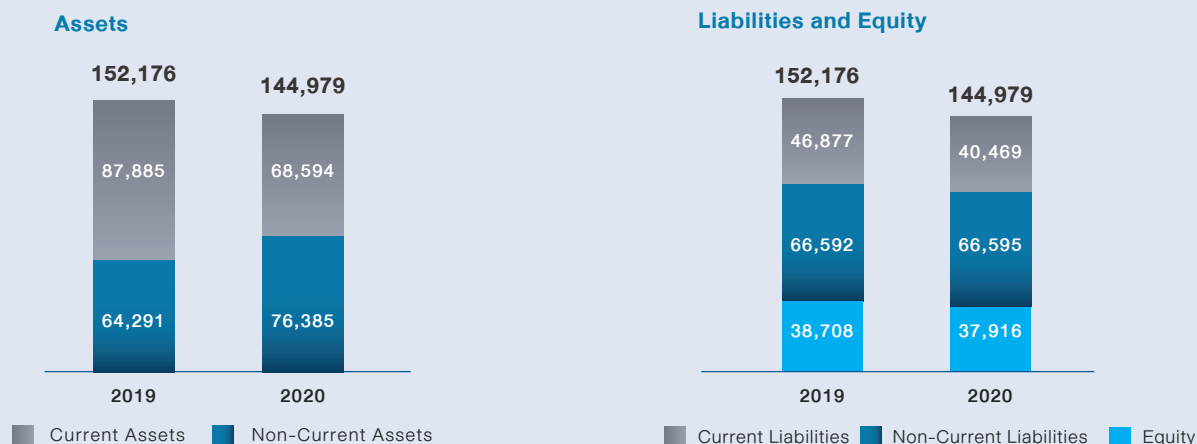
fuel, where international flights have not yet recovered. For Laos, gasoline and diesel sales volumes improved due to increased service station expansion and effective COVID-19 prevention measures, such as the Thai-Laos border's closure that helped promote more traveling within Laos.

- **Gross profit** decreased by THB 35 million (-2.1%), mainly from lower jet fuel sales volume in the Philippines. Meanwhile, Cambodia and Laos experienced an increase in sales volumes of gasoline and diesel products and an increase in gross profit margin.

- **EBITDA** increased by THB 154 million (+ 21.8%), an increase in all countries despite a decrease in gross profit. This is attributable to a cut in expenses and costs to guard against the impact of COVID-19.

Financial Position and Cash Flow

Unit : THB Million



Assets

As of December 31, 2020, OR recorded its total assets in the amount of THB 144,979 million, a decrease of THB 7,197 million from December 31, 2019, and can be categorized as follows:

Current assets decreased by THB 19,290 million, mainly from:

- Trade accounts receivable decreased by THB 9,238 million as a result of the COVID-19 situation resulting in lower sales volume, particularly in sales from the airline sector, and from additional loss allowance of Thai Airways International Public Company Limited and Thai Smile Airways Company Limited.
- Cash and cash equivalents decreased by THB 6,804 million due to dividend payments and trade payables.
- Inventories and supplies fell THB 2,681 million, mainly due to the lower average cost of gasoline (Mogas), high-speed diesel (Gas Oil), and jet fuel (Jet A-1).

Non-current assets increased by THB 12,093 million, mainly from:

- Rights-of-use assets recorded on January 1, 2020, according to TFRS 16, resulted in an increase of THB 11,517 million for non-current assets.

- Property, plant, and equipment increased by THB 1,898 million from investment in expanding the service stations, convenience stores, Café Amazon, including renovations to existing service stations.

Liabilities

As of December 31, 2020, OR recorded its total liabilities in the amount of THB 107,063 million, a decrease of THB 6,405 million from December 31, 2019, divided into

Current liabilities decreased by THB 6,408 million, mainly from:

- Trade payables and other payables decreased by THB 12,681 million, mainly from lower sales volume from creditors of refineries in the PTT group.
- Long-term loans due within one year increased by THB 5,530 million from the transfer of loan debt due from long-term debt.

Non-current liabilities increased by THB 3 million, mainly from:

- Long-term borrowings decreased by THB 8,701 million from repayment in 1 year to current liabilities.
- Liabilities under lease contracts increased by THB 7,685 million due to the adoption of TFRS 16 "Leases."

Shareholders' Equity

As of December 31, 2020, OR recorded its total shareholders' equity in the amount of THB 37,916 million, a decrease of THB 792 million (-2%) from December 31, 2019, due to an increase in retained earnings from net profit during 2020 in the amount of THB 8,791 million, offset by a dividend payment

to shareholders in the amount of THB 9,450 million. OR's dividend payment for 2019 and the interim dividend payment for 9 months of 2020 were at the rate of 0.37 and 0.68 baht/share, respectively.

Cashflow Statement for the year ended December 31, 2020

	Unit : THB Million
Net cash provided (used in) by operating activities	15,786
Net cash provided by (used in) investing activities	(7,543)
Net cash provided by (used in) financing activities	(14,991)
Unrealized gain (loss) foreign exchange rate	(31)
Currency translation differences	(25)
Net increase (decrease) in cash and cash equivalents	(6,804)
Cash and cash equivalents at beginning of periods	25,202
Cash and cash equivalents at end of periods	18,398

Net cash from operating activities amounting to THB 15,786 million, consisting of cash received from operating activities of THB 16,429 million, partially offset by cash paid for income tax in the amount of THB 642 million, by cash generated from operations of the company that comprises of profit attributable to the parent company adjusting items such as depreciation and amortization, income tax expenses and financial costs. This also includes changes in operating assets and liabilities and reduced inventories and other receivables partially offset by the reduction in trade payables, other payables and dividend payment.

Net cash used in investing activities recorded in the amount of THB 7,543 million, mainly comprising land, buildings, and equipment to expand service stations, food and beverage

outlets, warehouses, and investment in LPG cylinders and related equipment of the company amounting to THB 6,437 million, and OR also invested in Flash Incorporation Co., Ltd. in the amount of THB 1,245 million. In addition, there was advance cash payment for the right of use of THB 708 million, partially offset by the dividend received in the amount of THB 739 million primarily from the dividend received from THAPPLINE.

Net cash used in financing activities of THB 14,991 million consisted of repayment of the long-term loan in the amount of THB 4,887 million, a dividend payment of THB 9,450 million, and cash used for financing costs of THB 1,190 million offset by money received from long-term borrowing in the amount of THB 1,000 million.

Profit for the Year Reconciliation from Separated Financial Statements to Consolidated Financial Statements

Unit : THB Million

Description	2019	2020	Variance Inc./ (dec.)
Profit for the years – Separate financial statements	5,958	5,658	(300)
Add Share of profit (loss) from investments in subsidiaries, associates and joint ventures	3,024	1,148	(1,876)
Less Dividend received from subsidiaries, associated and joint ventures	(790)	(726)	64
Add Depreciation and amortization adjustment	3,380	3,389	9
Less Deferred tax effect	(676)	(678)	(2)
Profit for the years – Consolidated financial statements	10,896	8,791	(2,105)

The consolidated financial statements of the Company recorded oil business unit transferred from PTT at PTT' book valued under the accounting guidance for business combination under common control. Otherwise, on the separate financial statements recorded such assets at purchase cost. Therefore, there are differences on depreciation and amortization.

Outlook

The Thai economy in 2021. The Office of the National Economic and Social Development Council (NESDC), estimated that the economy will to expand in the range of 2.5% - 3.5%. The growth will mainly be supported by key factors, including (1) the recovery of the world economy and the global trade volume. (2) government spending, (3) a resurgence in domestic demand from the private sector, and (4) an unusually low growth base in 2020. Consequently, the export value of goods will expand 5.8%, while private consumption and total investment will grow at 2.0% and 5.7%, respectively. Meanwhile, the average headline inflation will be in the range of 1.0% - 2.0%, and the current account surplus at 2.3% of GDP.

The global economic outlook for 2021 IMF estimates Global GDP growth to be 5.5%, which is likely to continue to recover and expand after it passed its lowest point in 2020, supported by a continued recovery in the economic activity where domestic demand is a significant factor as seen after the easing of COVID-19 control measures, as well as from the implementation of financial measures, both monetary and fiscal measures to help mitigate and continually restore the economy. In the base case, it is expected that the COVID-19 pandemic situation in many countries would have already reached its peak in 2020. There is also confidence in each country's public health sector's ability to control the pandemic through sanitation and

social-distancing measures. Simultaneously, as for the tourism sector, many countries are likely to enter into agreements to connect international air travel without detention (Travel Bubble), especially in countries where the risk of an outbreak is low. An example includes the operational initiatives between Australia and New Zealand, and between Singapore and Vietnam. This will result in more international travels, especially in the second half of 2021

The Chinese economy in 2021 is expected to expand by 8.1% percent from successfully controlling the COVID-19 pandemic since the first quarter of 2020, resulting in a fast recovery in domestic economic activity compared to other countries.

The Asian Economy in 2021 is likely to continue to recover in the second half of 2020, in line with the recovery of merchandise exports following the global economy and a potential increase in domestic consumption as supported by the government's fiscal measures. Central Banks are also likely to keep interest rates at record lows in all countries. It is also expected that control measures on the pandemic will be effective in the second half of 2021. Furthermore, the manufacturing of vaccines by the year 2021 will likely result in a continuous recovery of the manufacturing sector, tourism sector, and the ASEAN countries' international trade sector. The World Bank

projected that 2021 GDPs in Cambodia, Laos, Singapore, and the Philippines would expand 4.0%, 4.9%, 5.0% and 5.9%, respectively, while GDPs in Myanmar and Vietnam would expand slightly by 2.0% and 6.7%, respectively.

The trend of crude oil price and petroleum products prices

World oil demand in 2021, as reported by the IEA as of February 2021, projected that demand would increase by 5.4 million bpd in 2021 to 96.4 million bpd. While the average Dubai crude oil price in 2021 will be in the range of 48.0 - 58.0 USD per barrel, an increase from 2020 with supporting factors including (1) a positive outlook on the recovery of the world economy, (2) the cooperation between OPEC on production cuts in 2021, (3) Low US crude oil inventory, and (4) the OPEC geopolitical conflict.

EPPO projected that energy consumption in 2021 would increase slightly by 0.2% - 1.9% from almost all types of energy increases, except for petroleum products, which will decline at 1.9% - 2.9%. Jet fuel consumption is expected to decline by 45.8% - 51.5% in line with tourism contraction, while LPG consumption, except for feedstocks for the petrochemical industry, is expected to decline by 0.7% - 2.7%. Diesel consumption is likely to increase by 0.8% - 1.3%. Gasoline consumption is expected to increase by 0.3%-0.8%. The

consumption of LPG, propane, and butane are expected to decrease in the range of 1.0% - 5.5%: household consumption is expected to increase 1.1% - 2.5%, industrial sector consumption is expected to increase 1.2% - 3.6%, while LPG for automobiles is expected to decline by 12.2% - 15.8%.

Progress of Important Projects and Business Plan

OR continued to invest in expanding its network for the oil and the non-oil businesses both domestically and internationally. As of December 31, 2020, there are 2,334 service stations under the PTT Station brand, 3,575 Café Amazon outlets, and 78 Texas Chicken outlets. Also, OR has significant investment projects to enhance our growth potential. As of December 31, 2020, the progress of such projects are as follow:

- Construction of a Central Bakery plant, Café Amazon Distribution Center, and Dry Mix plant to help support the development of new products, increase efficiency, and control standards and quality, with plans for completion by 2021
- Construction of a new warehouse in Myanmar through our joint venture with Brighter Energy Company Limited (BE) to support our oil business expansion in Myanmar, with plans for completion by 2021.



5. General and Other Important Information

5.1 General Information

Company Name	PTT Oil and Retail Business Public Company Limited (OR)
Head Office Location	555/2 Energy Complex Building B, 12 th Floor Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
Telephone	+66-2196-5959
Fax	+66-2196-5000
Website	www.pttor.com
E-mail	Investor Relations : ir@pttor.com Corporate Secretary : corporatesecretary@pttor.com

References

Securities Registrar	Thailand Securities Depository Company Limited 93, 14 th Floor, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Phone +66-2009-9999
Auditor	State Audit Office of the Kingdom of Thailand Rama VI Road, Phaya Thai District, Bangkok 10400 Phone +66-2271-8000, Fax +66-2618-3948

5.2 Other Important Information - None -

5.3 Legal Disputes

5.3.1 Company Lawsuits and/or Disputes

(A) On July 29, 2020, a customer filed a civil lawsuit against OR in the Civil Court. It was claimed that OR, as the operator of the Café Amazon business, had caused damage to the plaintiff and therefore the plaintiff requested a compensation of THB 4 million with 7.5 percent of interest p.a. from the filing date until the full payment date. On November 24, 2020, OR submitted its testimony to the Civil Court. Currently, the case is under the consideration of the Civil Court.

Having examined the company's operating procedures and processes, OR found that its business completely followed procedure and processes as set by the company. Therefore, OR's management believes that OR has no liability to pay such claimed amount.

(B) On September 10, 2020, OR was filed by a former OR employee for a labor lawsuit in the Central Labor Court. The plaintiff demanded a compensation of THB 14 million with interest, due to the unfair termination of employment (related to a case where OR had taken disciplinary action and filed a complaint with the National Anti-Corruption Commission). Currently, the case is under the consideration of the Central Labor Court.

OR's management believes that it had duly complied with the laws and regulations of the company. Therefore, OR has no obligation to pay such claimed amount.

(C) On 26 November 2020, OR as an employer was filed for a civil lawsuit in the Civil Court. The plaintiff requested a compensation of THB 22 million with interest, for an accident involved by OR's employee. Currently, the case is under the consideration of the Civil Court.

Having examined the facts and related laws, OR Management believes that OR has no liability to pay such claimed amount.

5.3.2 Litigation and /or Disputes of Subsidiaries

In 2007, the Philippines Bureau of Customs ("BOC") assessed PTT Philippines Trading Corporation ("PTTTC") for deficiency taxes for importation of regular kerosene and incorrect inventory calculation during 2004 – 2006, thus causing a shortfall of custom taxes of 470.7 million Philippines Pesos (or approximately THB 300.2 million). Therefore, PTTTC is requested to pay such shortfall including its penalty of 800 percent of the said shortfall taxes or approximately 3,765.8 million Philippines Pesos (approximately THB 2,401.8 million). In order not to effect on its business

operations, PTTTC paid the BOC's assessed taxes in full in the fourth quarter of 2007. However, PTTTC had not paid the penalty charge and also reserved its right to challenge to the courts in the Philippines for the refund by dividing the claim into several court cases and arguing that (A) PTTTC had duly declared a correct custom taxes and (B) the method of calculating for PTTTC's inventory used by BOC was incorrect. Subsequently, the Court ordered to join the cases filed by PTTTC into one case for the reconsideration of the case. However, the BOC appealed such Court's order to the Supreme Court. Currently, the appeal is under the consideration of the Supreme Court of the Philippines.

If the Supreme Court of the Philippines ruled in favor of PTTTC, the case relating to the refund of paid taxes would be reconsidered by the Court of Appeals. PTTTC's legal advisor opined that, under the reconsideration of the Court, if PTTTC is able to submit complete evidence to prove that PTTTC's customs declaration on the import of regular kerosene and PTTTC's inventory calculations were correct, then PTTTC may have a chance to win the case, and have no further liability on penalty and may also receive a refund of the paid taxes. However, if the Supreme Court of the Philippines ruled in favor of the BOC, PTTTC may be required to pay the penalty charge including interest calculated from the date the payment was required to the date the penalty was paid. The payment of penalty charge of 3,765.8 million Philippines Pesos (or approximately THB 2,401.8 million) and such interest may have a significant adverse effect on the business, financial position, performance outcomes and cash flow of the subsidiary in the Philippines and OR. Moreover, it may cause a delay in OR's future business expansion in the Philippines.

Based on the opinion of legal advisor, PTTTC management believes that PTTTC's request for a custom taxes refund is of a sound and reliable legal basis. As of December 31, 2020, PTTTC has not accrued any contingent liabilities as a result of the lawsuit in PTTTC's financial statements. In addition, PTTTC has now seized the import of regular kerosene and expected that there will not be any incorrect calculation of the customs taxes issues.

5.4 Secondary market

OR has no listed securities in the stock exchange markets of other countries.

5.5 Frequently contacted financial institutions (only for the case where the company issues debt instruments)

OR did not issue any debt instruments in 2020.

Corporate Governance





Corporate Governance
Policy



Corporate Governance
Structure



Corporate Governance
Report



Internal Control
and Connected
Transactions



6. Corporate Governance Policy

OR recognizes the significance of good corporate governance as the foundation of a sustainability in business and therefore strives to uphold the principles of corporate governance, transparency, accountability and noble ethics in its business operations.

OR's Board of Directors and Executives adhere to the principles of good corporate governance set forth in the Corporate Governance Code 2017 (CG Code) issued by the Securities and Exchange Commission to protect and promote long-term value for shareholders.

6.1 Overview of Corporate Governance Policy and Guidelines

6.1.1 Policy and Guidelines Relating the Directors

The nomination of directors can be categorized into two cases as follows:

6.1.1.1 Nomination of the Directors and Executives

(1) Directors Nomination

The Board of Directors has appointed the Nomination and Remuneration Committee to be in charge of nominating and selecting qualified candidates for OR's directors from shareholders' nomination and directors' pools, the database of directors from various fields of expertise, developed by reliable agencies. The Committee considers the suitability of the candidates, namely qualifications required by relevant laws and regulations as well as expertise and experience that benefit OR and align with its business strategies, in conjunction with the board skill matrix. The consideration of nomination must be without any discrimination based on gender, ethnicity, religion, or other perceived differences.

(a) Nomination of Directors to Success Retiring Directors by rotation

The Nomination and Remuneration Committee shall compile a list of qualified candidates according to nomination criteria and present it to the Board. Once approved, the list of nominees shall be proposed to the annual general meeting of shareholders for approval by casting vote of shareholders present at the meeting according to the following criteria:

1. Each shareholder shall carry one vote per share;
2. Shareholders may cast their votes either for one individual or several candidates. In the latter case, shareholders may not split their votes;

3. Candidates receiving the highest number of votes in descending order will be elected as directors equal to the number of directors required for the certain election. In the event of elected candidates with equal votes exceeding the number of directors required, the Chairman of the meeting shall have a casting vote.

(b) Nomination of Directors for Vacancy apart from Retirement by Rotation

The Committee shall compile a list of qualified candidates according to nomination criteria and present it to the Board for appointment to fill a vacant director position. If the remaining office term of the director is less than two months, the replacing director shall only serve the remainder of the term. The Board of Directors may only pass a resolution on this matter with at least three-fourths of the votes from the remaining directors.

(2) Nomination of Chief Executive Officer

For the President and Chief Executive Officer nomination, the Nomination and Remuneration Committee is responsible for proposing qualified candidates with knowledge, experience, competency, desired characteristics, and leadership to the Board meeting for approval and subsequent appointment as per the procedure and method required by relevant laws and regulations.

6.1.1.2 Remuneration of Directors and Executives

(1) Remuneration of Directors

The Board of Directors, under the guidance of the Nomination and Remuneration Committee, shall review the remuneration structure and rates for OR's directors to ensure commensurateness with their responsibility to steer the organization towards its short- and long-term goals. The remuneration shall also be consistent with OR's strategies and long-term goals as well as the experience, duty, scope of accountability and responsibility, and contributions expected from each director and shall be comparable with other leading organizations in the same the industry. The remuneration structure and rates, both monetary and non-monetary, shall be subject to shareholders' approval. The Board of Directors, under the guidance of the Committee, shall review both fixed remuneration (such as monthly salary

and meeting allowance) and remuneration that is based on OR's operating performance (such as bonuses and pension) on the basis of the value that OR creates for its shareholders, but only to an extent that would not incentivize undue emphasis on short-term operating performance. The Committee shall establish criteria or methods for determining fair and reasonable remuneration that reflects the duties and responsibilities of each director. Directors appointed as sub-committee members shall be entitled to remuneration for their membership in such sub-committees for their additional duties and responsibilities.

Details of the remuneration of directors are disclosed under Topic 8.1.2 "Meeting Attendance and Remuneration of Individual Directors."

(2) Remuneration of Executives

The Board of Directors has established OR regulations regarding human resource management, which includes OR's policy to provide remuneration to create short and long-term incentives. The salary shall be determined in the structure that is comparable to leading organizations in the same industry. OR's salary structure is classified according to job level defined by job value, with the minimum and maximum salary for each job level clearly prescribed.

6.1.1.3 Board of Directors' Independence

OR clearly separates the roles and responsibilities of the Board of Directors and the Management. The Board of Directors is responsible for establishing policies and overseeing their consistency with OR's primary business objectives and goals. The Management, on the other hand, is charged with administering day-to-day operations according to established policies and reporting to the Board of Directors periodically as deemed appropriate. Therefore, the Chairman of the Board of Directors and the President and Chief Executive Officer shall not be the same person, and the Chairman shall be a non-executive director and shall have no involvement in OR's management.

6.1.1.4 Development of Directors and Executives

The Board of Directors places great emphasis on the development of directors and executives to enhance efficiency.

To this end, new directors are required to attend an orientation session, which includes the speech by the President and Chief Executive Officer and top executives. The orientation focuses on Good Corporate Governance principles, the nature of OR's businesses, the board structure and composition, and the organizational structure. Newly appointed directors are also presented with a compilation of essential information so as to familiarize them with OR's businesses and corporate governance as well as given opportunities to enquire in-depth questions about OR's businesses to relevant executives.

Furthermore, OR encourages new directors to attend training programs relevant to directorial duties held by the Thai Institute of Directors (IOD) or other institutions, keeping them informed about training programs beneficial to their discharge of directorial duties. As of January 31, 2021, 10 directors attended training sessions hosted by the IOD. In 2020, OR's directors, in accordance with the board's policy, continuously enhanced their knowledge by participating in additional training programs related to their duties. Details of the directors training are disclosed in Topic "Board of Directors" on page 50-63.

6.1.1.5 Board Performance Assessment

The Board of Directors conducts annual performance assessments to enable the board to consider and analyze its performance, problems, and obstacles throughout the year so as to determine guidelines for enhancing the board's operational efficiency. In 2020, the Board of Directors approved three performance assessment forms, which had been reviewed and approved by the Nomination and Remuneration Committee, namely

- 1) Self-assessment of the board of directors
- 2) Self-assessment of sub-committees
- 3) Self-assessment of individual directors
(with both self-assessment and cross-assessment)

The Office of the President and Corporate Secretary distributes assessment forms to all directors and subsequently sums up and presents the assessment results to the Nomination and Remuneration Committee and the Board of Directors for acknowledgment. The scoring criteria are as follows.

Over 85%	=	Effective performance / Agree
Over 75%	=	Minimum performance / Somewhat agree
Over 65%	=	Incomplete performance / Somewhat disagree
Under 50%	=	No performance / Disagree

In 2020, the assessment results show that the Board of Directors performed their duties in line with Good Corporate Governance principles and the OR Corporate Governance Handbook. The breakdown of the performance assessment is detailed below.

Self- Assessment of the Board of Directors

Performance Level : an average score of **97%**
"Effective"

Self- Assessment and Cross-Assessment of Individual Directors

Performance Level : an average score of **99%**
"Effective"

Self-Assessment of Sub-Committees

Audit Committee
Performance Level : an average score of **100%**
"Excellent"

Nomination and Remuneration Committee
Performance Level : an average score of **100%**
"Effective"

Enterprise Risk Management Committee
Performance Level : an average score of **98%**
"Effective"

Self- Assessment and Cross-Assessment of Individual Committee Members (the Audit Committee only)

Self-Assessment
Performance Level : an average score of **94%**
"Excellent"

Cross-assessment
Performance Level : an average score of **99.75%**
"Excellent"

6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders

The Board of Directors attaches great significance to the rights of all stakeholders, both internal and external, as well as social and environmental responsibility. To this end, the Board has defined clear guidelines for the treatment of each stakeholder group in the OR Good Corporate Governance Handbook, complying with ethical standards and Code of Business Ethics, to which OR's directors, executives, and personnel are required to adhere in their operations. OR's stakeholders can be categorized into 6 groups



OR discloses policies related to stakeholder treatment in the Corporate Governance, Ethical Standards and Code of Business Ethics Handbook, disclosed under Attachment 5 (Policies and Guidelines for Corporate Governance and Business Ethics) which is publicized on OR's website (www.pttor.com). In addition, activities related to stakeholder treatment is disclosed in Annual Report 2020 (56-1 One Report) under Topic 3. "Driving Business for Sustainability" and Topic 8.1.4 "Corporate Governance Policies Compliance Report"

6.2 Corporate Governance Policy and Business Code of Conduct

On June 29, 2018, the Board of Directors approved OR's Corporate Governance policy. The policy is subject to annual review, revision, and approval by the Board and acts as a guideline for OR's directors, executives, and employees to comply in order to promote OR's business efficiency, management excellence, ethical business conduct, transparency, and accountability, with the ultimate goal of continuous improvement and elevation of OR's corporate governance system efficiency, instilling confidence among all stakeholder groups, and ensuring the sustainable growth of the organization.

OR has published its Corporate Governance policy on its website (www.pttor.com) and on OR Intranet for convenient access and reference for OR's directors, executives, and personnel. In addition, OR continuously holds activities to enrich the understanding of its Corporate Governance policy and practices among its employees, such as a lecture on

corporate governance and the distribution of the Corporate Governance Handbook to new employees during an orientation session. Educational media in the form of E-Learning has also been produced to explain and make various important topics of corporate governance easier to understand, such as conflicts of interest, anti-corruption, gifts and business courtesies, personal data and privacy, information security, external corporate communication, and other matters that employees should be informed of.

6.2.1 Corporate Governance Policy

The Board of Directors aspires to promote OR's operational efficiency, corporate governance, and management excellence by focusing on creating benefits for shareholders and all stakeholders as well as prioritizing business ethics, transparency, and accountability. To this end, the Board of Directors has established OR's Corporate Governance policy for as a guideline for directors, executives, and employees to adhere to. The policy entails the following:

1. The Board of Directors, executives, and employees shall strive to apply OR's six Corporate Governance Principles, namely Accountability, Responsibility, Equitable Treatment, Transparency, Vision to Create Long-Term Value, and Ethics, to their performance of duties. The Company's organizational structure shall fairly balance the roles of the Board, executives, and shareholders.
 2. The Board of Directors shall perform its duties with dedication, a sense of responsibility, and independence. There shall be a clear segregation between the roles and responsibilities of the Chairman and the President and Chief Executive Officer.
 3. The Board of Directors shall play a vital role in formulating the company's vision, strategies, policies, and plans, while taking into account the risk factors to establish appropriate risk management, as well as ensuring that the accounting systems, financial reports, and accounting audits are reliable.
 4. The Board of Directors shall serve as a role model for ethics and shall perform their duties in accordance with the company's Good Corporate Governance guidelines, as well as overseeing and resolving conflicts of interest and connected transactions.
 5. The Board of Directors may appoint specific committees, as deemed appropriate, to assist in reviewing critical matters.
 6. The Board of Directors shall perform an annual self-assessment to provide a framework for reviewing the board's performance.
 7. The Board of Directors shall establish the company's code of ethics and code of conduct, to which the Board, executives, and employee, as well as all contract employees must comply in parallel with the company's rules and regulations.
 8. The Board of Directors shall disclose the company's information, both financial and non-financial, in an adequate, reliable, and timely manner for shareholders and other stakeholders to receive such information in a fair and equitable manner. OR's Public Relations Department and Investor Relations Department shall be responsible for providing the information to investors and the general public.
 9. The company's shareholders are entitled to equitable treatment by the Board and equal access to information and appropriate communication channels with company.
 10. The Board of Directors shall establish an appropriate system for the selection and appointment of key management positions at all levels, as well as a transparent and fair nomination process.
 11. The Board of Directors shall put in place policies and systems that promote effective anti-bribery and anti-corruption actions to ensure that the management is aware and prioritizes anti-corruption practices as well as comply with OR's anti-bribery and anti-corruption measures.
- In addition to the aforementioned policy, the Board of Directors has established OR's eight Corporate Governance principles which are:
1. Establish Clear Leadership Role and Responsibilities of the Board
 2. Define Objectives that Promote Sustainable Value Creation
 3. Strengthen Board Effectiveness
 4. Ensure Effective CEO and People Management
 5. Nurture Innovation and Responsible Business
 6. Strengthen Effective Risk Management and Internal Control
 7. Ensure Disclosure and Financial Integrity
 8. Ensure Engagement and Communication with Shareholders

6.2.2 Business Code of Conduct

OR's Business Code of Conduct refers to a compilation of conduct that OR's personnel are required to observe in order to protect and enhance the reputation of the company. It compiles and stipulates the scope, standards of conduct and behavior that all personnel, from directors and executives to employees, should abide by in business operations and performance of duties. The code of conduct ensures uniform practices under the framework of ethics and integrity in a creative, orderly, equal, and equitable manner to form a foundation, protect the image of the company, and contribute to its sustainable growth. The code of conduct consists of 15 items as follows.

1. Compliance with Laws and Regulations, and Human Rights Principles
2. Anti-Money Laundering
3. Political Neutrality
4. Stakeholding and Conflicts of Interest
5. Confidentiality, Safeguarding, and Use of Inside Information
6. Practicing with Customers and Consumers
7. Practicing with Business Competitors
8. Procurement and Practices with Trade Partners
9. Community, Social and Environmental Responsibilities
10. Treatment of Employees
11. Treatment of Creditors
12. Internal Control and Internal Audit
13. Receiving and Offering Gifts, Assets or Other Benefits
14. Safety, Health and Environment
15. Intellectual Properties and Use of Information Technology and Communication System

Details of OR's Corporate Governance policy and Business Code of Conduct appear in the OR Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook.

6.3 Significant Changes and Developments in Corporate Governance Policy, Guidelines, and Systems in 2020

The Board of Directors ensures the continuous improvement of OR's Corporate Governance policy, guidelines, and systems to enhance its corporate governance efficiency and elevate its corporate governance standards to meet the 2017 Corporate Governance Code of the Securities and Exchange Commission.

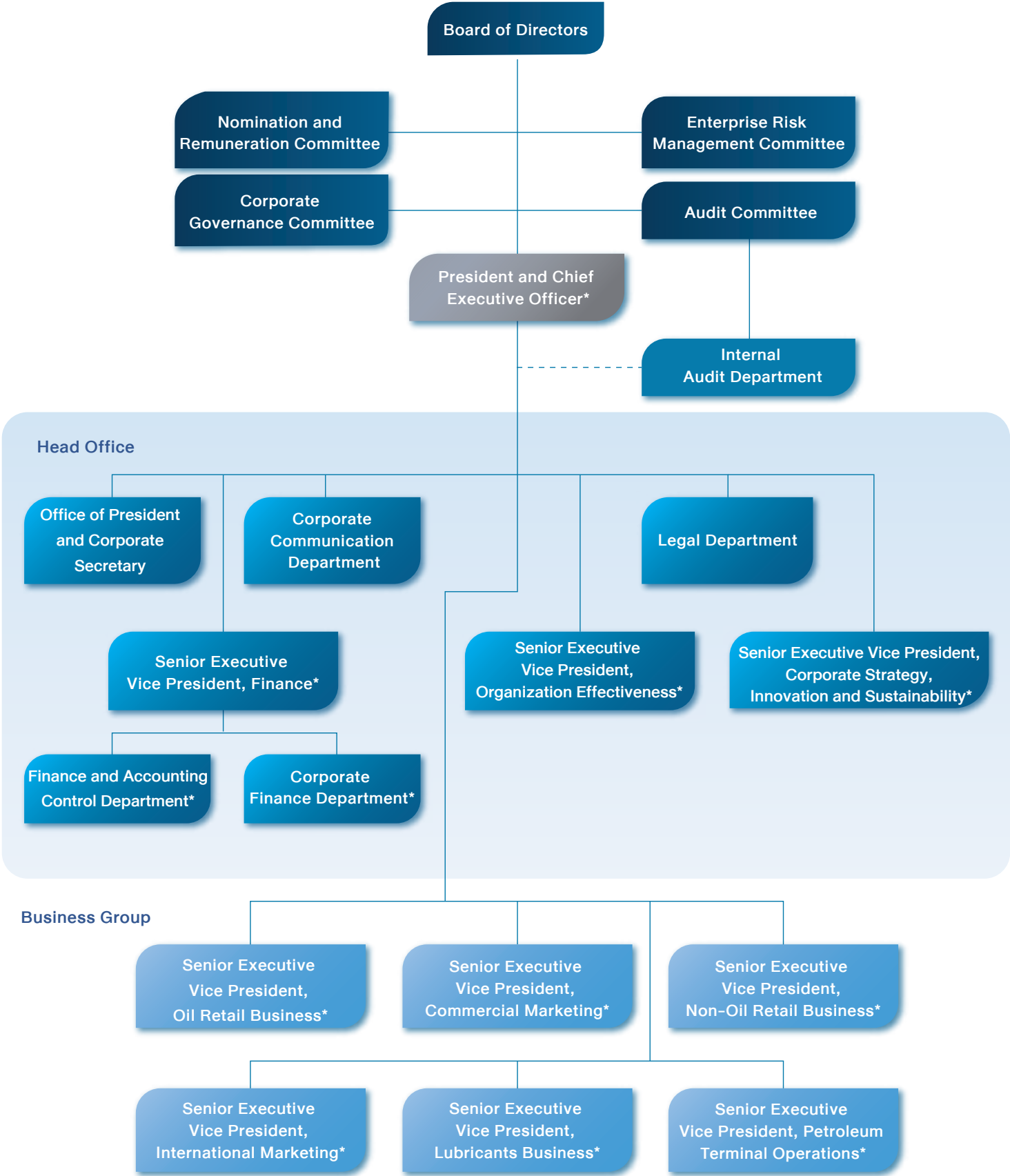
In 2020, the Board of Directors approved the revision of OR's Corporate Governance policy, guidelines, and systems as follows.

1. The Board of Directors approved the appointment of the Corporate Governance Committee and its charter, which defines the scope of authority of the Corporate Governance Committee on December 23, 2020, in order to support the Board in reviewing OR's corporate governance guidelines, overseeing the Board and the management's compliance with corporate governance and anti-corruption principles, and reviewing complaints submitted by stakeholders.
2. The Board of Directors approved the revision of the OR Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook and prescribed that the Chairman should be an independent director and shall not serve as a chairman of a sub-committee and that a chairman of a sub-committee should be an independent director. The definition of the word "fraud" was also revised to be more comprehensive of all forms of fraud.
3. The Board of Directors approved the revision of the charter of the Board of Directors to clarify the involvement of directors with conflicts of interest in board meetings in the consideration of agenda items related to the demarcation of business activities between PTT, OR, and OR's subsidiaries in the future to prevent conflicts of interest and competition.
4. The Board of Directors approved the revision of the charter of the Nomination and Remuneration Committee to align the term of office between the Committee and the Board so as to ensure that the Committee's operations can continue uninterrupted and that members of the Nomination and Remuneration Committee can serve without interruption in case a board meeting cannot be called to re-appoint them.
5. The Board of Directors approved the revision of the charter of the Corporate Risk Management Committee to align the term of office between the Committee and the Board so as to ensure that the committee's operations can continue uninterrupted and that members of the Corporate Risk Management Committee can serve without interruption in case a board meeting cannot be called to re-appoint them.

7. Corporate Governance Structure

7.1 Corporate Governance Structure As of December 31, 2020, OR's corporate governance structure consisted of the Board of Directors and 4 sub-committees responsible for reviewing significant matters for the Board, namely the Audit Committee, the Nomination and Remuneration Committee, the Enterprise Risk Management Committee, and the Corporate Governance Committee, with the President and the Chief Executive Officer as the highest ranking officer of OR.

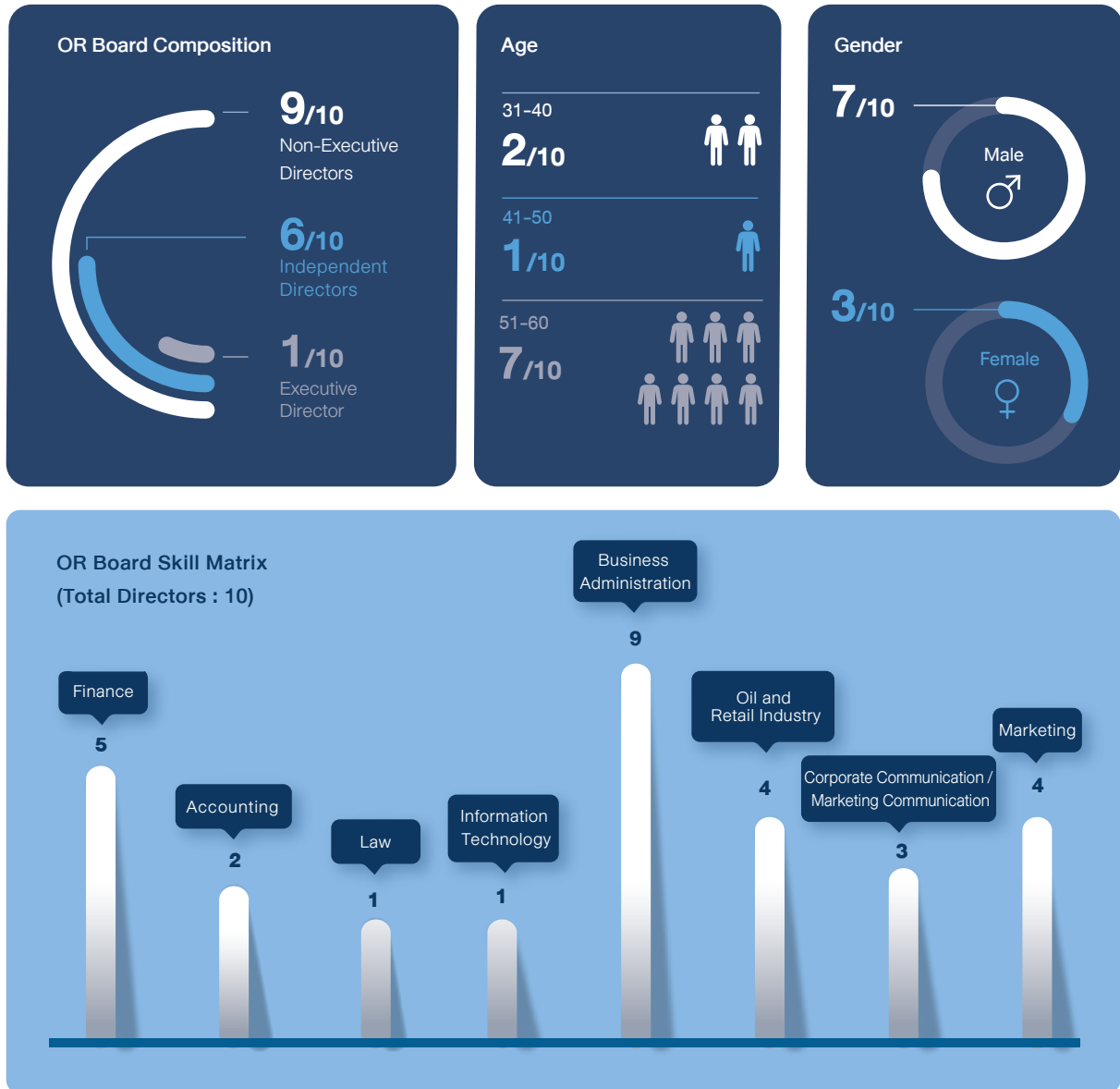




*Executive

7.2 Board of Directors

7.2.1 Board Composition



The Board of Directors comprises individuals with recognized knowledge and capabilities and has the primary responsibility of making decisions and carrying out actions beneficial to OR, shareholders, and stakeholders. The Board of Directors also plays a key role in determining the company's objectives and goals. Together with the top executives, the Board of Directors establishes short- and long-term strategies and policies as well as financial policy, risk management, and organizational overview and reviews policies and important plans on a yearly basis. It also has a vital role in allocating key resources

according to OR's goals as well as overseeing, examining, and independently assessing the performance of OR and the top executives to ensure it conforms with OR's plans.

As of January 31, 2021, the Board of Directors comprised 10 directors in accordance with relevant laws and OR's articles of association. At present, the Board of Directors is composed of 10 directors, consisting of 9 non-executive directors (90% of the Board) and 1 executive director, namely the Acting President and Chief Executive Officer (10% of the Board).

The Board of Directors consists of 6 independent directors, more than half of the total number of directors (60 percent of the board). Of these, 2 are female directors. All 6 independent directors are qualified according to OR's requirements for independent directors, which are more stringent than the criteria of the Capital Market Supervisory Board.

The Board of Directors is characterized by gender diversity and a broad range of qualifications, knowledge, expertise, and experience necessary and beneficial to OR's business operations, with proper checks and balances among the directors.

7.2.2 Individual Directors

Details on the directors as of January 31, 2021, along with the sub-committees they serve on and the dates of appointment for the current terms of office, are as follows:

Director's Name	Position	Date Appointed
1. Mr. Auttapol Rerkpiboon	Chairman of the Board	April 3, 2019 (re-appointed)
2. Assoc.Prof.Dr. Pipop Udom	Independent Director / Chairman of the Audit Committee / Member of the Enterprise Risk Management Committee	March 30, 2020 (re-appointed)
3. Assoc.Prof.Dr. Chayodom Sabhasri	Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	March 30, 2020 (re-appointed)
4. Dr. Chaichana Mitrpant	Independent Director / Member of the Audit Committee	April 3, 2019 (re-appointed)
	Chairman of the Enterprise Risk Management Committee	May 14, 2019
5. Asst.Prof.Dr.Duangkamol Chartprasert	Independent Director	September 21, 2018
	Chairman of the Corporate Governance Committee	December 23, 2020
6. Mr. Poomsak Aranyakasemsuk	Director	April 25, 2018 (re-appointed)
	Member of the Nomination and Remuneration Committee	October 24, 2018
	Member of the Corporate Governance Committee	December 23, 2020
7. Ms. Dujduan Hettrakul	Independent Director	March 30, 2020 (re-appointed)
	Director / Member of the Enterprise Risk Management Committee	December 23, 2020
8. Mr.Supat Metheeworapote ⁽¹⁾	Independent Director	December 23, 2020
	Member of the Corporate Governance Committee	January 27, 2021
9. Mr. Kris Imsang ⁽²⁾	Director	January 21, 2021
	Member of the Nomination and Remuneration Committee	January 27, 2021
10. Ms. Jiraphon Kawswat	Director / Member of the Enterprise Risk Management Committee	March 30, 2020 (re-appointed)
	Acting President and the Chief Executive Officer	July 1, 2018

Remark : ⁽¹⁾ Ms. Wilaiwan Kanjanakanti resigned as a director, effective December 15, 2020, and was replaced by Mr. Supat Metheeworapote, as resolved by the Board Meeting No. 12/2020 on December 23, 2020.

⁽²⁾ Ms. Peangpanor Boonklum resigned as a director, effective January 1, 2021, and was replaced by Mr. Kris Imsang, as resolved by the Board Meeting No. 1/2021 (ad-hoc meeting) on January 8, 2021.

7.2.3 Board Duties and Responsibilities

7.2.3.1 Scope of Authority and Duties of the Board of Directors

The authority, duties, and responsibilities of the Board of Directors have been defined based on the Public Limited Companies Act, the Securities and Exchange Act, and the regulations of the Stock Exchange of Thailand, and OR's articles of association.

The authority, duties, and responsibilities of the Board of Directors are as follows:

1. To comply with the laws, OR's objectives, articles of association, and resolutions of shareholders' meetings, as well as to perform its duties with a sense of responsibility, care, honesty, and acting in the best interest of OR.
2. Be responsible for the shareholders, acting in their best interest, ensuring OR's information disclosure to be accurate, standardized, and transparent.
3. To define Good Corporate Governance policies and a code of business conduct comprising appropriate guidelines and best practices for directors, management, and employees to foster a sense of professional responsibility and understanding, which are to be complied with strictly in conjunction with the rules and regulations of OR to ensure equity to all stakeholders. In addition, OR will assess OR's performance under its Good Corporate Governance policies and code of business conduct at least once a year.
4. To review and approve OR and its subsidiaries' vision, missions, business strategies, directions, policies, targets, plans, and budget proposed by the management.
5. To effectively oversee and ensure that the management's operations are in line with OR's vision, missions, business strategies, directions, policies, targets, plans, and budget approved by the Board for the best interest of OR and its shareholders.
6. To ensure that OR and its subsidiaries establish reliable accounting systems, adequate and effective internal control and internal audit systems, as well as internal control adequacy monitoring systems.
7. To oversee the completion of OR's financial statements at the end of each accounting year to be proposed for approval at the annual general meeting of shareholders, and oversee annual and quarterly financial statements be audited by auditors and be timely submitted to the SET.
8. To consider the selection of auditors as well as determine the appropriateness of the remuneration submitted by the Audit Committee before proposing for approval at the annual general meeting of shareholders.
9. To attach significance to social and environmental responsibilities in OR's business operation for a better and sustainable quality of life in the society.
10. To consider and approve the appointment of qualified candidates with no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (including additional amendments) and the Securities and Exchange Act B.E. 2535 (1992) (including additional amendments), as well as laws, notifications, regulations, and/or other relevant rules as the seat of directors is vacated with other reasons besides term completion, as well as consider the appointment of directors to replace the directors retired by term completion and determine the appropriateness of the remuneration submitted by the Nomination and Remuneration Committee before proposing for approval at the shareholders' meeting.
11. To appoint sub-committees such as Audit Committee, Nomination and Remuneration Committee, or any other sub-committees and define their roles and responsibilities to assist and support the Board in their operations, as well as defining the sub-committees' remuneration before proposing for approval at the shareholders' meeting.

12. To appoint and determine the remuneration of OR's President and Chief Executive Officer and to grant a power-of-attorney to the President and Chief Executive Officer to appoint executives as defined by the SEC Board or the Capital Market Advisory Board.
13. To ensure an appropriate, transparent, and fair nomination process for the selection and appointment of key management positions at all levels.
14. To appoint a company secretary to support the Board's matters and define the company secretary's necessary qualifications and experience to perform duties, including disclosing the qualifications and experience of the company secretary in OR's annual report and on OR's website.
15. To approve expenditures for investments, operations, loaning or application for credits from financial institutions, and being a guarantor as part of OR and its subsidiaries' regular operations without budget limits in accordance with the rules and regulations of OR and laws and regulations stipulated by the SET and the Capital Market Supervisory Board.
16. To consider and approve connected transactions to be undertaken by OR, its subsidiaries, and associate companies as prescribed by the Securities and Exchange Act B.E. 2535 (1992) (including additional amendments) and related regulations under the SET and the Capital market Supervisory Board; and to provide the management clear operating guidelines under related laws and regulations, the Board shall define OR's ordinary business transactions which OR, its subsidiaries, and associate companies could enter with OR directors, executives, and their related persons.
17. To ensure that OR and its subsidiaries' operation are in line with OR policies, the securities and exchange law, and regulations under the Capital Market Supervisory Board, the SEC, and the SET, as well as ensuring OR's adequate internal control and internal audit systems.
18. To approve payment of interim dividend.
19. To determine and amend the list of authorized directors.
20. If necessary for critical decision makings, the Board may seek independent professional advice.
21. To oversee OR's operational effectiveness and to act for the best interest of OR's stakeholders.
22. To provide each shareholder group with appropriate communication channels and oversee that the information disclosure is complete, clear, transparent, reliable, and of highest standards.
23. To arrange an annual general meeting of shareholders within 4 months after the end of each accounting year, to oversee the effectiveness and transparency of the meeting, and to provide the shareholders an opportunity to exercise their rights. After the meeting, ensure that the meeting resolutions and minutes of meeting are timely prepared and disclosed.
24. To compile and disclose the annual report and financial statements of OR and its subsidiaries to be proposed for approval at annual general meetings of shareholders.
25. To perform self-assessment of the Board and the individual on an annual basis to serve as a framework for examining the performance of the Board. The evaluation results should be used to strengthen the effectiveness of the Board.

26. To consider potential risk factors, formulate comprehensive risk management guidelines, ensure that the management operates with efficient risk management systems and processes in place, and predict possible risks that may arise from new business opportunities.
27. To monitor and remedy issues related to potential conflicts of interest and connected transactions, prioritizing major transactions that will result in maximum benefits for shareholders and stakeholders.
28. The Board may authorize and/or designate individuals to perform specific tasks on its behalf. The grant of power of attorneys or sub-attorneys shall conform to the scope defined in the letter of authorization and/or in compliance with the rules, regulations, or orders prescribed by the Board of and/or OR. The authorization of the Board's roles and responsibilities shall not be in such a manner that enables the Board or the appointed attorneys, through the attorneys or sub-attorneys, to approve transactions that may benefit themselves or others who may have conflict of interest (as defined in the notifications of the SEC or the Capital Market Supervisory Board) in any manner or create conflicts of interest with OR or its subsidiaries, except transactions that are in accordance with the policies and criteria approved by shareholders' meetings or approved by the Board. The business-related approval shall be OR's ordinary business transactions as defined in the notifications of the SEC or the Capital Market Supervisory Board, and/or the SET, or other related institutions.
29. To review the Board charter once a year.
30. To encourage OR's directors and management to attend courses and seminars organized by the Thai Institute of Directors (IOD) or by other institutions that are relevant to their roles and responsibilities

7.2.3.2 Authorized Directors

Directors authorized to act on behalf of the company consist of the Chief Executive Officer, who shall imprint his or her signature and affix the OR seal, or any other 2 directors, who shall jointly

imprint their signatures and affix the OR seal. Such directors shall not be independent directors so as to maintain their independence according to corporate governance principles. As of January 31, 2021, for authorization to be legally binding, either (1) Ms. Jiraphon Kawswat, the Chief Executive Officer, shall imprint her signature and affix the OR seal, or (2) two of the 3 following directors: Mr. Poomsak Aranyakasemsuk, Mr. Auttapol Rerkpiboon, or Mr. Kris Imsang; shall jointly imprint their signatures and affix the OR seal."

7.2.3.3 Independent Directors

The OR Corporate Governance Handbook stipulates that the number of independent directors shall comply with the criterion of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), which is at least one third of the total number of directors on the board. At present, OR has a total of 6 independent directors, which is greater than the criterion. Additionally, OR's independent directors may not serve in office for more than 9 consecutive years from the date of first appointment. To re-appoint independent directors after such period, the Board of Directors must duly consider the necessity. At present, no independent directors serve in office longer than the defined period.

The OR Corporate Governance Handbook also requires independent directors to convene at least 1 meeting among themselves per year. In 2020, the independent directors held 1 such meeting.

The OR Corporate Governance Handbook requires independent directors to convene meeting among themselves at least

1 meeting per year.

In 2020, the independent directors held

1 meeting among themselves.

OR's independent directors possess knowledge, competency, and independence and do not possess any prohibited characteristics as defined by the law. They are also independent from the management and OR's majority shareholders and possess all the qualifications by OR's definition, as follows.

1. An Independent Director holds no more than 0.5% of all shares with voting rights of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority. This is inclusive of shares held by anyone who is affiliated with them.
 2. An Independent Director is a Director, who is not involved in the management, employees, staff, consultant with monthly salary or Entities with Controlling Authority over the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, either at the present time or within 2 years prior to his/her appointment as an Independent Director. Such prohibited characteristics do not include the case that an Independent Directors who has been a Government Officer or consultant of the Government, which was a Major Shareholders or an Entity with Controlling Authority.
 3. An Independent Director has no connection by blood or legal registration as father, mother, spouse, sibling, son/daughter or spouse of son/daughter of another Director. Further, an Independent Director has no such connection with an Executive, a Major Shareholder, and an Entity with Controlling Authority or an Individual who will be nominated as Director, Executive or Entity with Controlling Authority over the Company or the Subsidiary
 4. An independent director has no or had have a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person in a manner that may interfere with independent discretion, which includes not being or not having been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless such forgoing relationships have ended for at least two years prior to his/her appointment as an independent director.
- Such business relationship in paragraph one shall include normal business transactions, rental or lease of real estate, transactions related to assets or services or granting or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or the counterparty being subject to indebtedness payable to the other party in an amount starting from 3% of the net tangible assets (NTA) of the Company or from Baht 20 Million, whichever is lower. In this regard, the calculation of such indebtedness shall be in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, mutatis mutandis. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of one year to the date of establishing the business relationship with the related person.
5. An Independent Director is not an auditor of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder, an Entity with Controlling Authority or a partner to the audit office with which the auditors of the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority are associated at the present time or have been within 2 years prior to his/her appointment as an Independent Director.
 6. An Independent Director is not a person rendering any professional service or a legal or financial consultant who is paid more than THB 2 Million in service fee per year by the Company, the Parent Company, a Subsidiary, a Joint Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder or an Entity with Controlling Authority over the Company or a partner to such professional service provider at the present time or within 2 years prior to his/her appointment as an Independent Director.
 7. An Independent Director is not a Director who is appointed to be a nominee of a Director of the Company, a Major Shareholder or a Shareholder who is connected with a Major Shareholder.
 8. An Independent Director does not engage in a business of the same nature as and which is significantly competitive to that of the Company, the Parent Company or a Subsidiary. An Independent Director is not a significant partner to a partnership or a Director with involvement in the management, employees, staff, consultant with monthly salary, or, who holds more than 1% of all shares with voting rights of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a Subsidiary
 9. An Independent Director does not have any other characteristic which prevents him or her from opining freely on the operation of the Company.

After having been appointed as independent directors with qualifications in items 1-9, they may be assigned by the Board of Directors to make decisions on the operation of OR or OR's parent companies, subsidiaries, associate companies, subsidiaries of the same tier, majority shareholders, or controlling persons. They may also make collective decisions.

At present, no independent directors of OR serve as independent directors in OR's parent company, subsidiaries, or same-tier subsidiaries.

The duties and responsibilities of independent directors are as follows:

1. Independent directors shall offer suggestions that are necessary and beneficial to the company, shareholders, and minority shareholders to the Board of Directors and/or the President and Chief Executive Officer on a case-by-case basis.
2. Independent directors shall offer opinions on the duties and responsibilities of the board and offer opinions in accordance with their duties and responsibilities for the benefit of the company, shareholders, and minority shareholders.
3. Independent directors shall conduct audits to ensure OR's compliance with laws relevant to independent directors and review the definitions of independent directors to ensure suitability and full compliance with the law.
4. Independent directors may perform other tasks assigned by the board as long as they do not interfere with their independence.
5. The term of office of independent directors begins as soon as they become fully qualified by OR's definitions of independent directors and ends upon losing such qualifications or dismissal from directorship.
6. Independent directors shall meet at least once a year.

7.2.3.4 Chairperson

Mr. Auttapol Rerkpiboon, director and representative of PTT, serves as the chairperson. Although the chairperson is not an independent director, OR has deemed that the chairperson possesses knowledge, competency, and an excellent understanding of OR's nature of business necessary for decision-making for the maximum benefit of the company and overall shareholders. OR has put in place mechanisms that assure shareholders and stakeholders that all decisions made by the board are characterized by independence, cautiousness, prudence, and absence of influence or manipulation during deliberation, as follows:

1. The Board of Directors discharges its duties in compliance with the corporate governance principles issued by SEC and SET and the OR Corporate Governance Handbook as well as promotes checks and balances between the board and the management. The board also 1) ensures that the board is composed more than half by independent directors and 2) has assigned either Assoc. Prof. Dr. Pipop Udorn, an independent director and the Chairperson of the Audit Committee, or Ms. Dujduan Hetrakul, an independent director and a member of the Corporate Risk Committee, to join the consideration and establishing of agenda for Board meetings.
2. The Chairperson is not an executive director, nor the President and Chief Executive Officer, nor has any relations with the management to ensure a clear separation of power between policymaking and management. The Chairperson also demonstrates leadership and presides over Board meetings efficiently and effectively as well as encourages all directors to participate in meetings, provides assistance and advice, and oversees and supports the operation of the management through the President and Chief Executive Officer without interfering in the regular duties or day-to-day business of the management, which are within the purview of the President and Chief Executive Officer.
3. The Board of Directors has assigned the Sub-Committees to consider, review, and monitor OR's operations to prevent transactions involving conflicts of interest and strike the balance between the needs of all parties. To this end, the board has assigned the Audit Committee to review the accuracy of OR's disclosure of financial and non-financial information as well as connected transactions and assigned the Nomination and Remuneration Committee to ensure the clarity and transparency of the nomination and remuneration of directors and executives.

The Chairperson is the leader of the Board of Directors. The duties of the Chairperson as stipulated by the OR Corporate Governance Handbook include the following:

1. Supervising and monitoring the performance of the board to ensure that it is efficient and OR's objectives and goals are accomplished
2. Ensuring that all directors play a role in fostering an ethical organizational culture and comply with OR's corporate governance policy

3. Setting Board Meeting agenda items with the President and Chief Executive Officer and putting in place measures to ensure that significant matters are added to the agenda
4. Allocating sufficient time for the management to propose matters and for directors to thoroughly discuss significant

matters as well as promoting the use of discretion and the expression of independent opinions

5. Fostering relations between executive and non-executive directors and between the Board of Directors and the management

7.2.3.5 Authority and Duties of the President and Chief Executive Officer

Under OR's articles of association, the President and Chief Executive Officer is the highest-ranked officer and is appointed by the Board of Directors. The President and Chief Executive Officer is responsible for managing OR as assigned by the board in accordance with relevant policies, action plans, and budgets strictly within the board-approved framework of authority. The President and Chief Executive Officer shall also discharge duties with integrity and safeguard the interests of OR and its shareholders to the best of his or her ability and shall not engage in any action that may result in conflicts of interest with OR.

The role, duties, and responsibilities of the President and Chief Executive Officer are as follows.

1. Operating or managing day-to-day business
2. Hiring, appointing, removing, transferring, promoting, demoting, deducting the salary or wages of, taking disciplinary action against, and dismissing employees according to the regulations defined by the board
3. Ensuring the preparation and submission of business policies, including operating plans and budgets, for the board's approval, and reporting the performance of such plans and budgets to the board every 3 months
4. Ensuring the implementation of the board-approved policies, plans, and budgets
5. Assuming the role and performing duties as the secretary to the Board of Directors
6. Managing cash flows, investments, budgets, plans, and risk management processes according to board-approved guidelines and framework of authority in a thorough and efficient manner
7. Approving budgets for investments, procurement, purchasing, and hiring as well as expenses for business operations under board-approved annual business plans and budgets
8. Representing OR in engaging with external parties
9. Carrying out any effort in support of OR's business operations and performing other duties as assigned by the Board of Directors

Furthermore, the Board authorized the President and Chief Executive Officer to manage OR's business under the following scope of authority

1. Managing the overall business in full compliance with the objectives, articles of association, policies, rules, regulations, specifications, directives, and resolutions of the board or shareholders' meetings
2. Ordering, contacting, commanding, implementing, and signing any juristic acts, agreements, orders, announcements, or correspondence with government agencies, state enterprises, or other parties as well as engaging in any essential and suitable action to facilitate the aforementioned duty
3. Commanding all employees, including hiring, appointing, removing, promoting, demoting, deducting the salary or wages of, taking disciplinary action against, or dismissing any employees in compliance with the rules, regulations, and directives of the board. For employees serving as advisers, senior executive vice presidents, or equivalent upward, prior approval of the board is required. The President and Chief Executive Officer is also authorized to specify employment conditions for employees and issue rules for OR's operations, provided that they do not contradict the rules, regulations, and directives of the board.
4. Assigning the power of attorney and/or delegating specific tasks to other persons provided that the action complies with regulations, rules, or directives defined by the board and/or OR.

The President and Chief Executive Officer may not exercise the aforementioned authority if the use of such authority results in or may create any form of conflicts of interest with OR.

7.3 Sub-Committees

As of January 31, 2021, OR had a total of 4 sub-committees: the Audit Committee, the Nomination and Remuneration Committee, the Enterprise Risk Management Committee, and the Corporate Governance Committee.

Each sub-committee has its own board-approved charter that details its missions, composition, qualifications, term of office, responsibilities, and meeting requirements. The charter is to be reviewed as appropriate. Each sub-committee shall report its performance to the Board of Directors for acknowledgment.

In 2020, each sub-committee reviewed its own charter. The Nomination and Remuneration Committee and the Enterprise Risk Management Committee reviewed their respective charters to ensure their alignment with their missions, duties, responsibilities, and best practices of listed companies in

the Stock Exchange of Thailand and proposed revisions to the board for approval. Also, the Audit Committee reviewed its charter to ensure the alignment with related regulations, bylaws, and its current practice; proposed revisions to the board for approval; and notified the Stock Exchange of Thailand on February 17, 2021.

7.3.1 Audit Committee

The Audit Committee (AC) comprises 3 independent directors, all of whom are fully qualified under the criteria of the Capital Market Supervisory Board. Assoc. Prof. Dr. Pipop Udorn has sufficient knowledge and experience to audit the reliability of financial statements and perform other duties as member of the Audit Committee. The term of office of the committee members coincides with their term of directorship at OR. The secretary to the Audit Committee is Ms. Worrapanit Sittibusaya, Vice President, Internal Audit Department.

The Audit Committee convenes 1 meeting per month on average.

In 2020, the Audit Committee held a total of 17 meetings.

The attendance records of the committee members are detailed below.

AC Member	Position	Attendance of AC Meeting In 2020
Assoc.Prof.Dr. Pipop Udorn (independent director)	Chairman of the Audit Committee	17/17
Assoc.Prof.Dr. Chayodom Sabhasri (independent director)	Member of the Audit Committee	17/17
Dr. Chaichana Mitrpant (independent director)	Member of the Audit Committee	15/17

The scope of duties and responsibilities of the Audit Committee

1. Review and reassess the adequacy of the Audit Committee Charter annually in accordance with the company's strategic objectives. Final approval of the charter must reside with OR Board of Directors. The Charter should be carefully reviewed and disclosed to its shareholders via various channels at least once a year.
2. Review the effectiveness and efficiency of Corporate Governance, Risk Management and Internal Control Process.
3. Review and ensure the appropriation and credibility of OR financial statements in accordance with the accounting standards.
4. Review and ensure OR's business operations to comply with the Securities Law, the Stock Exchanges of Thailand regulations, policies, rules, ordinances, the Articles, the Cabinet Resolutions and any relevant laws applicable to the Company's business.
5. Review and ensure OR's Internal Control and Internal Audit Systems to be sufficient and appropriate, including the sufficiency of internal audit budget, resource, and the organizational independence of the internal audit activity.
6. Consider related parties transactions or any transactions that may lead to conflicts of interest or potential fraud that may affect the company's operations, according to the laws and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are suitable and are in the best interest of the company.
7. Give recommendations and suggestions to OR Board of Directors on the appointment, performance assessment, or removal of the company's Head of Internal Audit.
8. Consider, select and recommend on the appointment of independent external auditor for the company's audit, and propose auditor's remuneration fee to OR Board of Directors. This includes the participation in a meeting with external auditor without OR management in attendance at least once a year.
9. Coordinate with the external auditor in the review or assessment of any significant accounting and reporting issues for further problems solving and improvement. Suggest any agenda items that need careful consideration, including plans for electronic data processing review and control.
10. In the event that external auditor reports to the Audit Committee on issues regarding corruptions and compliance of the Board of Directors or Management, the Audit Committee shall consider conducting a preliminary examination and report such examination result to the Securities and Exchange Commission (SEC) and external auditor within 30 days from the date of receiving the notification from the auditor.
11. Report the Audit Committee's performance to OR Board of Directors at least once per quarter, within 60 days after each quarter ends. For the fourth quarter, the Audit Committee's Annual Performance Report, signed by the Chairman of Audit Committee, must be prepared and submitted to the affiliated Ministry and the Ministry of Finance within 90 days after the company's fiscal year ends.

Performance report as stated in above paragraph must contain information specified by the State Enterprise Policy Office, Ministry of Finance, and the Stock Exchange of Thailand.
12. Report the Audit Committee's performance on internal audit activity assessment to OR Board of Directors at least once a year. The report must include assessment result, problems, obstacles and improvement plans.
13. Disclose the Audit Committee Annual Report and the external auditor annual remuneration in OR annual report.
14. Either the Chairman or a member of the Audit Committee must attend the OR Annual General Meeting of Shareholders.
15. Arrange and supervise the management to set up complaints receiving process and channels.
16. Perform any other tasks designated by the laws or assigned by the Board of Directors. Nevertheless, the tasks must be under the Committee's scope of duties and responsibilities.

7.3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) comprises at least 3 members, at least one of whom shall be an independent director. The chairperson of the Nomination and Remuneration Committee is an independent director. The term of office of the committee members coincides with their term of directorship at OR.

The secretary to the Nomination and Remuneration Committee is Mrs. Kanchanee Udomkulwanich, Vice President, Office of the President and Corporate Secretary.

The charter of the Nomination and Remuneration Committee stipulates that the committee shall meet at least twice a year. In 2020, the committee convened a total of 6 meetings. The attendance records of the committee members are detailed below.

NRC Member	Position	Attendance of NRC Meeting In 2020
Assoc.Prof.Dr. Chayodom Sabhasri (independent director)	Chairman of the Nomination and Remuneration Committee	6/6
Mr. Poomsak Aranyakasemsuk (non-executive director)	Member of the Nomination and Remuneration Committee	6/6
Ms. Peangpanor Boonklum ⁽¹⁾ (non-executive director)	Member of the Nomination and Remuneration Committee	6/6

Remark : ⁽¹⁾ Ms. Peangpanor Boonklum resigned as a director, effective January 1, 2021, and was replaced by Mr. Kris Imsang, as resolved by the board meeting No. 1/2021 on January 8, 2021.

The scope of duties and responsibilities of the Nomination and Remuneration Committee

1. Duties and Responsibilities Regarding Director Nomination

- To provide recommendations on the structure, composition, and qualifications for OR's directors and sub-committees' members.
- To set criteria and processes for nomination of OR's directors and President and Chief Executive Officer as well as to select qualified candidates to be nominated as OR's directors, President and Chief Executive Officer, and other management positions when assigned by the Board, to replace vacant positions before proposing to the Board and/or shareholders' meeting (depending on the case) for approval.
- To review and nominate qualified directors as sub-committee members before proposing to the Board for appointment as deemed appropriate.
- To set performance assessment criteria for the President and Chief Executive Officer before proposing to the Board for approval.
- To assess the performance of the President and Chief Executive Officer, and sub-committees in order to provide recommendations to the Board regarding the appropriate improvement of the performances or effective resolution of any problems.
- To review the succession plan for the President and Chief Executive Officer and the list of candidates qualified for the succession every year.

2. Duties and Responsibilities Regarding Director Remuneration

- To provide recommendations on appropriate remuneration policy, both monetary remuneration and non-monetary remuneration, including fixed rate compensation (such as retainer fee and meeting allowance) and non-fixed rate compensation (such as performance bonus and pension), taking into consideration related factors such as comparison with shareholders' return and motivation to create long-term value for OR, before proposing to the Board and shareholders' meetings for approval.
- To comply with good corporate governance policy, the Nomination and Remuneration Committee shall set director remuneration to be in line with the Stock Exchange of Thailand's guideline by taking into consideration related factors such as compatibility with industry practice, experiences, obligations, scope of work, accountability and responsibilities, and contribution of each director. Directors who have additional roles and responsibilities,

such as a member of a committee, should be entitled to additional remuneration.

- To disclose the directors' remuneration policy that reflects the duties and responsibilities of each individual, including the pay components and level received by each director. The remuneration disclosed for each director should also include remuneration for what each individual receives from holding directorship at OR's subsidiaries.

3. Others

- To report the performance of the NRC to the Board and compile reports of the NRC, signed by the Nomination and Remuneration Committee Chairman, to be disclosed in OR's annual report.
- Other duties as assigned by the Board.

7.3.3 Enterprise Risk Management Committee

The Enterprise Risk Management Committee (ERMC) comprises at least 3 members, at least one of whom shall be an independent director. The chairperson of the Enterprise Risk Management Committee is an independent director. The term of office of the committee members coincides with their term of directorship at OR.

The secretary to the Enterprise Risk Management Committee is Ms. Rajsuda Rungsiyakull, Senior Executive Vice President, Corporate Strategy, Innovation, and Sustainability.

The charter of the Enterprise Risk Management Committee stipulates that the committee shall meet at least once per quarter. In 2020, the committee convened a total of 6 meetings. The attendance records of the committee members are detailed below.

ERMC Member	Position	Attendance of ERMC Meeting In 2020
Dr. Chaichana Mitrpant (independent director)	Chairman of the Enterprise Risk Management Committee	6/6
Assoc.Prof.Dr. Pipop Udom (independent director)	Member of the Enterprise Risk Management Committee	6/6
Ms. Dujduan Hetrakul ⁽¹⁾ (independent director)	Member of the Enterprise Risk Management Committee	0/0
Ms. Jiraphon Kawswat (executive director)	Member of the Enterprise Risk Management Committee	6/6

Remark : ⁽¹⁾ The board meeting No. 12/2020 on December 23, 2020 resolved to appoint Ms.Dujduan Hetrakul as member of the Enterprise Risk Management Committee, replacing Ms. Peangpanor Boonklum (Ms. Peangpanor Boonklum's meeting attendance record for 2020 was 6/6).

The scope of duties and responsibilities of the Enterprise Risk Management Committee

1. Define and review Risk Management Policy, organizational risk management framework and the stakeholder management framework.
2. Supervise and support the implementation of Corporate Risk Management, as well as stakeholder management in accordance with OR's business strategies and business goals in the rapid-changing circumstances
3. Provide recommendations for monitoring and evaluation of risk management and stakeholder management to OR's Management Committee (OR MC) for further implementation.
4. Examine the corporate risk management reports, comment on the potential risks that might arise, suggest guidelines for determining control or mitigation measures (Mitigation Plan), and develop an effective corporate risk management system for OR MC.
5. Examine the stakeholder management report, provide comments on action plans to expand positive results or reduce/compensate the potential impact that might occur to the stakeholders, and develop a consistently efficient stakeholder management system for OR MC.
6. Report Enterprise Risk Management and stakeholder management results to the Board of Directors for acknowledgment. In case of any factors or important events which could have significant impact on the company or stakeholders, the ERM C must report to the Board immediately for urgent consideration and decision making.
7. Consider, scrutinize and comment on agendas with long-term commitments, business complexity, and potential risk that may affect the company or have a significant impact on the stakeholders before presenting the agendas to the Board.
8. Other duties as assigned by the Board.

7.3.4 Corporate Governance Committee

The Corporate Governance Committee (CGC) comprises at least 3 members, at least one of whom shall be an independent director. The chairperson of the Corporate Governance Committee is an independent director. The term of office of the committee members coincides with their term of directorship at OR.

The secretary to the Corporate Governance Committee is Ms. Sukanya Seriyothin, Vice President reporting to President and

Chief Executive Officer, managing Corporate Governance Division.

The Board Meeting No. 12/2020 on December 23, 2020 resolved to establish the Corporate Governance Committee as another sub-committee. As such, the committee did not convene any meeting in 2020 and had no meeting attendance records.

As of December 23, 2020, the Corporate Governance Committee comprised 3 members as follows:

CGC Member	Position
Asst.Prof.Dr.Duangkamol Chartprasert (independent director)	Chairman of the Corporate Governance Committee
Mr. Poomsak Aranyakasemsuk (non-executive director)	Member of the Corporate Governance Committee
Ms. Peangpanor Boonklum (non-executive director)	Member of the Corporate Governance Committee

Ms. Peangpanor Boonklum resigned as a director, effective January 1, 2021, and the board meeting No. 1/2021 on January 27, 2021 resolved to appoint Mr. Supat Metheeworapote as member of the Corporate Governance Committee in place of Ms. Peangpanor Boonklum. The members of the Corporate Governance Committee as of January 27, 2021 consisted of:

CGC Member	Position
Asst.Prof.Dr.Duangkamol Chartprasert (independent director)	Chairman of the Corporate Governance Committee
Mr. Poomsak Aranyakasemsuk (non-executive director)	Member of the Corporate Governance Committee
Mr. Supat Metheeworapote (independent director)	Member of the Corporate Governance Committee

The scope of duties and responsibilities of the Corporate Governance Committee

1. To define Corporate Governance Policy and code of business conduct and ethics, and anti-fraud and anti-corruption policy according to the corporate governance system, and propose to the Board of Directors to set as the Company's rules and regulations, in alignment with principles, standards and requirements of various institutions or regulators governing listed companies, such as the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) to support OR's strategy and goals.
2. To advise and recommend the Board of Directors to ensure the operations is conforming to good corporate governance principles and business ethics.
3. To approve OR's corporate governance objectives, goals, strategies, management framework, policy and approaches as well as regularly reviewing OR's corporate governance directions to be in line with the Company's goals and strategies.
4. To regulate, support and monitor the implementation of corporate governance and report to the Board of Directors to ensure the alignment of the Company's operations with the established policies and guidelines for continuous development and enhancement of OR's corporate governance. In case of any important factor or event with potential and significant impact on the Company, the CGC must immediately report to the Board of Directors for urgent consideration and decision making.
5. To annually review the suitability of the Corporate Governance Committee Charter. The revised Charter must be submitted for approval of the Board of Directors.
6. To define policy, establish governance frameworks, support and monitor handling of complaints, fraud and non-compliance reports.
7. To encourage and cultivate good corporate governance culture among executives and employees at all levels for more understanding and practical adoption in both OR and OR's subsidiaries.
8. To perform other duties assigned by the Board of Directors

7.4 Executives

7.4.1 Executives

As of December 31, 2020, OR had a total of 12 executive officers as named below.

Executive's Name ⁽¹⁾⁽²⁾	Position
1. Ms. Jiraphon Kawswat	Acting President and Chief Executive Officer
2. Mr. Somyot Kongprawet	Senior Executive Vice President, Organization Effectiveness
3. Ms. Rajsuda Rungsiyakul	Senior Executive Vice President, Corporate Strategy, Innovation and Sustainability
4. Mr. Phichin Aphiwantanaporn	Senior Executive Vice President, Finance
5. Mr. Boonma Phonthanakornkul	Senior Executive Vice President, Oil Retail Business
6. Mr. Suchat Ramarch	Senior Executive Vice President, Non-Oil Retail Business
7. Mr. Chumpol Surapittayanont	Senior Executive Vice President, Commercial Marketing
8. Mr. Chumpol Siripuchaka	Senior Executive Vice President, Lubricants Business
9. Mr. Wisarn Chawalitanon	Senior Executive Vice President, International Marketing
10. Mr. Soontorn Chursuk	Senior Executive Vice President, Petroleum Terminal Operations
11. Ms. Patranit Kitta	Vice President, Finance and Accounting Control
12. Mr. Surachart Chintavalakorn	Vice President, Corporate Finance

Remark : ⁽¹⁾ According to the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2557 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (including amendments), an executive refers to a manager or the next four executives succeeding the manager and every person holding an equivalent position to the fourth executive, including persons holding the position of departmental manager or equivalent or higher in accounting or finance.

⁽²⁾ Mr. Paisan Udomkulwanich, Senior Executive Vice President, is on secondment at PTT Retail Management Company Limited as Managing Director, as detailed on page 55 is not considered an executive by the definition in ⁽¹⁾

Details related to OR's executives appear in Attachment 1 (Details on Directors, Executives, Controlling Persons, Chief Financial Officer, Chief Accountant, and Company Secretary) are published on OR's website (www.pttor.com).

7.4.2 Executive Remuneration

1. Monetary Remuneration

In 2020, OR paid a total of THB 86,585,170.9 in remuneration to 10 executive officers (excluding Vice President, Finance and Accounting Control and Vice President, Corporate Finance). The monetary remuneration consisted of monthly salaries, bonuses, sign-on bonuses, allowances, and hardship allowances. This amount already includes the remuneration that OR paid to PTT for OR's executives under the Personnel Secondment Agreement.

In addition, OR paid a total of THB 414,182.44 in remuneration to 13 executives who served as directors or executives in OR's subsidiaries. The monetary remuneration consisted of monthly salaries, meeting allowances, and bonuses.

2. Other Remuneration

OR has established a provident fund and offers a contribution rate of 10-15% (depending on the year of service) of the salary for executives. In 2020, OR contributed a total of THB 8,166,781.2 for 10 executives (excluding Vice President, Finance and Accounting Control and Vice President, Corporate Finance). The amount includes the provident fund contributions OR made to PTT for OR's executives under the Personnel Secondment Agreement.

OR also provides other benefits to executives and all employees on an equitable basis, such as social security contributions, flexible benefits, uniform allowances, child education allowances,

funeral benefits, life insurance, and medical expenses. In 2020, OR paid a total of THB 2,603,833.7 in other remuneration to executives (excluding Vice President, Finance and Accounting Control and Vice President, Corporate Finance). The amount includes the other remuneration OR paid to PTT for OR's executives under the Personnel Secondment Agreement.

OR's subsidiaries do not pay other remuneration to OR's executives that serve as directors or executives in such subsidiaries.

3. Accrued Compensation or Benefits: - None -

7.5 Employees

7.5.1 Headcount

As of December 31, 2020, OR had a total of 1,621 employees as detailed below.

No.	Business Department	Number of Employees
1.	President and Chief Executive Officer and direct reports	16
2.	Office of President and Corporate Secretary	10
3.	Corporate Communication Department	15
4.	Legal Department	13
5.	Internal Audit Department	9
6.	Finance Unit	72
7.	Organization Effectiveness Unit	60
8.	Corporate Strategy, Innovation and Sustainability Unit	105
9.	Oil Retail Business Unit	244
10.	Non-Oil Retail Business Unit	203
11.	Commercial Marketing Unit	139
12.	International Marketing Unit	11
13.	Lubricants Business Unit	113
14.	Petroleum Terminal Operations Unit	611
Total ⁽¹⁾		1,621

Remark : ⁽¹⁾ As of December 31, 2020, of this number, 190 employees were transferred under the Personnel Secondment Agreement.

OR has entered into a management contract with Business Services Alliance Company Limited, M.B.C. Land Company Limited, and PTT Retail Management Company Limited to hire them to manage service stations, Café Amazon outlets, and a number of 7-Eleven stores and to recruit personnel for functions specified in the contract, such as the provision of services in service stations, Café Amazon outlets, and 7-Eleven stores; the pumping of fuels and liquefied natural gas for vehicles; the production and sale of merchandise as prescribed by OR; financial responsibilities; and cleaning. Such personnel are under the supervision of the aforementioned companies and do not have a status as OR's employees.

As of December 31, 2020, OR's subsidiaries had a total of 6,115 employees combined.

7.5.2 Employee Remuneration

In 2020, OR paid approximately THB 3,415,763,421.3 in remuneration for employees, consisting of monthly salaries, bonuses, sign-on bonuses, overtime pay, provident fund, other benefits, such as social security contributions, flexible benefits, uniform allowances, child education allowances, funeral benefits, life insurance, and medical expenses. The amount includes the remuneration paid to PTT for OR's employees under the Personnel Secondment Agreement.

Furthermore, OR's subsidiaries paid a total of THB 1,585,277,415.75 in remuneration to employees in 2020.

7.5.3 Employee Development Policy

OR places priority in human resource development by establishing a policy to promote and encourage employees to be both good and intelligent, and be a part in building competitiveness and sustainable growth for the company (Together for Betterment) with the following actions:

1. OR promotes and drives its organizational culture through the OR DNA, a core concept for decision-making and collaboration in OR's way for employees to become knowledgeable future organizational leaders, equipped with experience and the ability to adapt to the changing business environment and future business competition.
2. OR provides a career management system for planning, development and management of knowledgeable employees according to the specification in Success Profile; skills, competency and work experience exposure, with focuses on the following matters:

- Reskill & Upskill knowledge to support the changing business dynamics
- Organize employee development programs for all levels of personnel such as; Leadership Development Program for skills, knowledge, and abilities development and preparation for executives before stepping up to a higher position; Core Courses designed to connect employees with the organization's business goals and directions and develop core competency as needed; Functional Courses to develop employees in the professional field through Oil and Retail Business Academy (OBA) institute for efficiency development.
- Improve the flexibility in organizational structure by taking into account the suitability of management, authority, and committee in managerial level, to maximize the efficiency in management.

3. OR has established a systematic succession by creating a succession plan for important positions with leadership potential, organizational management skills and experience assessment in order to development plans and programs to prepare employees for business expansion and future change, ensuring the continuity in OR's business operations both domestically and internationally. The person nominated as a successor will go under systematical development program to be ready to hold the higher position by the specified timeframe.

7.6 Other Important Information

7.6.1 Chief Accountant, Secretary to the Board of Directors and Company Secretary, and Heads of Internal Audit and Corporate Compliance

7.6.1.1 Chief Accountant

Ms. Patranit Kitta Vice President, Finance and Accounting Control, is the person assigned the direct responsibility for supervising accounting and overseeing OR's accounting transaction and payment to ensure efficiency and compliance with OR's regulations, requirements, and criteria as well as accounting standards. The profile of the chief accountant appears in Attachment 1 (Details on Directors, Executives, Controlling Persons, Chief Financial Officer, Chief Accountant, and Company Secretary), which is also published on OR's website (www.pttor.com).

2020 onwards, with duties and responsibilities as stipulated in Section 89/15 of the Securities and Exchange Act B.E. 2535 (including amendments). She holds a law degree and has attended key training programs beneficial to the discharge of duties as company secretary. The profile of the company secretary appears in Attachment 1 (Details on Directors, Executives, Controlling Persons, Chief Financial Officer, Chief Accountant, and Company Secretary), which is also published on OR's website (www.pttor.com).

7.6.1.2 Secretary to the Board of Directors and Company Secretary

(1) Secretary to the Board of Directors

The Board of Directors resolved to appoint Ms. Jiraphon Kawswat, Acting President and Chief Executive Officer, as secretary to the board, effective July 1, 2018 onwards, to serve as the focal point between the board and the management and to be the primary responsible person for reviewing board meeting agenda and documents before submitting them to the Board.

(2) Company Secretary

The Board meeting No. 9/2020 on September 23, 2020 resolved to appoint Mrs. Kanchanee Udomkulwanich, Vice President, Office of the President and Corporate Secretary, as company secretary, effective October 1,

7.6.1.3 Head of Internal Audit

Currently, Ms. Worrapanit Sittibusaya serves as OR's head of internal audit. She possesses an excellent understanding of OR's business as well as knowledge, skills, and experience in internal auditing. She is also knowledgeable about OR's operations, corporate governance principles, risk assessment, and internal control, both at business and overall levels. The Audit Committee has approved the appointment, transfer, and annual assessment of the performance and merit of the head of internal audit.

The profile of the head of internal audit appears in Attachment 3 (Detail on the Head of Internal Audit), which is also published on OR's website (www.pttor.com).

7.6.2 Head of Investor Relations

To ensure accurate, prompt, and transparent disclosure of material information, OR has established the Investor Relations Management Department and appointed Ms. Pitirat Rattanachote as head of investor relations to serve as the focal point for disclosing material information to domestic and international shareholders and investors as well as financial information, such as operating results and quarterly financial statements, management discussion and analysis (MD&A), and OR's strategies and future trends, on a regular basis in an equitable, complete, and accurate manner.

The Investor Relations Management Department can be reached at

Tel: +66-2196-5038, +66-2196-5964, +66-2196-5037,
+66-2196-5040, +66-2196-5041, +66-2196-5550

from Monday to Friday between 8:00-17:00 hrs.

E-mail: ir@pttor.com

Information on OR, along with material information for investors both in Thai and English, is available at www.pttor.com.

7.6.3 Audit Fee

Audit Fee

On March 30, 2020, the 2020 OR's Annual General Meeting of Shareholders has approved the appointment of the Office of the Auditor-General (OAG) as the company's auditor for 2020 and has also approved the payment of audit fee for 2020. However, OR received a Subject Waiver letter from OAG for 2020 audit fee collection due to the situation of COVID-19 epidemic, with notification regarding the reduction of the 2020 audit fee to THB 1,950,000. In addition, OR's subsidiaries had the resolution to approve the payment of audit fee to the auditors of the subsidiaries which are OAG, EY Office Limited (EY), KPMG Phoomchai Audit Ltd. Limited (KPMG) and Win Thin & Associates, totaling THB 11,298,472.56.

Non-Audit Fee

OR paid other non-audit fees to its auditors, which were audit fees for revenue generated from business operation of Café Amazon at Suvarnabhumi Airport terminal in the amount of THB 50,000, and inspection fee for certification and confirmation of the sales volume of oil, fuel and natural gas at Don Mueang Airport and Suvarnabhumi Airport in the amount THB 250,000.



8. Corporate Governance Report

8.1 Performance Summary of OR's Board of Directors

In 2020, OR's Board of Director's performance could be summarized as below.

1. Provided policies, directions, supervision, review, and clarification which resulted in authorization from the Office of the Securities and Exchange Commission (SEC) for OR's initial public offerings (IPOs), with its First Day Trade on February 11, 2021.
2. Monitored and governed OR's and OR's group's business operations, which has a net profit of THB 8,791 million. The Board also ensured that OR maintains its position of market-share leader in all sectors including PTT Stations, PTT Lubricants, LPG, commercial market products, and Café Amazon, while expanding its investment to ASEAN countries, in line with OR's vision to become the global leading Thai brand.
3. Established policies, directions, business strategies along with OR's operations indicators

In 2020, OR's Board of Directors reviewed and established policies, directions and strategies for OR's business operations, including the review of OR's business goals and approval of OR's performance indicators. In addition, the Board carefully scrutinized

OR's projects and programs, taking into account the interests of the shareholders and of the company.

4. Good Corporate Governance
 - Scrutinized various matters at the Board of Directors' meetings, in accordance with the law and company regulations, while considering the principles of Good Corporate Governance
 - Established a Corporate Governance Committee to support the Board in considering Corporate Governance guidelines. Supervised the performance of directors and management in accordance with the principles of Good Corporate Governance and anti-corruption, as well as taking into account any complaints from various stakeholders
 - Regularly reviewed the duties and responsibilities such as the charter of the Board of Directors and sub-committees
 - Approved the review of Corporate Governance policies and anti-corruption policies
 - Prepared OR for being a publicly listed company on the Stock Exchange of Thailand by organizing meetings of independent directors and non-executive directors, approving and reviewing reports on the interests of directors and executives

8.1.1 Nomination, Development, and Assessment of OR's Board of Directors

Information regarding the nomination, development, and performance evaluation of the Board appears in 6.1.1 "Policy and Guidelines Relating the Directors".

8.1.2 Meeting Attendance and Remuneration of Individual Directors

8.1.2.1 Meeting Attendance

Board meetings are scheduled monthly. Each year, the Corporate Secretary will inform the Board of Directors of the meeting dates in advance to enable the directors to allocate time within their schedule for the meeting. The meeting agenda is set beforehand, and meeting invitations and related documents are sent out to the directors at least 7 days prior to each

meeting in order to provide the directors with adequate time to review the agendas. At each meeting, high-ranking executives also participate to answer questions from the Board of Directors and clarify any details if needed. The Chairman of the Board provides an opportunity for all directors to express their opinions openly before voting on resolutions and agenda items. However, directors with either direct or indirect interests in any particular agenda item must refrain from voting and must leave the meeting during the discussion of that certain agenda item.

OR keeps minutes of meeting in written format, and the original copy files are kept with the meeting invitation and other documents. An electronic copy of the minutes is also stored for the Board of Directors' and related parties' audit.

In 2020, OR held a total of 14 Board of Directors Meetings with 97.86% attendance. In addition, one non-executive directors meeting and one independent directors meeting were arranged with details of attendance as below.

Name	Position(s)	Attendance of Board of Directors meeting (total 14 times)	Attendance of Non-Executive Directors meeting (total 1 time)	Attendance of Independent Directors meeting (total 1 time)
1. Mr. Auttapol Rerkpiboon	Chairman of the Board/ Director (Non-executive director)	14/14	1/1	
2. Assoc.Prof.Dr. Pipop Udorn	Independent Director (Non-executive director)	14/14	1/1	1/1
3. Assoc.Prof.Dr. Chayodom Sabhasri	Independent Director (Non-executive director)	14/14	1/1	1/1
4. Dr. Chaichana Mitrpant	Independent Director (Non-executive director)	14/14	1/1	1/1
5. Asst.Prof.Dr.Duangkamol Chartprasert	Independent Director (Non-executive director)	14/14	1/1	1/1
6. Mr. Poomsak Aranyakasemsuk	Director (Non-executive director)	13/14	1/1	
7. Ms. Dujduan Hetrakul	Independent Director (Non-executive director)	13/14	1/1	1/1
8. Ms. Peangpanor Boonklum ⁽³⁾	Director (Non-executive director)	13/14	1/1	
9. Ms. Wilaiwan Kanjanakanti ⁽¹⁾⁽²⁾	Director (Non-executive director)	13/13	1/1	
10. Ms. Jiraphon Kawswat	Director (Executive director)/ Secretary of the Board/ Acting Chief Executive Officer and President	14/14		

Remark : ⁽¹⁾ Wilaiwan Kanjanakanti resigned from the director position effective from December 15, 2020.

⁽²⁾ Mr. Supat Metheworapote's attendance (appointed to replace Miss Wilaiwan Kanjanakanti) does not appear in 2020 meeting attendance table, as the appointment was effective from December 23, 2020, hence his first Board of Directors meeting will be in 2021

⁽³⁾ Mr. Kris Imsang's attendance (appointed to replace Miss Peangpanor Boonklum) does not appear, as the appointment was effective from January 21, 2021, hence his first Board of Directors meeting will be in 2021.

8.1.2.2 Remuneration for Individual Directors

The current remuneration for OR's Board of Directors follows the resolution of the 2020 Annual General Meeting of Shareholders, which occurred on March 30, 2020. The details are listed below.

(1) Remuneration for OR Board of Directors

Position	Retainer Fee (THB/Month)	Meeting Allowance (THB/Meeting) (Only the times of attendance, up to 15 times per year)
Chairman of the Board	30,000	25,000
Directors	25,000	20,000

Table of the Remuneration for Individual Directors in 2020 (Unit: THB)

Director's Name	Position
OR's Directors as of December 31, 2020	
1. Mr. Auttapol Rerkpiboon	Chairman of the Board
2. Assoc. Prof. Dr. Pipop Udorn	Independent Director / Chairman of the AC / Member of the ERM
3. Assoc. Prof. Dr. Chayodom Sabhasri	Independent Director / Member of the AC / Chairman of the NRC
4. Dr. Chaichana Mitpant	Independent Director / Member of the AC / Chairman of the ERM
5. Asst. Prof. Dr. Duangkamol Chartprasert	Independent Director / Chairman of the CGC
6. Mr. Poomsak Aranyakasemsuk	Director / Member of the NRC / Member of the CGC
7. Ms. Dujduan Hetrakul	Independent Director / Member of the ERM
8. Mr. Supat Metheeworapote ⁽¹⁾	Independent Director / Member of the CGC
9. Ms. Peangpanor Boonklum	Director / Member of the NRC
10. Ms. Jiraphon Kawswat	Director / Secretary to the Board / Member of the ERM / Acting President and CEO
Director Resigned in 2020	
1. Ms. Wilaiwan Kanjanakanti ⁽²⁾	Director
Total	

Remark : ⁽¹⁾ Mr. Supat Metheeworapote's appointment as a director was effective from December 23, 2020.

⁽²⁾ Ms. Wilaiwan Kanjanakanti resigned as a director, effective December 15, 2020.

(2) Remuneration for Sub-Committees

Position	Retainer Fee (THB/Month)	Meeting Allowance up to once per month (THB/Meeting) (Only the times of attendance)
Chairman of sub-committees	-	25,000
Sub-committee members	-	20,000

(3) Other Remuneration - none -

	Remuneration for Individual Directors in 2020						
	OR Board of Directors		Audit Committee (AC)	Nomination and Remuneration Committee (NRC)	Enterprise Risk Management Committee (ERMC)	Total	Remuneration from OR's Subsidiaries
	Retainer Fee	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance		
	360,000.00	350,000.00				710,000.00	-
	300,000.00	280,000.00	300,000.00		120,000.00	1,000,000.00	-
	300,000.00	280,000.00	240,000.00	150,000.00		970,000.00	-
	300,000.00	280,000.00	220,000.00		150,000.00	950,000.00	-
	300,000.00	280,000.00				580,000.00	-
	300,000.00	240,000.00		120,000.00		660,000.00	-
	300,000.00	240,000.00				540,000.00	-
	7,500.00	-				7,500.00	-
	300,000.00	260,000.00		120,000.00	120,000.00	800,000.00	-
	300,000.00	280,000.00			120,000.00	700,000.00	-
	287,500.00	260,000.00				547,500.00	-
	3,055,000.00	2,750,000.00	760,000.00	390,000.00	510,000.00	7,465,000.00	-

8.1.3 Governance of Subsidiaries and Associated Companies

In order to operate OR's business in line with its policies and goals, while ensuring a suitable return on investment for shareholders, OR Board has established a governance mechanism for subsidiaries and associates in order to guide the supervision of group companies. The details are listed below.

8.1.3.1 Governance of Subsidiaries and Associated Companies Operations

(1) Directors Selection for Subsidiaries and Associated Companies

Selection of Directors for subsidiaries and associated companies follows the OR Group's Corporate Governance guidelines, which are divided into the following 4 groups:

1. OR Group companies which OR directly or indirectly owns 100% of the shares (Strategic Owner). OR has the power to appoint the Board of Directors and the chairman, and also the right to assign an executive or other OR employee to work in a position of managing director, or work in finance department, marketing department, or planning department of its subsidiaries or associated companies.
2. OR Group companies which OR is a majority shareholder or has a direct or indirect ownership of shares more than or equal to other shareholders, (Strategic Director). OR has the power to appoint the Board of Directors and the chairman, and OR can also assign an executive or other OR employee to assume the position of Managing Director. OR can also assign executives, or other OR employees to work in a position of managing director, or work in finance department of its subsidiaries or associated companies.
3. OR Group companies which OR has direct or indirect shareholdings lower than other shareholders (Financial Investors). OR has the power to appoint the Board of Directors of subsidiaries and associated companies as directors.
4. OR Group companies which operate businesses with main income generated from holding shares in other companies (Holding Company), and have no significant business operations of their own. It could be an investment in a local and/or an overseas company. However, it must not be an investment company, and must hold shares in at least one OR subsidiary that operates in the country or abroad and participate in the management of such subsidiary according to its shareholding proportion. The holding company must hold shares in such subsidiary at all times while remaining as a listed company. It also

has the authority to appoint the board of directors, chairman, and director of such subsidiaries and associated companies.

The appointment of directors of subsidiaries or associated companies must be approved by OR's related meeting resolution before proposing to the board of directors' meeting and/or the shareholders' meeting of the subsidiary or associated companies (depending on the case).

The appointment of directors of the Holding Company's subsidiaries and associated companies must also be approved by OR's related meeting resolution and the Holding Company's Board of Directors' meeting prior to approval from the board of directors' meeting and/or the shareholders' meeting of the subsidiary or associated companies (depending on the case).

The directors must possess the qualifications in accordance with the Articles of Association and the laws of the country in which the company is established. They must also perform their duties according to the objectives, regulations and laws, as well as the resolutions of the shareholders' meetings of each company and do so with honesty, ethics, and moral business conduct. In addition, they must strive to protect the interests of OR and its shareholders through supervising the business operations of subsidiaries and associated companies to achieve the goals that are in line with OR's policy and in accordance with the OR Way of Conduct.

8.1.3.2 Governance of Investments

OR has applied the regulations and requirements regarding investment criteria and investment management along with the investment supervision guidelines of share-holding companies, to govern the investments of subsidiaries and associated companies. The supervisory groups are divided into two following categories:

1. For the investment governance of OR Group companies which OR directly or indirectly owns 100% of the shares, the investments and investment budgets are supervised under OR's investment regulations. In addition, the board

of directors of such company are responsible for scrutinizing and approving various types of investments such as projects, plans, and equipment in accordance with the criteria and regulations defined by OR.

2. For the investment governance of OR Group companies which OR directly or indirectly owns less than 100% of shares, the directors, executives, employees or persons whom OR assigns are obliged to attend shareholders' meetings as shareholders or on behalf of OR's Board of Directors. However, OR's representatives that are assigned the role of Chief Executive Officer or President, or Managing Director of the subsidiary are excluded from this obligation. Such person has the following responsibilities:

2.1 To ensure OR group companies have operational and management guidelines that are consistent and strictly in accordance with OR's business policy framework and strategic directions, such as the OR Way Management Policy, Good Corporate Governance Policy, legal policy, financial accounting policy, Quality, Safety, Health and Environment Management Policy, Personnel Management Policy and other important policies.

2.2 During OR group companies' shareholders' meetings or the Board of Directors' meetings, the vote concerning the following agendas must seek approval from OR before the resolution:

2.2.1 Project investment in a new business that is not a normal operation with unfamiliar beginning and ending period of investment

2.2.2 Investment in projects or plans to increase efficiency and expand production capabilities

2.2.3 Establishment of a company or legal entity, joint venture, merger and acquisition, trading of partial or complete shares/businesses/assets of any company within the OR group

2.2.4 An increase or a reduction of OR group companies' capital

2.2.5 Business dissolution

2.2.6 To start a financial obligation as specified by OR, which is likely to create a binding or an impact on OR or PTT Public Company Limited

Hence, the directors, executives, employees or persons whom OR assigns are obliged to attend shareholders' meetings as shareholders or on behalf of OR's Board of Directors are considered OR's representatives. However, this excludes OR's representatives assigned as Chief Executive Officer, President or Managing Director of OR group companies. Such representatives have to abide by the aforementioned rules, insofar as they do not conflict with, or is inconsistent with the agreement of shareholders and/or joint ventures and/or other relevant laws (if applicable).

In the event that any investment item on an investment agenda should not be disclosed, or in an urgent case, the Chief Executive Officer, assigned representative, or the President of OR Group companies shall propose to seek approval from OR's Board of Directors.

In the event that the Board of Directors of OR group companies must vote on an urgent resolution or in the event that OR representatives are incapable of being informed the meeting agenda beforehand, the Board of Directors may consider voting for approval/disapproval/ abstention/taking action while take into account OR's benefits and best interest, and notify OR as soon as possible.

8.1.4 Corporate Governance Policies Compliance Report

OR empathizes the importance of Good Corporate Governance by establishing the goals, vision, objectives, policies and related practices as OR's "Good Corporate Governance and Business Ethics Policy". OR also fosters real practices and compliance to build confidence among all groups of stakeholders in order for the business to grow sustainably. The suitable policies will help business to operate efficiently, and build more understanding among employees towards Good Corporate Governance, anti-bribery, anti-corruption, conflict of interests and insider trading avoidance. OR has also implemented measures on complaints and reporting of illegal acts, ethics violation, or behavior that may imply fraud or misconduct.

In 2020, OR's Board followed up on the following principles to ensure that Corporate Governance Code (CG Code) of the Securities and Exchange Commission (SEC) and OR's good corporate governance principles are being followed.

Principle

1

Establish Clear Leadership Role and Responsibilities of the Board

The guidelines for each principle appear in the CG Code handbook of the SEC and OR's Good Corporate Governance handbook

OR's performance

1.1 Demonstrate a thorough understanding of leadership role, assume responsibilities in overseeing the company, and strengthen good governance

- The Board is responsible for approving important matters relating to OR, namely OR's vision, mission, values, organizational strategies, business planning, and significant investment.
- The Board reviews and approves OR's action plan which consists of corporate strategic plan, short-term and long-term business plan (3-5 years), annual budget, enterprise risk management plan, and performance indicators (KPIs).
- The Board monitors OR's performance results minimum quarterly, and perform a year-end evaluation.

1.2 Good Corporate Governance leads to the following achievements: (1) Competitiveness and long-term good performance yield (2) Ethical business conduction with responsibility for both shareholders and stakeholders (3) Benefits to the society and minimizing environment impact (4) Adaptability under changing factors Exercise its leadership role and pursue the following governance outcomes: (1) Competitiveness and performance with long-term perspective (2) Ethical and responsible business (3) Good corporate citizenship (4) Corporate resilience

- The Board establishes and pursues a mission that reflects sustainable value for the business creation.
- The Board behaves as leaders in corporate governance and take into account its stakeholders' benefits on every agenda at every OR 's Board meeting.
- The Board has established a written Corporate Governance and Business Ethics policy.

- The Board assigns the Corporate Governance Committee to supervise "Good Corporate Governance" (CG) and "Social, Community, and Environment" (CSR) relating work.

1.3 Ensuring that all directors and executives perform their duties with care and loyalty towards the organization (Duty of Care and Duty of Loyalty) and that their operations comply with laws, regulations, and shareholders' resolutions

- The scope of duties and responsibilities for OR's Board requires that Board must act in accordance with the laws, regulations and shareholders' resolutions.
- OR has issued orders and regulations regarding investment approvals and approval authority tables in order for progressive and transparent decision making on important matter of directors and executives.

1.4 Demonstrate a thorough understanding of the division of Board and management responsibilities. The Board should clearly define the roles and responsibilities of management and monitor management's proper performance of its duties.

- The scope of duties and responsibilities are established in writing and divided into the scopes for the Board of Directors, Management Committee, and Chief Executive Officer and President.
- The Board of Directors oversees the President and Chief Executive Officer, as well as the management team to perform duties as assigned by the Board at Board of Directors' meetings. Such assignments and progress reports are recorded in writing.

Principle

2

**Define Objectives that
Promote Sustainable
Value Creation**

*The guidelines for each principle
appear in the CG Code handbook
of the SEC and OR's Good Corporate
Governance handbook*

OR's performance report

2.1 Define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the company

- "OR DNA" has been defined as business conducting that reflects on corporate sustainability. The ideology of OR DNA is communicated to OR's employees on a regular basis.
- OR takes into account the changing environment and therefore set a strategy to create a new business (New S-Curve) in order to increase competitiveness and sustainable growth in the future, in addition to its normal business operations.
- OR focuses on equal treatment of all stakeholders, with stakeholders treatment guidelines in the OR Good Corporate Governance Manual.

2.2 Ensure that the company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively

- The Board sets strategic and business plans divided into short (annual) and long term (3-5 years) plans based on OR's vision and mission.
- The Board sets both monetary and non-monetary goals, taking into account all three stakeholders which are performance, people, and planet.
- The Board assigns the Chief Executive Officer, the President, and the Senior Executive Vice President of Corporate Strategy Innovation and Sustainability to be responsible for performance monitoring by utilizing innovation and technology, such as performance data analysis by Tableau.
- Objectives and goals are conveyed through strategy and work plans across the organization through various channels such as CEO Town Hall.

Principle

3

Strengthen Board Effectiveness

The guidelines for each principle appear in the CG Code handbook of the SEC and OR's Good Corporate Governance handbook

OR's Performance Report

3.1 Defining and reviewing the Board of Directors' structure

- The Board has created a Board Skill Matrix to ensure the Board consists of various qualified directors both in skills and experiences that are consistent with OR's strategy and the needs of stakeholders.
- The Board consists of executive and non-executive directors' proportion that reflects the appropriate balanced power. Most of the Board are non-executive directors who are independent to freely express their opinions on the management's operation.
- The Board comprises 6 independent directors out of 10 directors, in accordance with the regulations of the SEC, which require at least one-third of the total number of Board to be independent directors, with no less than three independent directors.
- OR's qualifications for independent directors regarding their shareholding proportion are stricter than those of the SEC.
- The policy regarding the diverse composition of the Board and each director's profile are disclosed in the annual report and on the company's website
- The Board selects the suitable Chairman of the Board based on their qualifications, experiences, and expertise.
- OR separates Chairman of the Board from the Chief Executive Officer and President positions, with clearly divided duties of the Board of Directors and management.

3.2 Select an appropriate person as the Chairman and ensure that the Board composition serves the best interest of the company, enabling the Board to make its decisions as a result of exercising independent judgement

- The Chairman of the Board shall be a person with knowledge, ability, and possess an excellent understanding of OR's nature of business, which is

essential to make decisions for the best interests of OR and the shareholders. In order to facilitate the exercise of independent judgment in decision-making, the Board therefore appoints independent directors (Assoc.Prof. Dr. Pipop Udom and/or Ms. Dujduan Hetrakul) to consider the agenda of the Board of Directors' meetings together with the Chairman of the Board.

- The Chairman of the Board's roles and duties are defined in writing.
- Independent directors may hold their positions no more than 9 consecutive years.
- The Board appoints sub-committees to consider, scrutinize specific issues and information, and propose guidelines prior to further approval from the Board.
- The Board ensures that the roles and duties of the Board, sub-committees, the details regarding meeting numbers and each director's attendance in the past year, and performance report of all sub-committees are disclosed on the 56-1 One Report form.

3.3 Ensure that the policy and procedures for the selection and nomination of directors are clear and transparent

- The Board establishes a Nomination and Remuneration Committee in which the Committee Chairman is an independent director.
- The Nomination and Remuneration Committee establishes criteria regarding Board of Directors' nomination and recruitment.
- The Nomination and Remuneration Committee is responsible for considering the qualifications of the persons nominated as directors before proposing at the Board of Directors' meeting and/or the shareholders' meeting. The Nomination and Remuneration Committee must ensure that the information of the nominated candidates are sufficient for decision-making.

- The Board assigns the Nomination and Remuneration Committee to consider the policy and criteria for director remuneration.
- The Nomination and Remuneration Committee considers the appropriate level of remuneration for directors and sub-committee members annually, taking into account the operating performance, the Board's responsibilities, as well as comparison to other companies of similar business nature in the same industry.
- Shareholders approve the structure and the rate of directors' remuneration both in monetary and non-monetary forms. The Board considers the suitability of the remuneration prior the presentation at the shareholders' meeting each year.
- The information regarding OR's directors' remuneration are disclosed in 56-1 One Report.

3.4 Ensure that all directors are properly accountable for their duties, responsibilities and (in-) actions, and allocate sufficient time to discharge their duties and responsibilities effectively

- The Board provides a mechanism to support directors in understanding their roles and duties by providing important information for new directors before their first OR's Board of Directors' meeting.
- To ensure that the directors can allocate sufficient time to carry out their duties, the Board sets the following criteria regarding directors with director positions in other state enterprises and/or legal entities:
 - (1) The position of director cannot be held in more than 3 state enterprises and/or legal entity which the state enterprises hold shares in.
 - (2) The position of director cannot be held in more than 3 listed companies of the Stock Exchange of Thailand.

However, the holding of director positions under (2) must not contradict the criteria in (1), and that the holding of office as directors in (1) and (2) must not exceed 5 companies in total.

- Directors are required to update information in Report of Interest twice a year whereas information regarding their directorships in other companies are disclosed on OR's website.

3.5 Supervision to establish a framework and a mechanism in policies and operations governing of subsidiaries, affiliates, and other entities OR invested in

- OR has established a framework and mechanism for governing the policies and operations of the invested companies in accordance with investment regulations and OR's requirements and guidelines for investment governance.

3.6 Arrangement of annual performance evaluations of the Board of Directors, Sub-committees, and individual directors

- The Board and Sub-committees complete a self-assessment once a year through the assessment form created by the Nomination and Remuneration Committee and the assessment results are approved by the Board prior to sending to the Evaluation Committee. The assessment form consists of the Board of Directors assessment form, individual director assessment form (Self and other directors' assessment), and assessment form for the 3 sub-committees.
- The Corporate Secretary reports the self-assessment results of the directors, and the Board take into account the assessment results for further development guidelines.
- Criteria, procedures, and overview of assessment results are disclosed in 56-1 One Report.

3.7 Ensuring all directors receive information concerning their duties on a regular basis

- At the orientation for new directors, they are provided a handbook of listed company directors, the Good Corporate Governance handbook, list of relevant laws, certificate, objectives and regulations of the company, the minutes of 2020 Annual General Meeting of Shareholders, minutes of the past Board of Directors' meetings, annual reports, the latest financial statements, etc.
- The directors continually participate in training to develop necessary knowledge. In 2020, the directors attended the following training courses organized by Thai Institute of Directors (IOD):

List of OR's Directors	Training Courses
Assoc. Prof. Dr. Pipop Udom	<ul style="list-style-type: none"> • Advanced Audit Committee Program (AACP 36/2020) • IT Governance and Cyber Resilience Program (ITG 13/2020)
Assoc. Prof. Dr. Chayodom Sabhasri	<ul style="list-style-type: none"> • IT Governance and Cyber Resilience Program (ITG 16/2020)
Asst. Prof. Dr. Duangkamol Chartprasert.	<ul style="list-style-type: none"> • IT Governance and Cyber Resilience Program (ITG 14/2020) • Financial Statements for Directors (FSD 43/2020)
Ms. Dujduan Hetrakul	<ul style="list-style-type: none"> • Director Certification Program (DCP 295/2020)
Mr. Supat Metheeworapote	<ul style="list-style-type: none"> • Director Certification Program (DCP 294/2020) • Director Accreditation Program (DAP 171/2020)
Mr. Kris Imsang	<ul style="list-style-type: none"> • The Role of the Board in IT Governance 2020
Ms. Jiraphon Kawswat	<ul style="list-style-type: none"> • Risk Management Program for Corporate Leaders (RCL 19/2020)

- Disclose the information relating to the director's training and continual development in Form 56-1 One Report.

3.8 Ensure that the Board can perform its duties effectively and have access to accurate, relevant and timely information. The Board should appoint a Corporate Secretary with necessary qualifications, knowledge, skills, and experience to support the Board in performing its duties.

- The Board sets meeting dates and agendas beforehand for all directors to allocate their time for meeting attendance.
- OR delivers meeting documents to the directors at least 7 business days prior to the meeting date.
- Chief Executive Officer and President assigns high-level executives to attend every OR Board meeting and present details related to relevant agendas.

- The Board may request additional information related to the agenda from the Chief Executive Officer and President, Corporate Secretary, or the management.
- The Board requires non-executive directors to hold meetings among themselves in order to discuss various issues regarding management without the management team and report the meeting results to the President and Chief Executive Officer.
- The Corporate Secretary, appointed by the Board, must possess a degree in law. The qualifications of Corporate Secretary are disclosed on OR's website.

Principle

4

Ensure Effective Executives and People Management

The guidelines for each principle appear in the CG Code handbook of the SEC and OR's Good Corporate Governance handbook

OR's performance report

4.1 Ensure that a proper mechanism is in place for the nomination and development of the President and Chief Executive Officer and key executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the company to achieve its objectives.

- Succession Plan

OR has a management succession plan according to the position levels, which are divided into 4 following levels: 1) Chief Executive Officer and President 2) Executive Vice President 3) Department Manager and 4) Manager. The selection criteria of competent personnel to take vacant positions are based on the analysis of the corporate needs in the past 5 years before the selection. The potential executives are selected from personnel within the organization and/or personnel from companies in the PTT Group, based on the OR Versatile Leadership Development Program. The leadership program prepares employees to be experienced and knowledgeable, have the ability to adapt to changing business's environment, and be competitive in the future businesses. This includes a rotation plan for competency development and accumulation of the experience necessary for the position, ensuring that selected executives are knowledgeable, competent, experienced, and able to act as a role model in accordance to corporate values.

- The Board considers the candidates for the position of President and Chief Executive Officer and Senior
- Chief Executive Officer, President, and senior management are trained to develop knowledge and experience that are beneficial to continuous operation.
- The Board has formulated "principles and guidelines for positions holding in an OR company, agency or other legal entity", which are disclosed in the OR

Good Corporate Governance handbook. The handbook outlines the category of director positions and the number of companies in which they can serve.

4.2 Through the Nomination and Remuneration Committee, ensure that an appropriate compensation structure and performance evaluation are in place

- OR provides its employees with remunerations in various forms such as salary, annual bonus, provident fund, medical coverages for employees and family members, life insurances, etc.
- OR utilizes a comparative benchmark of companies in the same sector to compare its remuneration structure each year.
- The Board sets performance indicators (KPIs) of the Chief Executive Officer and President. KPIs will be deployed from the management to employees.
- The Board, with input from the Nomination and Remuneration Committee, sets the criteria for performance evaluation of the Chief Executive Officer and President, and also assesses the performance and sets remuneration for Chief Executive Officer and President.

4.3 Consider responsibilities in the context of the company's shareholder structure and relationships, which may impact the management and operation of the company.

- The Board acknowledges OR's shareholding structure and takes into account PTT Group's policies for decision-making in various agendas, with PTT representatives providing relevant information.
- To make decisions, the Board makes sure that the policies of OR Group will not be an obstacle to the performance of the Board or impact the interests of stakeholders.

4.4 Ensure the company has effective human resources management and development programs to ensure that the company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.

- Selection

OR has a systematic recruitment process focusing on recruiting knowledgeable, competent, and moral people that are in line with Corporate Values (SPIRIT). OR ensures opportunities for everyone through Diversity and Non-Discrimination policies. OR selects applicants that are suitable for the position based on qualifications, knowledge and competency. Specifically, personnel selections include recruitment within the organization in order to provide opportunities for employees to develop their potential and add to their knowledge through effective internal staff turnover management tools. In case of no suitable candidate internally, OR will consider external recruitment based on OR's conditions and criteria respectively.

- Knowledge and skill development

OR focuses on developing knowledge by placing an emphasis on skills, attributes, and competencies development which match the job description and are in line with Corporate Values (SPIRIT and OR DNA). OR also invests in career path development in order to ensure employees are ready to work in higher positions when given the opportunity.

In addition, OR has a career management for each position, with the aim of planning, developing and managing employees to be knowledgeable and capable of exercising business mindset and leadership skill in accordance with the OR's mission to meet the needs in business operations, correspond to the business model and the strategic direction of the organization. Individual Development Plan (IDP) is also set for all employees.

- OR motivates its employees both in monetary and non-monetary forms to retain capable employees. The remuneration and compensation are comparable to that of the companies same business sector and are consistent with the performance of employees. At the same time, the company establishes a Vocational Management Committee to ensure the growth and development of employees' career path.
- OR has a provident fund system to encourage the consistent savings of employees. The company also provides relevant investment information to guide employees in making appropriate investments, while considering the investment risks.

Principle

5

**Nurture Innovation and
Responsible Business**

*The guidelines for each principle
appear in the CG Code handbook
of the SEC and OR's Good Corporate
Governance handbook*

OR's performance report

5.1 Prioritize and promote innovation that creates value for the company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the company.

- The Board promotes innovation integration in OR's business operations together with creating benefits for customers or related parties, while maintaining social and environmental responsibility. The Board assigns the Chief Executive Officer, President and Senior Executive Vice President of Corporate Strategy Innovation and Sustainability to take charge of driving performance through innovation and technology, such as insight analysis of Blue Card members via Big Data Analytics which enable OR to deliver products, services and marketing campaigns that meet the needs of customers.
- The Board promotes innovation in order to add value to OR's business in the changing environmental factors. The management is assigned to report the progress of investment in New S-Curve Business to the Board periodically.

5.2 Encourage management to adopt responsible operations

- The Board ensures that OR conducts its business in an ethical manner while guiding the organization to achieve its main sustainability objectives by preparing a policy and practice concerning business ethics that cover the following matters; responsibility to employees and workers, respecting human rights, responsibility to customers, business partners, community, society, environment, and anti-corruption.

- The Board assigns the Good Corporate Governance Committee to supervise OR and manage business operations with social and environmental responsibility.

5.3 Ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the company to meet its objectives.

- OR appoints OR Digital Steering Committee to oversee information management, ensuring OR's information technology management is efficient and suitable for corporate strategy.
- OR has established compliance regulations regarding Information and Communication Technology Policy (ICTs) to ensure the supervision and direction of information and communication technology are clear for compliance. It also aims for OR Group companies to understand best practices for the management of OR information and communication technology and comply with the practices in the same efficiency and standard.

Principle

6

Strengthen Effective Risk Management
and Internal Control

The guidelines for each principle appear in the CG Code handbook of the SEC and OR's Good Corporate Governance handbook

OR's performance report

6.1 Ensure that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, goals and strategies and comply with applicable law and standards.

- The Board assigns the Enterprise Risk Management Committee to consider, give opinions, and approve the establishment of an annual corporate risk management plan to be in accordance with the strategic direction, business plan, and key indicators.
- OR's Board's meeting No. 1/2021 on January 27, 2021, in which 6 independent directors attended, has considered an agenda regarding OR's internal control system under the topic "Consideration and approval of the Internal Control Assessment report for December 31, 2020 year-end". The Board agreed that OR's internal control system was adequate and appropriate, with sufficient and effective personnel responsible for internal control system. Moreover, internal control system which monitors and controls OR's subsidiaries' operations contributes to the protection of OR's assets from fraud, damage, loss, misuse, and transactions of persons who with potential conflicts of interest. The Board's assessment on various aspects of OR's internal control system was based on internal control practice framework and the Risk Management policy of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

6.2 Establishment of the Audit Committee with efficiency and independence in duty performance

- The Board has established an Audit Committee consisting of 3 independent directors in accordance with the regulations of the SEC.

- The Board sets the duties for the Audit Committee in writing, which covers the regulations set by the Stock Exchange of Thailand.
- The Audit Committee may invite relevant persons to provide necessary information and consult with the auditors in regards to account findings, which includes seeking independent opinions from specialized professional advisors for the benefit of the Audit Committee. The Internal Audit Unit also supports the operation of the Audit Committee.
- The Board has established an internal audit unit, which is independent from the management, to work directly under the Audit Committee.
- The Audit Committee has reported on the sufficiency of the risk management system and the internal control system, both of which are disclosed in Form 56-1 One Report.

6.3 Manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders. The Board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

- OR has a policy that prohibit directors, management, and employees of OR from using OR's internal information, not yet disclosed to the public and has potential impact on changes in OR's stock price, for personal interest through purchasing, trading, or selling of shares or other securities (if any) of OR.
- As part of the company's business ethics, OR has a Code of Conduct for stakeholders regarding conflicts of interest and stakes.
- The Board requires personnel at all levels to prepare conflict of interests report and disclose to the Corporate Governance Committee annually.

- The Board requires all directors to report their interests and stakes prior to considering the agenda at the Board's meetings. Reported interests and stakes are recorded in the meeting minutes, and directors with direct interests shall leave the meeting room and refrain from voting on the said agenda.
- For OR's best interests, the Board requires all directors and executives to disclose theirs and their relevant persons' interests and stakes for the Board to consider if any of OR's transaction has a conflict of interest that needs to be addressed. Directors and executives who have interests tied to OR's transactions will not be involved in the decision-making process of such transactions. Also, the Board has set up a report form on the interests of directors, executives, and related persons, along with the reporting criteria which include the guidelines for first reporting, semi-annual changes reporting, changes during the year reporting, and the annual reporting of stakeholders.
- OR has taken measures to prevent the use of internal information as follows:

- o OR's directors and executives have the obligation to report any changes in OR's securities holding by themselves, their spouses, and their minors to the Securities and Exchange Commission via the electronic system within 3 business days after the change. They also must notify the Corporate Secretary at least 2 days beforehand, in accordance with Good Corporate Governance handbook and OR's Code of Ethics and Business Conduct.

- o Notify the directors, executives, and relevant employees of the Black-Out Period which OR sets out for the disclosure of important information that may affect OR's stock price in order to ensure that relevant information is publicized first.

6.4 establish a clear anti-corruption policy and practices (including communication and staff training), and strive to extend its anti-corruption efforts to stakeholders.

In 2020, OR carried out the following actions to prevent corruption:

- The Board approved the anti-corruption policy (revised version) which applies to all levels of OR personnel. The Board amended the policy by adding the word "corruption" and redefined its definition to cover all forms of direct and indirect corruption, such as misappropriation, financial statement manipulation, and corruption.
- OR arranged the "2020 PTT Group CG Day" for PTT Group companies on December 23, 2020 to ensure good corporate governance of the 7 PTT Group Flagships; namely PTT, PTT Exploration and Production Public Company Limited, PTT Global Chemical Public Company Limited, Thai Oil Public Company Limited, IRPC Public Company Limited, Global Power Synergy Public Company Limited, and OR. PTT Group CG Day is organized annually, in line with the objectives and plans of PTT Group which are as follows:
 - o To promote, support, and disseminate activities regarding Good Corporate Governance (CG)
 - o To raise awareness and stimulate the implementation of Good Corporate Governance principles that can be applied in operations and lead to the creation of a good corporate culture
 - o To build the unity in accordance with PTT Group Way of Conduct
 - o To expand and improve the standard of OR's corporate governance, including guidelines development for good corporate governance according to international standards
- OR communicates its policies and practices to employees through new employee orientation and CG Tips e-mails twice a month. OR also communicates anti-corruption policy to employees and third parties through OR's website and intranet system, and sends out notification letters to distributors, customers, business partners and all groups of dealers nationwide.
- In 2020, OR conducted a survey in a form of questionnaires regarding employees' understanding of good corporate governance and anti-corruption. The result reveals that the average employee's knowledge and understanding score was 89%, which shows that employees were satisfied with the awareness-raising campaigns and were able to access the information regarding anti-corruption easily due to constant communication on anti-corruption topic.

6.5 Establish a mechanism for handling complaints and whistleblowing.

- In 2021, OR announced OR regulations regarding complaints and whistleblowing of fraud, violation of laws and company regulation. The regulation includes the scope of complaint, complaint channel, procedure and protection of whistleblowers or witnesses in order to establish rules and guidelines for complaint and whistleblowing to authorities that are clear, transparent, fair, verifiable and responsible to stakeholders, all in accordance with the principles of Good Corporate Governance and OR's business philosophy.

- OR assigns various departments to review the complaints through Vice President, Internal Audit; Vice President reporting to President and Chief Executive Officer, managing Corporate Governance Division; Senior Executive Vice President, Organization Effectiveness; President and Chief Executive Officer, Chairman of the Audit Committee, or OR's Chairman of the Board. Whistleblowers may report fraud, anti-corruption, and/or violation of law and company regulations, including violation of stakeholders' rights via several channels as follows:



Website: www.pttor.com

Email: pttorvoice@pttor.com



Letters can be sent to

PTT Oil and Retail Business Public Company Limited.
555/2 Energy Complex Center, B building, 12th floor,
Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900

Complaints Handling Process



- Protection policy for employees or whistleblower
According to the regulation regarding complaints and whistleblowing of fraud and/or non-compliance with law and company regulations B.E. 2564 (2021) section 4: Protection of Complainants or Witnesses, superiors in the executive level and the vice president will provide adequate protection for complainants

or witnesses who provide any information relating to corruption without changing their positions or taking any other acts which are unfair treatment towards such persons. In the event that the complainants or witnesses feel unsafe, they may request to their superiors in the executive level and the vice president to provide further measures as needed.

Principle

7

Ensure Disclosure and Financial Integrity

The guidelines for each principle appear in the CG Code handbook of the SEC and OR's Good Corporate Governance handbook

OR's performance report

7.1 Ensure the integrity of the company's financial reporting system and that timely and accurate disclosure of all material information regarding the company is made consistent with applicable requirements.

- OR has a disclosure policy which covers disclosure standards and persons with the rights to disclose important information.
- OR's financial report contains important information regarding the assessment the internal control system effectiveness, auditors' opinions on financial reports, auditors' observations regarding the internal control system, and opinions of the Audit Committee.
- The Board oversees OR's disclosures of information, including the registration statements, financial statements, and 56-1 One Report form, of which the Board examines the drafts prior to public disclosure.
- OR prepares Management Discussion and Analysis (MD&A) for the disclosure of financial statements in each quarter.

7.2 Monitor the company's financial liquidity and solvency

- OR prepares cash flow forecast both in short-term and long-term to ensure its financial liquidity. Also, Debt Service Coverage Ratio (DSCR) is taken into account to ensure OR's debt payment credential. Such information is subject to OR's management and Board acknowledgement.

7.3 Ensure that risks to the financial position of the company or financial difficulties are promptly identified, managed and mitigated, and that the company's governance framework provides for the consideration of stakeholder rights.

- From its cashflow forecast, OR will be notified about financial difficulties beforehand. Therefore, OR can secure a source of fund either short-term or long-term. The matter is subject to OR Board's approval.

7.4 Ensure sustainability reporting

- OR is preparing a sustainability report, taking into account issues related to business operations both inside and outside the organization, including issues relating the expectations of all stakeholders. The report is used in assess the organization's key sustainability issues, applying Materiality Assessment principle for issues critical to sustainability and practices for sustainable organization of Global Reporting Initiative: GRI Standard, the international standard regarding economic, social, and environmental guidelines and performance. All of the said assessments are use in order to disclose OR's sustainability policy and performance.

7.5 Ensure the establishment of a dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders, analysts, and investors).

- OR has an Investor Relations Department acting as a center for disclosing important information to both domestic and international shareholders and investors. This includes financial information such as operating results, quarterly financial statements, Quarterly Management Discussion and Analysis (MD&A) reports, and OR's future strategies and trends in a complete, truthful, equal and regular manner. The main activities of the department are meetings with Cornerstone Investors and IPO Roadshow via Facebook Live on January 20, 2021.

7.6 Ensure the effective use by the company of information technology in disseminating information

- Apart from publicizing information in accordance with criteria and via channels of the Stock Exchange of Thailand, OR also discloses information in both Thai and English via OR's website, which is updated regularly.

Principle

8

Ensure Engagement and
Communication with Shareholders

The guidelines for each principle appear in the CG Code handbook of the SEC and OR's Good Corporate Governance handbook

OR's performance report

8.1 Ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters

- OR encourages all shareholders to enjoy their basic rights, including the right to receive dividends, sufficient and timely information in a format suitable for decision-making, the right to attend and vote in shareholders' meetings, and all other rights of shareholders according to the law.
- The Board makes sure that all important matters of OR have been approved in the shareholders' meetings with strict compliance with laws and company regulations.
- The Board ensures that notices of shareholders' meetings contain correct, complete, and sufficient information to exercise shareholders' rights, and are delivered to shareholders in accordance with the time required by law.
- The Board allows shareholders to submit questions in advance of the Annual General Meeting of Shareholders by specifying the criteria for submitting questions in the notice of the meeting.
- OR prepares the documents for the shareholders' meeting in both Thai and English.

8.2 Ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights.

- The Board will set the date, time and place of the meeting, taking into account the convenience of shareholders, namely working days and location that is accessible by public transportation.
- OR has a policy to promote and facilitate shareholders, including institutional investors, to attend the shareholders'

meeting. OR allows shareholders who are unable to attend the meeting to give proxy to others or appoint an independent director to attend and vote on their behalf.

- The Board shall ensure that there is no action to restrict the opportunity to attend the meeting or create undue burdens on the shareholders, such as not requiring the shareholders or proxies to present documents or evidence of identity that exceeds normal regulations and guidelines.
- OR will apply and maximize the use of technology at shareholders' meetings in regards to shareholder registration, vote counting, and display of results so that the meeting can be arranged promptly, accurately and precisely.
- The Chairman of the Board will chair at the shareholders' meeting to make sure the meeting is in accordance with the relevant law and rules of the company's regulations. The Chairman will also allocate appropriate time for each agenda specified in the meeting notice and allow the shareholders to fully express their opinions and raise questions at the meeting in matters involving the company.
- Before the meeting starts, shareholders will be informed of the number of shareholders attending the meeting in person and the number of shareholders who appoint proxies, as well as meeting method and voting procedures.
- For the election of directors, OR will hold separate votes for each nominee.
- OR will provide ballots for every agenda and arrange witnesses for vote counting, consisting legal advisors and shareholders' representatives present at the meeting.
- OR will disclose the results of voting and divide the votes into agreeing, disagreeing and abstaining in each agenda and record the results in the minutes of the meeting.

8.3 Ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

- OR will disclose the resolutions of the shareholders' meeting along with the voting results within the next business day through the news system of the Stock Exchange of Thailand and on the company's website.
- OR will deliver a copy of the shareholders meeting to the Stock Exchange of Thailand within 14 days after the shareholders' meeting.

- OR will prepare the minutes of the shareholders' meeting with a complete record of information such as names of directors and executives attending the meeting, the proportion of directors attending, voting method and counting of votes, meeting resolution and voting results (agree, disagree, abstain) of each agenda item, questions and answers at the meeting, including full name of the questioners and the respondents.

Differences between OR's practices and SEC's practices are as follows.

SEC's practices	OR's practices
The Chairman of the Board of Director shall be an independent director.	Even though the Chairman of the OR is not an independent director, the Board has appointed the Chairman of the Board by considering the knowledge, ability and understanding of OR's business nature. This is essential for decision-making that are in the best interests of OR and its shareholders as a whole, and to ensure the Board facilitates independent judgment for decision-making. The Board therefore appointed independent directors (Assoc.Prof.Dr.Pipop Udorn and /or Ms. Dujduan Hetrakul) to consider the agenda of the Board's meeting together with the Chairman of the Board.
Consideration of suitable remuneration in terms of salary, short-term operation results such as bonus, and long-term operating results such as Employee Stock Ownership Plan ("ESOP")	The remuneration structure of OR's employees are based on comparison with other companies in the same business sector, in accordance with the company's and employees' performances. This also links to the bonus in accordance to the KPIs.

8.2 Report on the Sub-Committees' Performances from the past year

Information regarding performances of the sub-committees appears in the report under the performance of the sub-committees on page 44-49.

9. Internal Control and Connected Transactions



9.1 Internal Control

9.1.1 OR Board's View on Internal Control

The Board of Directors recognizes the significance of a good internal control system and considers it an important duty to ensure that OR's internal control system is suitable and adequate. OR keeps its operations in line with targets and objectives and in compliance with relevant laws and regulations, to prevent and manage risks or potential harms to OR and stakeholders, and to safeguard OR's assets from fraud, damage, or losses. The Board also ensures accurate and reliable accounting and financial reports as well as complete, adequately, and timely disclosure of information. The board meeting No. 1/2021 on January 27, 2021, attended by 6 independent directors, deemed that OR's internal control was appropriate and adequate through the personnel who had been efficiently assigned to implement the system. Besides, OR has provided an effective internal control system for the monitoring, control, and governance of its subsidiaries, which offered adequate protection of assets against fraud, damage, losses, misuse, or authorized use as well as transactions with parties with potential conflicts of interest and with related parties. OR's internal control was assessed in various aspects in accordance with the five components of the internal control and risk management framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), as summarized below.

1) Control Environment

OR's control environment is appropriate and suitable for business efficiency and effectiveness as detailed below.

- OR has established policies and protocols in writing, along with corporate governance practices, an ethical standard, and a code of conduct known as the Corporate Governance (CG) Handbook in accordance with international standards. The executives and employees follow the work philosophy and models to align with corporate governance policy and practices, rules, regulations, business code of conduct. OR's personnel are also required to disclose conflicts of interest with OR to prevent activities that may lead to conflicts of interest. All executives and employees at all levels sign their names in acknowledgment of the handbook and adopt it as part of their work to demonstrate their commitment to earnestly applying the corporate governance policy and business code of conduct. OR also places importance on anti-corruption practices and has established an anti-corruption policy to provide guidelines for transparent and accountable practices, thus strengthening OR internally and fostering a corporate culture of fraud and/or corruption prevention
- OR has defined the roles of the Board of Directors and the sub-committees, with independent directors accounting for

more than one-third of the board, the Audit Committee, the Enterprise Risk Management Committee, the Nomination and Remuneration Committee, and the Corporate Governance Committee, separately from those of management. The segregation of key duties provides for checks and balances, leading to efficient internal control. OR has also instituted the Internal Audit Department which reports directly to the Audit Committee.

- The organization structure is appropriate and aligns with OR's business strategy and prevailing business circumstances. OR has also delegated authority and responsibilities in writing and established a table of authority to limit the scope of authority of the board and executives in approving operations or entering into various transactions. In addition, OR has prescribed key performance indicators (KPIs), which are reviewed annually, as an operational guideline for employees and a tool for the regular monitoring of employee performance against these goals. All employees acknowledge their roles, authority, and responsibilities. Employee assessment encompasses both performance and behavior, and the assessment results serve as supplementary data for compensation review to provide incentives as well as identify the strengths and areas that need improvement and communicate them to employees appropriately.
- OR analyzes educational backgrounds and essential skills as well as competency and aptitude assessment. It also promotes competency development according to job assignments and individual development plans (IDPs) to enhance employees' ability, skills, experience, and potential and annually reviews its manpower to ensure alignment with business directions. Finally, OR has put in place processes for recruitment, development, and retention of executives and employees at all levels, together with succession plans and processes for key positions.

2) 2) Risk Assessment

OR recognizes the significance of risk management in the achievement of business objectives, compliance with laws and regulations, and preparation of reliable reports amidst changes resulting from internal and external factors that affect OR's businesses. In addition, OR regards risk

management as a critical component of all business processes that must be interconnected at all levels and has thus established an enterprise risk management policy and a risk management handbook which are communicated through OR's intranet to ensure acknowledge and compliance among the executives and employees. OR has also established a corporate risk profile to identify and analyze the risks relevant to each department as well as identified existing and additional controls to reduce the severity or likelihood of the risks and keep them within OR's risk appetite. The Enterprise Risk Management Committee has been established as a sub-committee to steer and support corporate risk management in line with business strategies and goals as well as prevailing circumstances, recommend guidelines for performance monitoring and assessment so as to maximize the effectiveness of OR's overall risk management.

3) Control Activity

- OR has put in place organization-wide risk assessment and control activities that are adequate, efficient, and suitable for OR's business operations. These control activities are established in accordance with objectives and are implemented as both manual and automated activities as deemed appropriate, such as procurement through the SAP system. OR has also established OR Digital Committee to ensure the efficiency of data and technology management in various processes.
- OR has defined policies, rules, regulations, and directives as well as work plans and procedures in writing. Policies are reviewed and communicated to all employees for acknowledgment so as to ensure proper compliance.
- OR has clearly defined the scopes of authority, duties, and approval authorities of executives in writing. It has prescribed proper segregation and assignment of duties. For example, a table of authority to specify the authority to approve each type of transaction and defined the rights to access information. In addition, OR has prescribed the complete segregation of duties among report preparers, auditors, and authorized persons to ensure effective checks and balances. For instance, an order on the authority to approve financial operations clearly states the scope of power to serve as a guideline and ensure transparency and clarity.

4) Information and Communication

- To ensure that all employees receive complete information, OR communicates with employees through various channels such as intranet, bulletin boards, town halls, and e-mail, with the goal of steering the organization towards the same direction and urging employees to perform their duties to the best of their ability to foster a corporate culture of cooperation and effective communication.
- OR recognizes the significance of data and has thus established and adjusted data governance standards and processes to maximize the efficiency of data management and utilization as well as ensure accuracy, security, and, in particular, compliance with the Personal Data Protection Act. B.E. 2019.
- OR uses standardized data storage systems for storage and backup of vital business data. OR's policy is to store both paper and electronic data for at least 10 years in order to supplement analyses and ensure the availability of accurate and reliable data in case the main data center is affected during a crisis or emergency. The rights to access and edit data have also been defined to safeguard and protect data security.
- Prior to each meeting, supplementary documents must be distributed to board members so as to allow them to study the documents and acquire additional information from the management so as to be able to consider the data thoroughly. The company secretary is responsible for writing minutes and preparing meeting reports, consisting of the board's deliberation, inquiries, and opinions to be approved in the subsequent meeting.
- OR has established various channels for comments, suggestions, complaints, compliments, and whistleblowing through www.pttor.com, 1365 Contact Center, e-mail: 1365@pttor.com and pttorvoice@pttor.com. The identity of the whistleblower will remain confidential and will not be disclosed to a third party.

5) Monitoring and Evaluation

- OR reports performance results against the set goals to the management and the board on a regular basis to ensure that OR's goals and objectives are achieved and that actions can be taken promptly in the event that the results deviate from the established goals.
- OR conducts internal control self-assessment to assure all stakeholders that its operation will successfully achieve objectives with respect to operational efficiency and effectiveness, resource consumption, as well as stewardship of assets and the prevention or reduction of errors, damage, losses, wastage, or corruption. To this end, OR has prescribed that internal control implementation shall be considered a duty of all employees and part of their job.
- In addition, Internal Audit has reviewed the outcomes of internal control assessment to ensure that the existing internal control is adequate, suitable, and consistently implemented. Procedures have been set out to handle any areas that require improvement detected during audits and reviews to ensure that they are promptly corrected and reported to the Audit Committee. No significant issues or defects have been discovered, which is consistent with the view of the State Audit Office of the Kingdom of Thailand (OR's external auditor) for the accounting year ending on December 31, 2020 that material information is fairly presented according to financial reporting standards.

9.1.2 Head of Internal Audit

The Audit Committee Meeting No. 1/2018 on September 27, 2018 reviewed the qualifications, educational degrees, and experience of Ms. Worrapanit Sittibusaya and approved her appointment as Head of Internal Audit, reporting directly to the Audit Committee.

The Audit Committee is responsible for proposing the appointment, transfer, removal, promotion, title promotion, and assessment of the Head of Internal Audit to the Board for its consideration and to the President and CEO for her opinions to supplement the board's review. The profile of the current Head of Internal Audit appears in Attachment 3 (Details on the Head of Internal Audit), which is publicized on OR's website (www.pttor.com).

9.2 Connected Transactions

OR enters into transactions and agreements with persons or juristic persons of potential conflicts in the course of conducting business practices of OR and its affiliates. Such transactions which will continue in the future are grouped into 4 main types as follows:

1) Petroleum Products and Other Products

Most of OR's petroleum products are supplied by PTT and PTT Group companies. These transactions are on a recurring basis

mostly under offtake agreements, both short and long term, except for purchases of some specific seasonal products to meet the customers' needs. In addition, OR also purchases raw materials such as coffee beans and other products for its retail business.

The transactions are based on the market prices, adjusted upward or downward due to the parties' negotiation outcome for OR's market competitiveness.

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
Thai Oil Public Company Limited (TOP)	<ul style="list-style-type: none"> PTT holds TOP's 45% of shares. Mr. Auttapol Rerkpiboon, who held both OR's and TOP's Board of Director positions, has ended his term of office at TOP in August, 2020. 	<ul style="list-style-type: none"> Product Offtake Agreement with TOP OR agreed to purchase petroleum products from TOP with minimum 49.99% of TOP's refining capacity. 	Product and services 108,491.1 Account payable 5,961.2
PTT Global Chemical Public Company Limited (GC)	<ul style="list-style-type: none"> PTT holds 45.4% of GC shares. 	<ul style="list-style-type: none"> Product Offtake Agreement with GC OR agreed to purchase refined products with minimum 70.0% of GC's existing refinery's capacity, and all refined products from GC's new refinery with minimum 50.0% of the refinery's capacity for domestic consumption. 	Products and services 94,181.5 Account payable 4,249.1

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
PTT Public Company Limited (PTT)	<ul style="list-style-type: none"> PTT is a major shareholder of OR. with 100.0% shareholding. Mr. Auttapol Rerkpiboon, OR's director, is PTT's President and Chief Executive Officer. Ms. Wilaiwan Kanjanakanti and Ms. Peangpanor Boonklum, OR's Board of Directors are both PTT executives. Ms. Wilaiwan Kanjanakanti's term of office at OR has expired in December 2020. OR's director and executive, Ms. Jiraphon Kawswat, is PTT's executive. 	<p>OR has entered into a purchase and sale agreement for liquefied petroleum gas with PTT, stipulating the minimum trading volume per month. OR is required to purchase liquefied petroleum gas from PTT since at present only PTT is able to distribute liquefied petroleum gas in the quantity that OR requires.</p> <p>OR purchases propane, which is produced from natural gas separation plants, for further distribution to customers. OR has entered into a truckable propane gas purchase agreement with PTT, which will be effective until June 30, 2021, as Thailand's sole propane gas distributor.</p> <p>OR purchases methanol from PTT to be sold to customers domestically. Since there are only limited number of methanol distributors in Thailand, OR has entered into a purchase agreement with PTT and only purchases methanol from PTT, with the contract valid until 2020-2021.</p> <p>OR purchases other products from PTT such as compressed natural gas (CNG) and liquefied natural gas (NGL) to sell to customers.</p>	<p>Products and services 28,417.0 Account payable 1,597.0</p>
IRPC Public Company Limited (IRPC)	<ul style="list-style-type: none"> PTT holds 47.6% of IRPC shares. 	OR signed a Memorandum of Agreement (MOA) with IRPC for the supply of refined products, mostly on an annual basis.	<p>Products and services 23,407.4 Account payable 1,547.9</p>
PTT International Trading Pte Ltd (PTTT)	<ul style="list-style-type: none"> PTT holds 100.0% of PTTT shares. 	OR procures petroleum products both short-term, annual and spot contracts from PTTT.	<p>Products and services 13,175.1 Account payable 752.7</p>
Global Green Chemicals Public Company Limited (GGC)	<ul style="list-style-type: none"> GC holds 72.3% of GGC shares. 	<ul style="list-style-type: none"> Purchase Agreement for Biodiesel (methyl ester and, fatty alcohols) with GGC <p>OR signed purchase agreements (mostly short-term and annual basis) with GGC for the supply of methyl ester for OR's high-speed diesel production for customers' consumption.</p>	<p>Products and services 6,465.1 Account payable 341.7</p>

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
Thai Lube Base Public Company Limited (TLB)	<ul style="list-style-type: none"> TOP holds 100.0% of TLB shares. 	OR purchased lube-base products from TLB for its lubricant production and entered into purchase agreements (mostly short-term and annual basis) with TLB for the supply of asphalt and byproducts for customers' consumption.	Products and services 2,085.7 Account payable 111.8
Other juristic persons that may have conflicts of Interest with OR	<ul style="list-style-type: none"> "Connected person" according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546 (2013).⁽¹⁾ 	OR has engaged in other potentially conflicting parties such as the purchase of Type 1 base lubricant products from IRPC to produce lubricants, ethanol sales contracts with SAPTHIP and UBE, and hiring BSA as an outsource for supporting functions and aviation fuel transportation services, including ground oil through the FPT underground oil pipeline system. In addition, OR and its subsidiaries have a list of purchases of goods and services from the Ministry of Finance and agencies under the Ministry of Finance, such as purchases from Tobacco Authority of Thailand ("RAOT") for distribution in convenience stores of PTTRM.	Products and services 1,966.6 Account payable 185.5

Remark : ⁽¹⁾ For example, the Ministry of Finance or agencies under the Ministry of Finance that the ministry has control and holds significant shares, or other potential conflicts of interest parties.

2) Sales of Products and Provision of Services

OR sells petroleum products and non-oil products which are OR's normal business practices, for PTT, PTT Group Companies, and the Ministry of Finance Group. Being one of the major retailers, such transactions are regarded as OR's normal business practices. Sales and distribution between related parties with potential conflicts of interest with OR were conducted by bidding, proposals or sales transactions under OR's normal business practices.

Pricing is based on market prices, adjusted upward or downward by negotiation outcome. Fees for services provided or received were invoiced based on (1) market reference prices, and (2) actual cost incurred.

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
PTT	<ul style="list-style-type: none"> PTT is a major shareholder of OR. with 100.0% shareholding. Mr. Auttapol Rerkpiboon, OR's director, is PTT's President and Chief Executive Officer. Ms. Wilaiwan Kanjanakanti and Ms. Peangpanor Boonklum, OR's Board of Directors are both PTT executives. Ms. Wilaiwan. Kanjanakanti's term of office at OR has expired in December 2020. OR's director and executive, Ms. Jiraphon Kawswat, is PTT's executive. 	<ul style="list-style-type: none"> Product Offtake Agreement with PTT OR supplied petroleum products to PTT as agreed by both parties to be resold to government agencies and state enterprises as required under the Government Procurement and Inventory Management Act B.E. 2560 (Procurement and Purchasing Act 2017). The act required government agencies and state enterprises to procure fuel or petroleum products supply of more than 10,000 liters by specific methods from PTT only (Government Supply), otherwise general solicitation or selection methods can also be applied. Prior to PTT's organizational restructuring, its Oil Business Unit secured the supply for the government. However, after the restructuring, PTT was not longer able to distribute to the government due to restrictions under the Procurement and Purchasing Act 2017, and therefore had shifted to supply petroleum products from OR and distributed them to the government. 	Products and services 17,439.6 Account receivable 2,927.2
		<ul style="list-style-type: none"> Supply of Refined Products for PTT Stations Remaining with PTT under the Business Transfer Agreement OR supplied refined products to PTT Stations which still remained with PTT as agreed under the Business Transfer Agreement. OR assigned PTT as an authorized distributor of OR's products through 65 services stations formerly belonged to PTT's Oil Business Unit. Later, some of the services stations were sold to OR or amortized, and as of December 31, 2020, PTT was the distributor of the remaining 15 PTT Stations not yet transferred to OR. 	

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
PTT		<ul style="list-style-type: none"> • Café Amazon Franchise Contract OR gave PTT the right to operate 33 Café Amazon branches, which PTT later sold and amortized to OR. As of December 31, 2020, there were 8 Café Amazon branches with PTT's operating rights located in and outside PTT Stations. Under this agreement, PTT is required to pay loyalty and marketing fees, calculated from the monthly revenue of Café Amazon franchise at the rate stipulated in the contract. PTT also has bought products, service, raw materials, tools or equipment utilized in Café Amazon from OR. • Sub-Franchise Contract Hua Seng Hong Dim Sum OR gave PTT the right to operate Hua Seng Hong Dim Sum restaurant business, which PTT later sold and amortized to OR. As of December 31, 2020, there were no longer any Hua Seng Hong Dim Sum restaurants under PTT's operating rights. 	
PTT subsidiaries	Companies which PTT has significant control over and hold shares.	OR has revenues from joint transactions with companies in the PTT Group, mainly from petroleum products sales the retail business (Non-Oil).	Products and services 2,564.9 Account receivable 289.4
Ministry of Finance Group	Ministry of Finance Agencies under the Ministry of Finance, companies that the Ministry of Finance has significant control and holdings.	OR entered a bidding and supplying agreement of aviation fuel with Thai Airways to sell JET A-1 aviation fuel to Thai Airways and Thai Smile Airways. Or also entered a bidding and supplying agreement of aviation fuel with Nok Air to sell JET A-1 aviation fuel to Nok Air. In addition, OR sells petroleum products, non-oil products, and renting space inside gas stations with Ministry of Finance groups, which is considered as OR's normal business practice.	Products and services 3,459.9 ⁽²⁾ Account receivable 854.3 Other receivables 10,880.2 (excite tax refund)

Remark : ⁽²⁾ The transaction value from the airline group totaled at THB 3,378.1 million, consisting of THB 1,533.4 million from Thai Airways, THB 1,082.5 million from Thai Smile Airways, and THB 762.2 million from Nok Air.

3) Expenses on Sales and Services, and Other Revenue

OR recorded transactions related to expenses incurred from its sale and services, including other revenue with details as below:

There are 2 ways to determine the tariffs: (1) referring to the market price and applying the same principles as for transactions with third parties (2) referring to the cost rate plus marginal profit (Cost Plus) by considering Cost Plus of receiving and providing services.

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
PTT	<ul style="list-style-type: none"> PTT is a major shareholder of OR. with 100.0% shareholding. Mr. Auttapol Rerkpiboon, OR's director, is PTT's President and Chief Executive Officer. Ms. Wilaiwan Kanjanakanti and Ms. Peangpanor Boonklum, OR's Board of Directors are both PTT executives. Ms. Wilaiwan Kanjanakanti's term of office at OR has expired in December 2020. 	<p>1) Transactions in relation to the storage warehouse, which consist of:</p> <p>(1) Storage and product distribution services of the warehouse still in possession of PTT, effective until September 30, 2020 before changing to the form of the Treasury Sublease Agreement in accordance with Clause (6)</p> <p>(2) Operation and management services for warehouses under PTT</p> <p>(3) Maintenance, improvement, modification and re-construction of the warehouse</p> <p>(4) Assignment for the storage of LNG reserves required by the law</p> <p>(5) Utilities services Lubricants warehouse and Prakanong office that still remain with PTT, effective until December 31, 2020</p> <p>(6) Sublease of warehouses remaining with PTT to OR, with sublease agreement effective from October 31, 2020 onwards</p> <p>2) Transactions relating to the services stations that haven't been transferred to OR. Currently, some service stations are in the process of being transferred to OR. Once the transfer is complete, these transactions will no longer be relevant.</p> <p>3) Transactions in relation to retail businesses and other services (Non-Oil) which consists of management services for PTT's retail shops and space. OR is currently in the process of purchasing and transferring PTT's remaining retail businesses and other services (Non-Oil). Upon the completion of the transfer, there will be no more transactions between the two parties concerning non-oil businesses and other services transferred.</p>	<p>Selling and administrative expenses 2,091.7</p> <p>Other account payable 675.7</p> <p>Other revenues 1,662.0</p> <p>Other receivables 4,475.4</p>

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
PTT		<p>4) Transactions concerning rentals of Motorway rest areas</p> <p>5) Transactions concerning business support, such as financial and accounting services, information technology services, consultancy, research, analysis and testing services, and sales service with government agencies and state enterprises.</p> <p>6) Transactions concerning PTT's vehicle gas service stations, consisting of a contract for natural gas service station establishment a letter of agreement for the management of a gas station for vehicles.</p>	
		OR has significant personnel service-related transactions, including personnel recruitment from PTT (Secondment) to work in OR according to the group policy.	
Business Services Alliance Company Limited (BSA)	<ul style="list-style-type: none"> • PTT holds 100.0% of BSA ordinary shares. • GC holds 25.0% of BSA preferred shares. • PTTDIGITAL holds 25.0% of BSA preferred shares. • GPSC holds 25.0% of BSA preferred shares. • OR's executive Mr. Suchat Ramarch is BSA's director. 	OR has a contract to hire personnel for support work and administrative commissioning for gas stations and other retailers, products and services (Non-Oil) with BSA, a labor management service provider for PTT Group companies. OR requires BSA to pay for store management fee (expenses related to 7-Eleven convenience stores such as water, electricity, damaged products, etc. for both 7-Eleven owned by OR by PTT) in the equal amount as OR is collected by CP ALL. (for the 7-Eleven owned by OR) and in the same amount PTT collects from OR (for 7-Eleven owned by PTT). This is because CP All or PTT usually pays for the said expenses in advance. In the store management agreement between OR (employer) and BSA (service provider), BSA is responsible for the expenses related to the said 7-Eleven convenience stores, and OR therefore regard the expenses collected from BSA as revenue.	<p>Selling and administrative expenses 1,246.3</p> <p>Other payables 254.4</p> <p>Other revenues 14.0</p> <p>Other receivables 0.4</p>

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
PTTT	<ul style="list-style-type: none"> PTT holds 100% of PTTT shares. 	OR has entered a hedging transaction for petroleum products market volatility with PTTT International Swaps and Derivatives Association.	Selling and administrative expenses 910.43 Other payables 35.0 Other receivables 0.1
PTT Digital Solutions Company Limited (PTT DIGITAL)	<ul style="list-style-type: none"> PTT holds 20.0% of PTTDIGITAL shares. PTTEP holds 20.0% of PTTDIGITAL shares. GC holds 40.0% of PTTDIGITAL shares. TOP holds 20.0% of PTTDIGITAL shares. 	OR engaged in transactions concerning IT technology, mainly with PTT DIGITAL, an IT technology solution provider for PTT Group. Most transactions were for IT structure system management and other services such as routine system maintenance, POS system services, and IT equipment lease and maintenance.	Selling and administrative expenses 623.5 Other payables 288.7 Other receivables 2.2
Bangkok Aviation Fuels Services Plc (BAFS)	<ul style="list-style-type: none"> Thai Airways and AOT hold 22.6% and 4.9% of BAFS shares respectively. OR holds 7.1% of BAFS shares. OR's executive Mr. Chumpol Surapittayanont is BAFS's director. 	OR uses BAF's services for aviation fuel storage and re-fueling at Don Mueang, Suvarnabhumi, and three regional airports, as well as services for the transmission of aviation fuels through the hydrant pipeline at Suvarnabhumi International Airport. OR paid BAFS compensation for the aviation refueling services at Don Mueang Airport.	Selling and administrative expenses 589.0 Other payables 54.4
Other juristic persons that may have conflicts of Interest with OR	<ul style="list-style-type: none"> "Connected person" according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546 (2013).⁽³⁾ 	OR, PTTRM and TLBC hold an insurance with TIP for property insurance such as product warehouse, office buildings, service stations, and retail stores. TIP is one of Thailand's top insurers specializing in underwriting for the energy business. The insurance policy covers various types of disasters such as all risks, legal liability to third parties, and shipping insurance. The insurance is renewed annually. OR leases office space in ENCO building with ENCO for use as an office, Café Amazon business and storage. PTTRM also rents space of ENCO and ENCO building to use as Jiffy convenience store, as well as storage.	Selling and administrative expenses 1,432.4 Other payables 268.9

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020) (THB Million)
Other juristic persons that may have conflicts of Interest with OR		OR hires GCL to carry out the transportation of lubricants, customs clearance, and carry out the issuing agent for exporting products to customers abroad. OR also hires GCL to transport coffee beans from the roaster to the distribution center.	Other revenues 188.7 Other receivables 391.6
		OR PTTORSG, PTTRM and PTTOM have other income such as ammonia sales revenue, shipping revenue, and discount from insurance premium with other companies in the PTT group such as GHECO1 and TIP. The transactions are small and insignificant or just an occasional transaction. Moreover, OR's revenue from transportation is from the transportation of petroleum products that are sold to other companies in the said PTT group, insurance discounts according to negotiations between PTT group and TIP, and the compensation according to the policy agreement.	

Remark : ⁽³⁾ For example, the Ministry of Finance or agencies under the Ministry of Finance that the ministry has control and holds significant shares, or other potential conflicts of interest parties.

4) Loans

OR's loans are in the form of short-term and long-term loans to be used as working capital or OR's general purpose. The interest rate is referred to the market interest rate, plus the margin and various fees as agreed in the contract.

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020)
PTT and PTT Treasury Center Company Limited (PTT TCC)	<ul style="list-style-type: none"> PTT is a major shareholder of OR. with 100.0% share-holding. PTT is a major shareholder of OR. with 100.0% share-holding. 	<p>OR entered into loan agreements with PTT TCC, a company with the primary objective of money managing for PTT and companies in the PTT Group. The loan agreements are as follows:</p> <p>(1) Long-term loan with an amount not exceeding THB 17,000 million at the 6-month fixed deposit interest rate plus the interest margin as stipulated in the agreement. OR has to gradually repay the long-term loan amount until September 2028 and;</p>	<p><u>Long-term loan</u> balance brought forward 17,000.0 Additional loan during the period -</p>

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020)
PTT and PTT Treasury Center Company Limited (PTT TCC)	<ul style="list-style-type: none"> Mr. Auttapol Rerkpiboon, OR's director, is PTT's President and Chief Executive Officer. Ms. Wilaiwan Kanjanakanti and Ms. Peangpanor Boonklum, OR's Board of Directors are both PTT executives. Ms. Wilaiwan Kanjanakanti's term of office at OR has expired in December 2020. PTT holds 100% of PTT TTC shares. 	<p>(2) Short-term revolving loan with an amount not exceeding THB 1,500 million, with maximum money market interest rate for short-term loans (Money Market Rate), plus the agreed interest rate margin. The credit withdrawal period is 1 year, which can be extended up to 1 year at a time.</p> <p>However, OR has drawn down for long-term loans only. There has not yet been any short-term revolving loan withdrawal.</p>	<p>Repaid amount during the period 945.2</p> <p>Period-end balance 16,054.8</p>
		<p>OR and PTT entered an Inter-Company Borrowing and Lending (ICBL⁽⁴⁾) agreement that are non-binding and unsecured. The loan was used as working capital in liquidity management between OR and PTT, with money market interest rate for short-term loans. OR has drawn down loan under the ICBL agreement and repaid the whole loan amount in February 2019. In 2020, however, OR had no drawdown under the ICBL agreement.</p>	-
Commercial banks under the Ministry of Finance	<p>"Connected person" according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546 (2013).⁽⁵⁾</p>	<p>OR entered into a Facility Agreement with Krungthai Bank Public Company Limited, a long-term loan of THB 10,000 million to repay a portion of loan to PTT, which was loaned for the purchase of some businesses under the Business Transfer Agreement, and for other objectives.</p> <p>In addition, OR has entered into a loan agreement with Krungthai Bank Public Company Limited, a short-term loan of THB-1,000-million credit limit to use as capital management. In this regard, OR has not yet drawn down any short-term loans.</p> <p>Interest rates, fees and conditions are as agreed upon and are comparable to the conditions of other commercial banks.</p>	<p><u>Long-term loan</u> balance brought forward 10,000.0</p> <p>Additional loan during the period -</p> <p>Repaid amount during the period -</p> <p>Period-end balance 10,000.0</p> <p>Short-term loan balance brought forward -</p> <p>Additional loan during the period 1,000.0</p> <p>Repaid amount during the period 1,000.0</p> <p>Period-end balance -</p>

Remark : ⁽⁴⁾ ICBL is a short-term loan between PTT and PTT group subsidiaries where PTT holds shares less than 100%.

⁽⁵⁾ For example, the Ministry of Finance or agencies under the Ministry of Finance that the ministry has control and holds significant shares, or other potential conflicts of interest parties.

Company	Relationship with OR	Description / Agreement	Transaction Value (as of December 31, 2020)
Commercial banks under the Ministry of Finance		OR has entered into a Facility Agreement and Lender's Letter with a group of financial institutions, including the Government Savings Bank. This long-term loan with a credit limit of THB 10,000 million is used for partial loan payments between OR and PTT for partial settlement under the Business Transfer Agreement, and is used for other purposes of OR.	<u>Long-term loan</u> balance brought forward 10,000.0 Additional loan during the period - Repaid amount during the period - Period-end balance 10,000.0

Justification and Sensibility of Connected Transactions

The Audit Committee in the meeting No.2/2021 has reviewed OR's connected transactions, enquiring additional necessary details from the management, and reviewed the documents and information specified in the corporate financial statement notes audited by external auditor. The Committee has agreed to regard the connected transactions made during the accounting period ending December 31, 2020 as the OR's normal business practices or support of OR and its affiliates' normal business on an arm's length basis in the same manner any party would treat its business partners under the circumstances, with normal bargaining power and free from the influence of the contract partner with potential conflict.

Policy or Trends on Future Connected Transactions

OR's future connected transactions will be recurrently conducted as part of its normal course of business. Pricing will be market-based and follows the rules and guidelines of normal business practices under appropriate and fair terms and conditions in a sensible and accountable manner for the best interests of OR and its shareholders. The transactions will follow the general commercial terms and conditions approved by the Board of Directors. Disclosure of connected transactions or related party transactions conforms to the notification of the SEC and SET and to the accounting standard for the disclosure of information on connected parties and businesses, announced by the Federation of Accounting Professions.

Financial Statements





Report of Board of
Directors' Responsibilities
for the Financial Reporting



Auditor's Report



Financial Statements



Report of Board of Directors' Responsibilities for the Financial Reporting

To Shareholders,

The Board of Directors is responsible for the consolidated financial statements of PTT Oil and Retail Business Public Company Limited and its subsidiaries and the separate financial statements of PTT Oil and Retail Business Public Company Limited. The aforementioned financial statements are prepared in accordance with Thai Financial Reporting Standards. The financial statements are prepared under appropriated accounting policies and applied consistently by using careful judgment and the best estimation. Important information is adequately and transparently disclosed in the notes to financial statements for the company's shareholders and investors.

The Board of Directors provides good corporate governance and maintains the risk management system and internal controls to ensure that accounting records are accurate, reliable, free from material misstatement, timely and adequate to protect the company's assets as well as to prevent fraud and significant irregular operations.

The Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing the reliability and correctness of financial reports, evaluating the effectiveness and efficiency of internal control process and governing the effectiveness of internal audit function. The audit committee's comments on these issues are presented in the audit committee report included in this annual report.

The Board of Directors considers that the internal control system and the internal audit of the company provide credibility and reliability to the consolidated financial statements of PTT Oil and Retail Business Public Company Limited and its subsidiaries and the separate financial statements of PTT Oil and Retail Business Public Company Limited for the year ended December 31, 2020. The Board of Directors also believes that the financial position, financial results and cash flows, audited by the independent auditors (The Office of Auditor General of Thailand), are fairly and accurately presented in all material respects with Thai Financial Reporting Standards. The auditors' opinion is presented in the auditors' report as part of this annual report.



(Mr. Auttapol Rerkpiboon)

Chairman



(Ms. Jiraporn Khaosawas)

Acting President and CEO



(TRANSLATION)
AUDITOR'S REPORT

TO : THE SHAREHOLDERS OF PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED

Opinion

The State Audit Office of the Kingdom of Thailand has audited the accompanying consolidated financial statements of PTT Oil and Retail Business Public Company Limited and its subsidiaries (the Group) and the separate financial statements of PTT Oil and Retail Business Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position, as at December 31, 2020, the consolidated and separate statements of income, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In the State Audit Office of the Kingdom of Thailand's opinion, the above mentioned consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of PTT Oil and Retail Business Public Company Limited and its subsidiaries and separate financial position of PTT Oil and Retail Business Public Company Limited, respectively, as at December 31, 2020, and their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

The State Audit Office of the Kingdom of Thailand conducted the audit in accordance with the State Audit Standards and Thai Standards on Auditing (TSAs). The State Audit Office of the Kingdom of Thailand's responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Consolidated and Separate financial statements section of the State Audit Office of the Kingdom of Thailand's report. The State Audit Office of the Kingdom of Thailand is independent of the Group and the Company in accordance with the State Audit Standards and the Federation of Accounting Professions' Code of Ethics for

(TRANSLATION)



Professional Accountants that are relevant to the State Audit Office of the Kingdom of Thailand's audit of the consolidated and separate financial statements, and has fulfilled other ethical responsibilities in accordance with these standards and requirements. The State Audit Office of the Kingdom of Thailand believes that the audit evidence the State Audit Office of the Kingdom of Thailand has obtained is sufficient and appropriate to provide a basis for the State Audit Office of the Kingdom of Thailand's opinion.

Emphasis of Matter

The State Audit Office of the Kingdom of Thailand draws attention to Note 5 to the financial statements, which describes the transfer of various assets and liabilities of the Oil Business Unit of PTT Public Company Limited (PTT) and the shares of companies related to the Oil Business Unit to the Company. On June 18, 2018, the Company and PTT successfully executed the Business Transfer Agreement. The Company commenced the process of transferring various assets and liabilities and shares of companies related to the Oil Business Unit on July 1, 2018 until the process of registration is completed. Later, the Company and PTT executed the amendments to Memorandum of Agreement for Business Transfer Agreement, extending the registration period of the transfer of various assets, rights, duties and responsibilities, under the First Amendment on February 28, 2019, the Second Amendment on December 4, 2019, the Third Amendment on February 12, 2020 and the Fourth Amendment on February 15, 2021. The amendments were made to extend the registration period of the transfer of various assets, rights, duties and responsibilities under the Business Transfer Agreement to be completed within December 31, 2022. The Memorandum of Agreement has been effective since January 1, 2021. As a result of the Business Transfer Agreement, considered as a Business Combination of Entities under Common Control, the Company is deemed transferred before July 1, 2018. Consequently, the Company prepared the consolidated financial statements which included the financial information of the Oil Business Unit and the financial statements of the transferred business as if the company has operated as one economic unit before July 1, 2018.

In conclusion, the State Audit Office of the Kingdom of Thailand's opinion is not qualified in respect of these matters.

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Key Audit Matters

Key audit matters are those matters that, in the State Audit Office of the Kingdom of Thailand's professional judgment, were of most significance in the audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of the State Audit Office of the Kingdom of Thailand's audit of the consolidated and separate financial statements as a whole, and in forming the State Audit Office of the Kingdom of Thailand's opinion thereon, and the State Audit Office of the Kingdom of Thailand does not provide a separate opinion on these matters.

The State Audit Office of the Kingdom of Thailand identifies the following as key audit matters to communicate:

Revenue recognition

The Company's principal businesses are the commercial and retail marketing of petroleum products and retail business and other services (Non-Oil) in many distribution channels. The amount of revenue from sales that the Group recognises in each period forms a significant portion of total revenue and it directly affects the operating result of the Group. Therefore, the State Audit Office of the Kingdom of Thailand determined it as a key audit matter. The accounting policy for recognition of revenue from sales is disclosed in Note 3.2.17 to the consolidated financial statements.

The State Audit Office of the Kingdom of Thailand performed significant audit procedures as follows:

1. Gaining an understanding and assessing of the internal controls, testing the Company's internal controls with respect to the revenue cycles by making inquiries of responsible executives, and selecting samples to test the operating effectiveness of the designed controls.
2. Observing the operations of the internal controls at selected branches.
3. On a sampling basis, examining supporting documents for sale transactions occurring during the year and near the end of the accounting period, reviewing credit notes and debit notes that the Company issued after the period-end; and examining whether the revenue recognition was in compliance with the Company's policy.
4. Performing analytical procedures on disaggregated data for sale transactions throughout the period, and on significant financial ratios compared with the past information and industry in order to detect possible irregularities in sale transactions throughout the period

(TRANSLATION)



Other Information

Management is 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 auditor's report thereon. The annual report is expected to be made available to the State Audit Office of the Kingdom of Thailand after the date of this auditor's report.

The State Audit Office of the Kingdom of Thailand's opinion on the consolidated and separate financial statements does not cover the other information and the State Audit Office of the Kingdom of Thailand will not express any form of assurance conclusion thereon.

In connection with the audit of the consolidated and separate financial statements, the State Audit Office of the Kingdom of Thailand's 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 the State Audit Office of the Kingdom of Thailand's knowledge obtained in the audit, or otherwise appears to be materially misstated.

When the State Audit Office of the Kingdom of Thailand reads the annual report, if the State Audit Office of the Kingdom of Thailand concludes that there is a material misstatement therein, the State Audit Office of the Kingdom of Thailand is required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal controls as management determines 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, management is 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 management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

State Audit Office of the Kingdom of Thailand

(TRANSLATION)



Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

The State Audit Office of the Kingdom of Thailand's 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 the State Audit Office of the Kingdom of Thailand's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the State Audit Standards and TSAs 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 the State Audit Standards and TSAs, the State Audit Office of the Kingdom of Thailand exercises professional judgment and maintains professional skepticism throughout the audit, the State Audit Office of the Kingdom of Thailand also:

- Identifies and assesses the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the State Audit Office of the Kingdom of Thailand's 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.
- Obtains 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.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes on the appropriateness of management's 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 the State Audit Office of the Kingdom of Thailand concludes that a material uncertainty exists, the State Audit Office of the Kingdom of Thailand is required to draw attention in the auditor's report of the State Audit Office of the Kingdom of Thailand to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify the State Audit Office of the Kingdom of Thailand's opinion.

(TRANSLATION)



The State Audit Office of the Kingdom of Thailand's conclusions are based on the audit evidence obtained up to the date of the auditor's report of the State Audit Office of the Kingdom of Thailand. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluates 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.

- Obtains 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. The State Audit Office of the Kingdom of Thailand is responsible for the direction, supervision and performance of the group audit. The State Audit Office of the Kingdom of Thailand remains solely responsible for the State Audit Office of the Kingdom of Thailand's audit opinion.

The State Audit Office of the Kingdom of Thailand communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the State Audit Office of the Kingdom of Thailand identifies during the State Audit Office of the Kingdom of Thailand's audit.

The State Audit Office of the Kingdom of Thailand also provides those charged with governance with a statement that the State Audit Office of the Kingdom of Thailand has complied with the State Audit Standards and relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on the State Audit Office of the Kingdom of Thailand's independence, and where applicable, related safeguards.

(TRANSLATION)



From the matters communicated with those charged with governance, the State Audit Office of the Kingdom of Thailand determines 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. The State Audit Office of the Kingdom of Thailand describes these matters in the auditor's report of the State Audit Office of the Kingdom of Thailand unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the State Audit Office of the Kingdom of Thailand determines that a matter should not be communicated in the State Audit Office of the Kingdom of Thailand's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Signed) *Pasutnicha Jumpathes*

(Pasutnicha Jumpathes)

Deputy Auditor General

(Signed) *Mayuree Juntamat*

(Mayuree Juntamat)

Director of Financial and Procurement Audit Office No. 14

State Audit Office of the Kingdom of Thailand

February 17, 2021

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<u>Assets</u>					
Current assets					
Cash and cash equivalents	6	18,398,093,539	25,201,630,492	15,472,593,303	22,191,066,033
Investments in current financial assets		605,761,760	-	500,000,000	-
Current investments		-	1,098,617,684	-	1,000,000,000
Trade accounts receivable	7	12,109,416,222	21,347,260,166	13,010,100,162	22,494,001,356
Other accounts receivable	8	17,434,078,111	17,665,378,367	16,529,931,158	16,144,337,719
Short-term lending loan	9.3	-	-	2,168,959,837	1,645,080,165
Current portion of long-term lending loans		-	-	1,058,695,020	878,946,410
Inventories	10	19,020,531,760	21,686,562,977	16,905,905,887	19,405,865,535
Materials and supplies		154,582,525	169,162,996	147,420,788	157,539,720
Other current financial assets		10,763,491	-	10,763,491	-
Other current assets		861,216,713	716,112,702	251,685,496	258,425,751
Total current assets		68,594,444,121	87,884,725,384	66,056,055,142	84,175,262,689
Non-current assets					
Available-for-sale investments		-	1,351,851,119	-	1,350,132,184
Other non-current financial assets	11.1	2,318,585,164	-	1,073,854,771	-
Investments in subsidiaries	12.1	-	-	15,990,539,908	14,372,167,508
Investments in associates	12.2	4,050,642,077	4,189,931,947	11,986,940,061	11,986,940,061
Investment in joint ventures	12.3	741,675,345	493,168,816	-	-
Other long-term investments		-	1,042,220	-	2,613,892
Long-term lending loans		-	13,000,574	1,643,000,000	2,701,946,410
Investment properties	13	425,511,658	203,506,060	417,072,721	193,787,571
Property, plant and equipment	14	41,995,800,368	40,098,143,431	41,441,820,183	40,371,211,081
Right-of-use assets	15.1	11,516,521,694	-	8,690,177,565	-
Goodwill	16	3,483,578,072	3,469,263,480	12,798,967,715	12,798,967,715
Intangible assets	17	2,140,677,930	2,402,729,656	32,917,188,083	35,534,659,299
Deferred tax assets	18.3	8,823,288,033	9,480,252,589	-	-
Other non-current assets		888,579,052	2,588,596,741	632,403,957	1,717,669,807
Total non-current assets		76,384,859,393	64,291,486,633	127,591,964,964	121,030,095,528
Total assets		144,979,303,514	152,176,212,017	193,648,020,106	205,205,358,217

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

Unit : Baht

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Notes</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
<u>Liabilities and Equity</u>					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	19	23,830,165	460,645,836	-	-
Trade accounts payable		23,372,506,310	34,657,242,349	21,602,876,774	32,524,092,052
Other accounts payable		5,525,981,669	6,922,048,243	4,618,287,868	5,762,941,965
Short-term loans-related parties	9.7	-	-	32,937,113	8,010,293
Current portion of long-term loans		9,144,926,874	3,615,066,989	9,103,323,870	3,560,911,204
Current portion of lease liabilities	15.2	1,181,456,314	-	919,053,493	-
Income tax payable		43,129,110	59,222,207	-	-
Other current financial liabilities		27,818,311	-	27,818,311	-
Short-term provision for decommissioning costs		9,097,604	15,882,461	5,271,198	7,509,997
Other current liabilities		1,140,069,979	1,146,754,760	1,080,660,509	1,106,748,349
Total current liabilities		40,468,816,336	46,876,862,845	37,390,229,136	42,970,213,860
Non-current liabilities					
Long-term loans		41,633,779,620	50,334,810,453	41,592,176,616	50,225,987,984
Lease liabilities	15.2	7,685,073,357	-	5,801,579,175	-
Deferred tax liabilities	18.3	2,172,873,372	1,542,044,261	2,142,085,511	1,509,989,594
Provision for employee benefits	20	1,886,697,572	1,793,816,582	1,601,464,487	1,533,108,285
Long-term provision for decommissioning costs		347,376,569	302,162,499	167,868,507	128,870,753
Deposits on LPG cylinders		11,873,799,449	11,656,784,200	11,873,799,449	11,656,784,200
Other non-current liabilities		994,927,483	961,898,091	847,123,203	815,573,004
Total non-current liabilities		66,594,527,422	66,591,516,086	64,026,096,948	65,870,313,820
Total liabilities		107,063,343,758	113,468,378,931	101,416,326,084	108,840,527,680

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<u>Liabilities and Equity</u> (Continued)					
Equity					
Share capital	21				
Authorized share capital					
12,000 million ordinary shares of Baht 10 each		120,000,000,000	-	120,000,000,000	-
9,000 million ordinary shares of Baht 10 each		-	90,000,000,000	-	90,000,000,000
Issued and paid-up share capital					
9,000 million ordinary shares of Baht 10 each		90,000,000,000	90,000,000,000	90,000,000,000	90,000,000,000
Retained earnings					
Appropriated - Legal reserve	22	593,991,000	311,107,000	593,991,000	311,107,000
Unappropriated		14,685,074,515	15,747,239,552	2,012,363,200	6,205,257,790
Deficit on business combination					
under common control		(67,762,904,911)	(67,762,904,911)	-	-
Other components of equity		307,276,514	412,391,445	(374,660,178)	(151,534,253)
Total equity attributable to owners of the parent		37,823,437,118	38,707,833,086	92,231,694,022	96,364,830,537
Non-controlling interests		92,522,638	-	-	-
Total equity		37,915,959,756	38,707,833,086	92,231,694,022	96,364,830,537
Total liabilities and equity		144,979,303,514	152,176,212,017	193,648,020,106	205,205,358,217

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

(Signed) *Jiraphon Kawswat*
(Jiraphon Kawswat)
Acting President and Chief Executive Officer

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Sales and service income	24	428,804,130,515	577,134,019,138	406,286,297,788	548,487,747,495
Cost of sales and services	26	395,682,046,091	543,067,298,407	377,202,120,570	518,919,456,894
Gross profit		33,122,084,424	34,066,720,731	29,084,177,218	29,568,290,601
Other income	25	4,044,825,412	6,074,727,401	4,811,979,553	7,117,712,516
Loss on derivatives		(1,171,954,629)	-	(1,171,954,629)	-
Gain on foreign exchange rates		744,966,699	184,299,223	778,456,247	303,652,864
Profit before expenses		36,739,921,906	40,325,747,355	33,502,658,389	36,989,655,981
Selling and distribution expenses	26	13,996,377,119	15,659,222,038	14,624,157,066	16,263,524,007
Administrative expenses	26	11,264,562,928	10,821,785,168	10,940,522,540	11,974,839,810
Operating profit		11,478,981,859	13,844,740,149	7,937,978,783	8,751,292,164
Share of loss from investments in joint ventures		(18,926,090)	(4,886,935)	-	-
Share of profit from investments in associates		554,225,232	748,439,516	-	-
Profit before finance costs and income taxes		12,014,281,001	14,588,292,730	7,937,978,783	8,751,292,164
Finance costs		1,447,150,423	1,560,071,351	1,335,400,974	1,528,264,997
Profit before income taxes		10,567,130,578	13,028,221,379	6,602,577,809	7,223,027,167
Income taxes	18.1	1,776,148,017	2,132,416,150	944,902,224	1,264,942,605
Profit for the years		8,790,982,561	10,895,805,229	5,657,675,585	5,958,084,562
Profit attributable to					
Owners of the parent		8,791,069,923	10,895,805,229	5,657,675,585	5,958,084,562
Non-controlling interests		(87,362)	-	-	-
		8,790,982,561	10,895,805,229	5,657,675,585	5,958,084,562
Earnings per share					
Basic earnings per share					
Owners of the parent	23	0.98	1.21	0.63	0.66

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit for the years	8,790,982,561	10,895,805,229	5,657,675,585	5,958,084,562
Other comprehensive income (loss)				
Items that will be reclassified to profit or loss in subsequent periods				
Exchange differences on translation of financial statements	118,564,847	(303,779,317)	-	-
Loss on measurement of available-for-sale investments	-	(123,726,192)	-	(123,751,890)
Income taxes related to measurement of available-for-sale investments	-	24,742,102	-	24,750,378
Share of other comprehensive loss of joint ventures	(242,053)	-	-	-
Items that will not be reclassified to profit or loss in subsequent periods				
Loss on measurement of equity investments at fair value through other comprehensive income	(267,584,147)	-	(267,757,999)	-
Income taxes related to measurements of equity investments at fair value through other comprehensive income	53,550,374	-	53,551,600	-
Gain on remeasurement of defined benefits plans	14,223,530	352,905,251	1,749,354	367,817,786
Income taxes related to remeasurement of defined benefits plans	(3,252,793)	(71,464,788)	(349,871)	(73,563,557)
Share of other comprehensive losses of associates	-	(9,876,001)	-	-
Other comprehensive income (loss) for the years - net of income tax	(84,740,242)	(131,198,945)	(212,806,916)	195,252,717
Total comprehensive income for the years	8,706,242,319	10,764,606,284	5,444,868,669	6,153,337,279
Total comprehensive income attributable to				
Owners of the parent	8,706,329,681	10,764,606,284	5,444,868,669	6,153,337,279
Non-controlling interests	(87,362)	-	-	-
	8,706,242,319	10,764,606,284	5,444,868,669	6,153,337,279

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

Consolidated financial statements											Unit : Baht	
Notes	Equity attributable to owners of the parent											
	Issued and paid-up share capital	Retained earnings		Deficit on business combination under common control	Currency translation differences	Other components of equity				Total equity attributable to owners of the parent	Non - controlling interests	Total equity
		Legal reserve	Unappropriated			Share of other comprehensive loss of joint ventures	Available-for-sale investments or financial assets	Total other components of equity				
Balance as at January 1, 2019	90,000,000,000	13,202,000	4,877,774,861	(67,762,904,911)	(623,666,785)	-	1,438,821,637	815,154,852	27,943,226,802	-	27,943,226,802	
Changes in equity for the year												
Legal reserve	-	297,905,000	(297,905,000)	-	-	-	-	-	-	-	-	
Profit for the year	-	-	10,895,805,229	-	-	-	-	-	10,895,805,229	-	10,895,805,229	
Other comprehensive income (loss) for the year	-	-	271,564,462	-	(303,779,317)	-	(98,984,090)	(402,763,407)	(131,198,945)	-	(131,198,945)	
Balance as at December 31, 2019	90,000,000,000	311,107,000	15,747,239,552	(67,762,904,911)	(927,446,102)	-	1,339,837,547	412,391,445	38,707,833,086	-	38,707,833,086	
Balance as at January 1, 2020	90,000,000,000	311,107,000	15,747,239,552	(67,762,904,911)	(927,446,102)	-	1,339,837,547	412,391,445	38,707,833,086	-	38,707,833,086	
Impact of changes in accounting policies	-	-	(131,321,697)	-	-	-	(9,403,952)	(9,403,952)	(140,725,649)	-	(140,725,649)	
Balance as at 1 January 2020 - restated	90,000,000,000	311,107,000	15,615,917,855	(67,762,904,911)	(927,446,102)	-	1,330,433,595	402,987,493	38,567,107,437	-	38,567,107,437	
Changes in equity for the year												
Dividends paid	-	-	(9,450,000,000)	-	-	-	-	-	(9,450,000,000)	-	(9,450,000,000)	
Business acquisition of its subsidiary	-	-	-	-	-	-	-	-	-	92,610,000	92,610,000	
Legal reserve	-	282,884,000	(282,884,000)	-	-	-	-	-	-	-	-	
Profit for the year	-	-	8,791,069,923	-	-	-	-	-	8,791,069,923	(87,362)	8,790,982,561	
Other comprehensive income (loss) for the year	-	-	10,970,737	-	118,564,847	(242,053)	(214,033,773)	(95,710,979)	(84,740,242)	-	(84,740,242)	
Balance as at December 31, 2020	90,000,000,000	593,991,000	14,685,074,515	(67,762,904,911)	(808,881,255)	(242,053)	1,116,399,822	307,276,514	37,823,437,118	92,522,638	37,915,959,756	

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

	Separate financial statements					Unit : Baht
	Notes	Retained earnings		Other components of equity		
		Issued and paid-up share capital	Legal reserve	Unappropriated	Available-for-sale investments or financial assets	
Balance as at January 1, 2019		90,000,000,000	13,202,000	250,823,999	(52,532,741)	90,211,493,258
Changes in equity for the year						
Legal reserve		-	297,905,000	(297,905,000)	-	-
Profit for the year		-	-	5,958,084,562	-	5,958,084,562
Other comprehensive income (loss) for the year		-	-	294,254,229	(99,001,512)	195,252,717
Balance as at December 31, 2019		90,000,000,000	311,107,000	6,205,257,790	(151,534,253)	96,364,830,537
Balance as at January 1, 2020		90,000,000,000	311,107,000	6,205,257,790	(151,534,253)	96,364,830,537
Impact of changes in accounting policies	4	-	-	(119,085,658)	(8,919,526)	(128,005,184)
Balance as at January 1, 2020 - restated		90,000,000,000	311,107,000	6,086,172,132	(160,453,779)	96,236,825,353
Changes in equity for the year						
Dividends paid	30	-	-	(9,450,000,000)	-	(9,450,000,000)
Legal reserve	22	-	282,884,000	(282,884,000)	-	-
Profit for the year		-	-	5,657,675,585	-	5,657,675,585
Other comprehensive income (loss) for the year		-	-	1,399,483	(214,206,399)	(212,806,916)
Balance as at December 31, 2020		90,000,000,000	593,991,000	2,012,363,200	(374,660,178)	92,231,694,022

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

Unit : Baht

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit attributable to owners of the parent	8,791,069,923	10,895,805,229	5,657,675,585	5,958,084,562
Adjustment of profit to net cash provided by (used in) operating activities				
Depreciation and amortisation	5,202,760,919	3,601,881,475	6,971,109,558	5,674,231,295
Loss on impairment of assets	67,850,626	-	181,113,113	-
Loss on impairment of investments	-	-	67,600,000	1,754,000,000
Loss on disposal and write-off of assets	66,901,638	62,456,347	95,563,696	31,481,030
Share of loss from investments in joint ventures	18,926,090	4,886,935	-	-
Share of profit from investments in associates	(554,225,232)	(748,439,516)	-	-
Loss attributable to non-controlling interests	(87,362)	-	-	-
Provision for employee benefits	192,608,573	470,728,257	151,567,039	406,180,543
Unrealized (gain) loss on exchange rates	7,866,434	(29,276,113)	(20,051,623)	(26,937,337)
Unrealized loss on derivatives	22,781,412	-	22,781,412	-
Unrealised loss on remeasurement of investments at fair value through profit or loss	300,996	-	16,081	-
Bad debts	7,249,873	1,416,373	5,776,660	-
(Reversal of) allowance for expected credit losses	604,466,258	(40,444,110)	592,720,438	(38,767,700)
Reversal of allowance for loss on decline in value of inventories	(150,008,311)	(60,635,532)	(152,544,186)	(61,304,517)
Allowance for obsolete materials and supplies	6,642,187	-	6,642,187	-
Loss on disposal of obsolete inventories	10,656,883	9,717,007	10,656,883	9,717,007
Dividend income	(45,907,849)	(61,658,271)	(772,324,222)	(852,204,880)
Income taxes	1,776,148,017	2,132,416,150	944,902,224	1,264,942,605
Interest income	(190,629,260)	(220,102,515)	(279,687,593)	(367,331,676)
Finance costs	1,447,150,423	1,560,071,351	1,335,400,974	1,528,228,997
Others	44,664,259	(18,741,927)	(14,621,246)	(18,741,927)
Profit from operating activities before changes in operating assets and liabilities	17,327,186,497	17,560,081,140	14,804,296,980	15,261,578,002

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
(Increase) decrease in operating assets				
Trade accounts receivable	8,260,160,285	2,448,525,722	8,775,857,274	2,759,596,190
Other accounts receivable	(655,285,809)	7,459,853,542	(695,933,770)	8,505,873,907
Inventories	2,805,382,646	4,778,389,133	2,641,846,952	4,564,777,822
Materials and supplies	8,018,242	74,594,432	(25,303,728)	(68,165,271)
Other current assets	(136,237,903)	(165,898,414)	40,750,261	(35,429,527)
Other non-current assets	(208,426,180)	(139,990,325)	(37,853,160)	(66,204,382)
Increase (decrease) in operating liabilities				
Trade accounts payable	(11,271,758,442)	(3,196,051,603)	(10,922,354,967)	(3,210,371,031)
Other accounts payable	162,329,034	1,445,846,664	(978,368,375)	1,192,256,587
Other current liabilities	(5,015,142)	126,608,849	(25,141,339)	244,991,913
Deposits on LPG cylinders	217,015,249	574,122,160	217,015,249	574,122,160
Other non-current liabilities	(74,483,172)	102,314,377	(52,542,666)	37,424,576
Cash received from operating activities	16,428,885,305	31,068,395,677	13,742,268,711	29,760,450,946
Income taxes paid	(642,401,232)	(498,171,998)	(499,314,653)	(301,438,528)
Net cash provided by operating activities	15,786,484,073	30,570,223,679	13,242,954,058	29,459,012,418

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Payment of property, plant and equipment and investment properties	(6,437,244,160)	(9,720,566,381)	(5,419,771,283)	(7,967,353,653)
Prepayment of right-of-use assets	(708,496,151)	-	(629,618,031)	-
Payment of intangible assets	(186,310,731)	(276,957,486)	(51,353,468)	(222,554,479)
Refund of long-term advance payments	-	15,916,361	-	15,301,362
Payment of business acquisition - net	(137,595,000)	-	-	-
Payment of investments in subsidiaries	-	-	(1,685,972,400)	(2,220,776,120)
Payment of investments in joint ventures	(282,092,619)	(498,055,750)	-	-
Payment of other non-current financial assets	(1,244,796,000)	-	-	-
Payment of other long-term investments	-	(750,000)	-	(750,000)
Payment of short-term lending loans	-	-	(523,879,673)	(35,728,390)
Proceeds from long-term lending loans	-	-	885,914,950	475,914,950
Proceeds from disposals of property, plant and equipment and investment properties	31,693,631	123,117,547	27,248,706	47,006,757
Proceeds from cancellation of leasehold in gas stations	-	1,377,818	-	-
Decrease investments in current financial assets	491,253,050	-	500,000,000	-
Increase in current investments	-	(1,051,153,876)	-	(1,000,000,000)
Interest received	191,228,633	195,872,739	285,237,125	356,225,967
Dividends received	739,486,053	769,813,102	772,324,222	852,204,880
Net cash used in investing activities	(7,542,873,294)	(10,441,385,926)	(5,839,869,852)	(9,700,508,726)

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from financing activities				
Proceeds from (repayment of) bank overdrafts and short-term loans	(464,724,924)	(3,535,001,501)	24,926,820	(3,999,997,348)
Proceeds from long-term borrowing loans	1,000,000,000	17,000,000,000	1,000,000,000	17,000,000,000
Repayment of long-term loans	(3,777,599,944)	(17,045,988,631)	(3,733,200,000)	(17,000,000,000)
Repayment of lease installments	(1,109,418,116)	(102,595,254)	(787,296,810)	(90,557,248)
Finance costs paid	(1,189,667,345)	(1,551,750,083)	(1,175,956,050)	(1,536,662,716)
Dividends paid	(9,450,000,000)	-	(9,450,000,000)	-
Cash received from non-controlling interests of the subsidiary	10,000	-	-	-
Net cash used in financing activities	(14,991,400,329)	(5,235,335,469)	(14,121,526,040)	(5,627,217,312)
Effects of exchange rates on cash and cash equivalents	(30,644,118)	(7,435,267)	(30,896)	2,747,231
Exchange differences on translation of financial statements	(25,103,285)	(126,987,747)	-	-
Net increase (decrease) in cash and cash equivalents	(6,803,536,953)	14,759,079,270	(6,718,472,730)	14,134,033,611
Cash and cash equivalents at beginning of period	25,201,630,492	10,442,551,222	22,191,066,033	8,057,032,422
Cash and cash equivalents at end of period	6 18,398,093,539	25,201,630,492	15,472,593,303	22,191,066,033
Non-cash items				
Accounts payable from purchases of property, plant and equipment and investment properties	1,201,484,103	1,554,886,830	1,014,416,001	1,180,527,755
Accounts payable from purchases of intangible assets	23,166,040	18,476,978	18,636,135	18,476,978
Lease liabilities	3,503,359,268	90,443,516	2,560,175,656	88,810,026
Transfers from property, plant and equipment, intangible assets, and prepaid expenses to right-of-use assets	2,870,963,493	-	2,084,661,750	-
Transfer of supplies to property, plant and equipment	28,780,473	144,717,193	28,780,473	144,717,193

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

(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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(TRANSLATION)

PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

1. General Information

1.1 General Information of the Company

PTT Oil and Retail Business Public Company Limited (“the Company”) was incorporated as a limited company under the laws of Thailand on May 25, 2007 and registered as a public limited company in Thailand under the Public Limited Companies Act, B.E. 2535, on March 9, 2018.

The address of the registered office of the Company is 555/2 Energy Complex, Building B, 12th Floor, Vibhavadi-Rangsit Road, Chatuchak, Bangkok.

For presentation purposes, the Company and its subsidiaries are referred to as “the Group”. The parent company of the Group is PTT Public Company Limited (“PTT”), which holds 100% of the Company’s total paid-up capital.

The Company’s principal businesses are the commercial and retail marketing of petroleum products, other services (Non-oil), and investment in related companies which are engaged in the management of retail fuel service stations, convenience stores, space management in retail fuel service stations, personnel service to related parties, blending and bottling of lube oil, and other fuel-related businesses.

1.2 Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this report.

1.3 Initial Public Offering

On April 2, 2020, the Company submitted to the Securities and Exchange Commission (SEC) an application to make an initial public offering (IPO) of its shares, together with a registration statement and draft prospectus and submitted to the Stock Exchange of Thailand (SET) an application to list its ordinary shares on the SET.

On September 16, 2020, the SEC approved the Company’s application to make an IPO. The Company planned to make an offering of not more than 2,700 million shares and over-allotment of 300 million shares, totalling 3,000 million shares, which are equivalent to 25% of the paid-up capital after IPO.

On December 1, 2020, the Company’s Extraordinary General Meeting of Shareholders No. 2/2020 passed a resolution to approve the proportional adjustment to the allocation of capital increase shares and approve the allocation of capital increase shares by increasing the number of shares for over-allotment from not over 300 million shares to not over 390 million shares and decreasing the proportion of ordinary share capital allocation for public offering from not over 2,700 million shares to not over 2,610 million shares.

(TRANSLATION)

1. General Information (Continued)

1.3 Initial Public Offering (Continued)

On February 9, 2021, the Company received proceeds from the public offering of 2,610 million newly-issued shares of Baht 18 per share, totalling Baht 46,980.00 million before any related expenses. The Company registered the change in issued and paid-up capital with the Ministry of Commerce on the same day.

The Company's ordinary shares started trading on the SET on February 11, 2021. The Company may allocate capital increases share of not over 390 million shares for the exercise of options by an over-allotment agent. The over-allotment agent borrowed shares from the parent company, delivered the shares to the subscribers, and will procure and return the shares to the parent company within 30 days from the first trading day of the Company's shares on the SET.

2. Basis of Financial Statements Preparation

The consolidated and the separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act, B.E. 2543. These are Thai Financial Reporting Standards under the Accounting Profession Act, B.E. 2547, including guidelines promulgated by the Thailand Federation of Accounting Professions (TFAC).

The Company has presented the financial statements in compliance with the notification of the Department of Business Development "Definition of the abbreviated components required in the financial statements (No.3), B.E. 2562", dated December 26, 2019, under the third paragraph of Section 11 of the Accounting Act, B.E. 2543.

The consolidated and the separate financial statements have been prepared based on the assumption that users of the financial statements have an understanding of Thai generally accepted accounting principles and practices, which may differ from generally accepted accounting principles adopted in other countries.

The consolidated and the separate financial statements have been prepared under the historical cost convention with the exception of certain amounts, which are accounted for using the fair value method as disclosed in Note 3.2 Significant Accounting Policies.

The significant transactions arising between the Company and subsidiaries have been eliminated from the consolidated financial statements.

The consolidated and the separate financial statements are prepared and presented in Thai Baht and are rounded in the notes to financial statements to the nearest million unless otherwise stated.

This English translation of the financial statements has been prepared from the statutory financial statements that were issued in 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.

(TRANSLATION)

3. Accounting Policies**3.1 New Thai Financial Reporting Standards****3.1.1 Thai Financial Reporting Standards (TFRSs) that became effective in the current accounting period**

During the year, the Group adopted TFRSs and interpretations (revised 2019) and new TFRSs and interpretations that became effective for the accounting period beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standards which involve changes to key principles are summarised as follows:

Thai Financial Reporting Standard Group of Financial Instruments

TFRS group of financial instruments comprise five accounting standards and interpretations as follows:

Thai Financial Reporting Standards

TFRS 7	Financial Instruments - Disclosures
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TFRS 9	Financial Instruments
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Thai Accounting Standard

TAS 32	Financial Instruments - Presentation
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TFRS Interpretations Committee

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
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TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments
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This TFRS group of financial instruments stipulates the classification of financial instruments and the measurement at fair value or amortised cost, which is determined from types of instruments, contractual cash flow characteristics and business model. These financial reporting standards also stipulate the calculation of financial asset impairment using the expected credit loss method, and hedge accounting, and the presentation and disclosure of financial instruments.

The adoption of this group of standards has the following impacts on the Group's financial statements

- Classification and measurement of investments in equity instruments issued by non-listed entities - The Group measures those investments at fair value and classifies them as financial assets at fair value through other comprehensive income
- Recognition of expected credit loss - The Group recognises expected credit loss for financial assets without requiring a credit-impaired event to have occurred prior to recognition. The Group applies a simplified approach to determine the lifetime expected credit loss for trade and other accounts receivable.
- Recognition of derivatives - The Group initially recognises derivative at fair value when a derivative contract is entered into. The derivatives are subsequently measured at fair value at the end of reporting period. Changes in fair value of derivatives are recognised into profit or loss.

(TRANSLATION)

3. Accounting Policies (Continued)

3.1 New Thai Financial Reporting Standards (Continued)

3.1.1 Thai Financial Reporting Standards (TFRSs) that became effective in the current accounting period (Continued)

The Group adopted this group of financial reporting standards by recognising the cumulative effects from the initial adoption of the TFRS group of financial instruments to the beginning balance of retained earnings as at January 1, 2020 without restating comparative financial statements.

The cumulative effects of the change in accounting policies are illustrated in Note 4.

TFRS 16 - Leases

TFRS 16 supersedes TAS 17 - Leases and interpretation of related accounting standards. TFRS 16 stipulates the recognition, measurement, presentation and disclosures of leases and also stipulates that lessees recognise assets and liabilities for all leases with period of over 12 months except for leases of low-value assets.

Accounting for lessors does not have significant change from TAS 17. Lessors are required to classify leases as operating leases or finance leases.

The Group recognised the cumulative effects from the initial adoption of TFRS 16 to the beginning balance of retained earnings as at January 1, 2020 without restating comparative financial statements.

The cumulative effects of the change in accounting policies are illustrated in Note 4.

3.1.2 Thai Financial Reporting Standards (TFRSs) that will become effective in the accounting period beginning on or after January 1, 2021

Thailand Federation of Accounting Profession (TFAC) has enacted the revised TFRSs and interpretations that will become effective in the accounting periods beginning on or after January 1, 2021. The revision of these financial reporting standards was aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The impact of those standards has been assessed and the management believes that those standards do not have significant impact on the Group's financial statements.

(TRANSLATION)

3. Accounting Policies (Continued)**3.2 Significant Accounting Policies****3.2.1 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other highly liquid short-term investments with a maturity of three months or less. Bank overdrafts and short-term loans from financial institutions are included in current liabilities in the statements of financial position.

3.2.2 Trade and Other Accounts Receivable

Trade and other accounts receivable are carried at net realisable value. An allowance for expected credit loss is established by considering uncollectible accounts and is estimated from outstanding receivables at the end of the period according to their repayments and current financial status and from the percentage of debt aging. Expected credit loss is recorded as administrative expenses in profit or loss.

3.2.3 Inventories, Materials and Supplies

Inventories are stated at the lower of cost or net realisable value. The cost is calculated by using the weighted average cost method. The cost of inventory comprises total purchasing costs, payments directly related to purchasing, discounts, quantity discounts, as well as contributions to or compensation from taxes several funds. Net realisable value is calculated from estimated selling price in the ordinary course of business, less the costs of completion and related selling expenses. When net realisable value of inventories is lower than cost of acquisition, it is presented under cost of goods sold in the statement of income. An allowance for obsolescence of inventories will be recognised when inventories are obsolete or defective.

Materials and supplies are stated at cost calculated by using the weighted average cost method, less allowance for obsolescence of materials and supplies when there are obsolete, defective or unserviceable items.

3.2.4 Investments in Subsidiaries

Subsidiaries are companies which are directly or indirectly controlled by the parent company. Control exists when the parent company has the power over the subsidiaries so as to obtain variable returns from the involvement with the subsidiaries and has the ability to affect those returns through the power over the subsidiaries. In case that the parent company has voting rights less than half of total voting rights in subsidiaries, the parent company will reconsider the related facts and circumstances in order to determine whether the parent company has the power to control such subsidiaries or not.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that the control commences until the date that the control ceases.

The parent company allocates profit or loss and each component of other comprehensive income or loss to the equity attributable to owners of the parent and the non-controlling interests even if this results in a deficit non-controlling interest balance.

The purchase method of accounting is used to account for business combinations, except for the business combination under common control. The cost of a business combination is measured as the sum of fair value of any consideration transferred, the recognised amount of any non-controlling interest in the acquiree, and the fair value of the existing equity interest as of the purchasing date (if the business combination is achieved in stages).

(TRANSLATION)

3. Accounting Policies (Continued)

3.2 Significant Accounting Policies (Continued)

3.2.4 Investments in Subsidiaries (Continued)

- For each business combination, the Group measures the recognised amount of any non-controlling interest in the acquiree at either the fair value or the non-controlling interest's proportionate share of the net of identifiable assets of the acquiree.
- In the case of a business combination achieved in stages, the Group measures the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree and recognised gains or losses in statement of income.
- Costs related to the acquisition, including professional fees, advisory fees and other consulting fees, are recognised as expenses in the statement of income.

The Group measures the identifiable assets and liabilities acquired at fair value as of the acquisition date.

Any changes in the equity interest in subsidiaries of the Group while control is retained are recorded as surplus (deficit) from the changes in the ownership interests in subsidiaries in equity.

Upon disposal of investments, the difference between the net proceeds from disposal and the carrying amount of the investments is recorded in profit or loss.

Investments in subsidiaries are presented in the separate financial statements at cost less allowance for impairment of investment.

The list of investments in subsidiaries of the Group and proportion of ownership interests have been set out in Note 12.

3.2.5 Investments in Associates and Joint Ventures

Associates are those companies in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Joint ventures are joint arrangement whereby the Group has joint control of the arrangement and has rights to the net assets of the arrangement. The joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group uses the purchase method to account for the acquisition of associates and joint ventures, except for the business combination under common control. Acquisition costs of associates and joint ventures which are higher than fair value of identifiable assets and liabilities of the Group's equity interest in associates and joint ventures are recorded as goodwill and included in the investments in associates and joint ventures.

The consolidated financial statements of the Group include the share of profit or loss from associates and joint ventures under equity method, from the date that significant influence commences until the date that significant influence ceases. Unrealised gains or losses 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 unless the transactions provide evidence of impairment of the transferred assets.

(TRANSLATION)

3. Accounting Policies (Continued)**3.2 Significant Accounting Policies (Continued)****3.2.5 Investments in Associates and Joint Ventures (Continued)**

The Group records share of profit or loss from associates and joint ventures in proportion to the Group's equity interest in those gains and losses. Any dividends received from associates and joint ventures are deducted from the book value of the investments.

The Group does not recognise further losses in associates and joint ventures, when the Group's share of loss in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, unless the Group has incurred collateral or constructive obligations or made payments on behalf of the associates and joint ventures.

Upon disposal of investments, the difference between the net proceeds from disposal and the carrying amount of the investments is recorded in profit or loss.

Investments in associates and joint ventures are presented under the cost method in the separate financial statements and under the equity method in the consolidated financial statements.

The list of investments in associates and joint ventures of the Group and proportion of ownership interests have been set out in Note 12.

3.2.6 Related Parties

Related parties of the Company are those enterprises or individuals that control or are controlled by the Company, or are under common control with the Company, including holding companies of subsidiaries and fellow Group subsidiaries, as well as those that have equity interests in the Company that result in significant influence or joint control over the Company. In addition, related parties include associates, joint ventures, the management and directors of the Company, and entities which the management or directors of the Company, directly or indirectly, control, jointly controlled, or have significant influence over.

In considering each possible related party relationship, attention is directed more to the substance of the relationship than to the legal form.

3.2.7 Foreign Currency Translations

The consolidated financial statements and the separate financial statements have been presented in Thai Baht, which is the Company's functional currency. Transactions of each company included in the consolidated financial statements are recorded in their own functional currencies.

Foreign currency transactions are translated into functional currency at the exchange rates prevailing at the transaction date. Monetary assets and liabilities at the statements of financial position date denominated in foreign currencies are translated into functional currency at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Assets and liabilities of foreign operations, which the presentation currency of which is a foreign currency, are translated into Thai Baht using the closing rate at the statements of financial position date. Statement of income is translated into Thai Baht using the average rate during the period. Differences arising from currency translation are included in other comprehensive income and accumulated differences are presented in other components of equity under equity.

(TRANSLATION)

3. Accounting Policies (Continued)

3.2 Significant Accounting Policies (Continued)

3.2.7 Foreign Currency Translations (Continued)

Upon disposal of self-sustaining foreign entities, accumulated currency translation differences under shareholders' equity are recognised as gains or losses on disposal.

3.2.8 Investment Properties

Investment properties are initially recognised at cost, less accumulated depreciation and allowance for impairment. The cost includes expenses directly associated with the asset acquisition.

The Group has selected the cost model for accounting for its investment properties. This model is in accordance with that described in the accounting policy for Property, Plant and Equipment.

Depreciation is recorded as expenses in profit or loss and is calculated using the straight-line method over the estimated useful lives of the assets, which range from 5 to 20 years. Land and construction in progress are not depreciated.

3.2.9 Property, Plant and Equipment

Property, plant and equipment are initially recognised at cost less accumulated depreciation and allowance for impairment. The costs comprise any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating. These include decommissioning costs, delivery and restoration costs, and any obligation associated with either its acquisition or a consequence of having used the items.

Repair and maintenance costs are recognised in profit or loss during the financial period in which they are incurred. The costs of significant asset improvements, major turnarounds and inspections are included in the carrying amount of the asset. In case of replacement, the Group writes off carrying value of replaced items.

The Group depreciates each significant component of property, plant and equipment separately.

The Group estimates the residual value of the property, plant and equipment based on current assessment of the amount that would currently be obtained from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The Group reviews the residual value, the useful lives and depreciation methods of assets at least once a year.

Depreciation is recorded as expenses in profit or loss and is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and building improvements	3 - 32 years
Machinery and equipment	3 - 32 years
Other assets	2 - 10 years

Land and construction in progress are not depreciated.

(TRANSLATION)

3. Accounting Policies (Continued)**3.2 Significant Accounting Policies (Continued)****3.2.9 Property, Plant and Equipment (Continued)**

Gains or losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amounts on the disposal dates, and are recorded in the statement of income in the period in which the disposal occurs.

3.2.10 Goodwill

The Group initially records goodwill at cost, which equals to the excess of the acquisition costs over the fair value of the net assets acquired, and carries out a test for impairment of goodwill at least once a year or when there are circumstances indicating that an investment might be impaired. Where the fair value of the net assets exceeds the cost of acquisition at the acquisition date, the excess is recognised as a gain in the statement of income.

For the purpose of testing for impairment, the Group allocates goodwill from business combinations to each cash-generating unit (or group of cash-generating units) that is expected to receive benefit from the synergies of the combination. The Group evaluates the recoverable amount of each cash-generating unit (or group of cash-generating units) and if it is lower than the carrying amount of the unit, the Group recognises impairment losses in profit or loss. Impairment losses of goodwill will not be reversed.

3.2.11 Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and allowance for impairment. Amortisation is recorded as expenses in profit or loss.

The Group records the initial costs of intangible assets from business combination at the acquisition-date fair value of the assets. Intangible assets from other sources are initially recognised at their costs.

Intangible assets are amortised and recorded as expenses in profit or loss using the straight-line method over the useful lives of the assets which range from 5 to 40 years.

The Group reviews the residual value, useful lives and amortisation methods of intangible assets at least once a year.

3.2.12 Impairment of Non-financial Assets

The Group performs the following tests for impairment of assets:

- Goodwill is performed annually or whenever there is an indication that the asset may be impaired.
- Investment properties, property, plant and equipment and intangible assets are performed whenever there is an indication that the assets may be impaired.

(TRANSLATION)

3. Accounting Policies (Continued)

3.2 Significant Accounting Policies (Continued)

3.2.12 Impairment of Non-financial Assets (Continued)

The Group recognises an impairment loss when the recoverable amount of an asset is lower than its carrying amount, which is the higher of the asset's fair value less cost to sell or its value in use. The Group determines value in use by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used. The calculation reflects the amount that the Group could obtain from the disposal of the asset after deducting the costs of disposal. Fair value means the price that would be received from sale of an asset or payment to transfer a liability in an orderly transaction between market participants at the measurement date.

- Investments are performed whenever there is an indication the asset may be impaired.

The Group tests for impairment of investments where there is an indication that the carrying amount might be higher than the net realisable value whereby the impairment loss is recognised when net realisable value is lower than the carrying amount of the investments. Net realisable value is the higher of fair value less cost to sell or value in use of the investments.

The Group recognises an impairment loss in profit or loss.

3.2.13 Leases

The Group as a lessee

Right-of-use Assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and allowance for impairment and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation of right-of-use assets is calculated from cost under the straight-line method over the shorter of lease term or estimated economic useful life of the right-of-use assets as follows:

Land	2 - 30 years
Buildings	2 - 20 years
Machinery and equipment	2 - 20 years
Other assets	2 - 6 years

(TRANSLATION)

3. Accounting Policies (Continued)**3.2 Significant Accounting Policies (Continued)****3.2.13 Leases (Continued)**Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities which are measured at the present value of the lease payments to be made over the lease term and discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and decreased to reflect the lease payments. In addition, the carrying amount of lease liabilities is remeasured if there is a lease modification or reassessment.

Short-term Leases and Leases of Low-value Assets

Payments on leases that has a lease term less than or equal to 12 months from the commencement date, or on leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

3.2.14 Income Taxes

Income taxes comprise current tax and deferred tax

Current Tax

The Group is taxed pursuant to the Revenue Code of Thailand and other laws and regulations related to corporate income tax of other countries in which the Group has invested.

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted at the statements of financial position date in the taxable period, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognised in the statements of financial position using the liability method for temporary differences between tax base of assets and liabilities and the carrying amounts in the financial statements.

Deferred tax is measured using the tax rates enacted at the statements of financial position date.

Deferred tax assets are recognised to the extent that it is highly probable that the future taxable profits of the Group will be available against which the temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

The Group recognises deferred tax as income or expense and included them in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognised outside profit or loss, either in other comprehensive income or directly in equity, or a business combination.

(TRANSLATION)

3. Accounting Policies (Continued)

3.2 Significant Accounting Policies (Continued)

3.2.14 Income Taxes (Continued)

Deferred Tax (Continued)

Deferred tax assets and liabilities can only be offset if the entity has the legal right to settle on a net basis and the deferred tax balances relate to the same taxation authority.

The Group offsets deferred tax assets and deferred tax liabilities for presentation in the statement of financial position.

3.2.15 Provision for Employee Benefits

Provision for employee benefits of the Group is measured and recognised as follows:

1. Short-term employee benefits are recognised in profit or loss as expenses when incurred.
2. Post-employment benefits - defined contribution plans
The Company and its employees have jointly established a provident fund. The fund is monthly contributed to by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses in profit or loss when incurred.
3. Post-employment benefits - defined benefit plans
The provisions under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method, in order to determine present value of the provisions and be recognised as a liability in the statements of financial position. Current service cost, past service cost, net interest on the net defined benefit liability are recognised as expenses in profit or loss. Remeasurements of the net defined benefit liability or asset, including actuarial gains and losses are recognised in other comprehensive income and accumulated amounts are recognised as retained earnings in equity.
4. Other long-term employment benefits
The provisions under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method, in order to determine present value of the provisions and be recognised as a liability in the statements of financial position. Current service cost, past service cost, net interest on the net defined benefit liability are recognised as expenses in profit or loss. Remeasurements of the net other long-term benefit liability or asset, including actuarial gains and losses are recognised in profit or loss immediately.
5. Termination benefits are recognised as a liability and an expense when, and only when, the Company is demonstrably committed to either:
 - Terminate the employment of an employee or a group of employees before the normal retirement date; or
 - Provide termination benefits as a result of an offer made in order to encourage voluntary resignation.

(TRANSLATION)

3. Accounting Policies (Continued)**3.2 Significant Accounting Policies (Continued)****3.2.16 Provision for Decommissioning Costs**

The Group records a provision for decommissioning costs when it is highly probable that an obligation will arise as a result of a past event and the amount of the obligation can be reliably estimated.

The Group recognises a provision based on an estimate of the decommissioning costs. These costs are included as a part of the cost of the plant and equipment and are amortised based on the straight-line method over the estimated useful lives of the assets. The provisions for decommissioning costs are estimated and reviewed by the Group's engineers and management's judgment.

3.2.17 Revenue Recognition

The Group recognises revenue when a performance obligation is satisfied to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, in accordance with the principles below.

1. Identify the contract(s) with customers.
2. Evaluate goods or services in the contract and identify separate performance obligations that have been promised to customers. It may include implied agreement following business code of conduct.
3. Determine the transaction price which the Group reasonably expects to be entitled in exchange for transferring promised goods or services to customers, regarding variable consideration such as discounts and penalties, non-cash consideration and significant financing component. The Group shall include the estimated variable consideration in the transaction price, only when it is highly probable of no significant reversal in cumulative revenue.
4. Allocate the transaction price to the performance obligations on the basis of the relative stand-alone selling price.
5. Recognise revenue when (or as) the Group satisfies a performance obligation by transferring a promised goods or services to customers. The recognised revenue is the amount allocated to the performance obligation which is satisfied at a point in time. In case of a performance obligation satisfied over time, the Group recognises revenue by measuring the progress of the satisfied performance obligation at the end of the reporting period.

3.2.18 Earnings per Share

Basic earnings per share are calculated from the profit attributable to owners of the parent divided by the weighted average number of ordinary shares held by third parties during the year.

(TRANSLATION)

3. Accounting Policies (Continued)

3.2 Significant Accounting Policies (Continued)

3.2.19 Financial Instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is based on the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss. In certain cases, the Group makes an election to measure them at fair value through other comprehensive income, with no subsequent recycling to profit or loss.

Financial liabilities other than derivatives are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss, or fair value through other comprehensive income in the case that the Group applies hedge accounting.

Impairment of financial assets

The Group recognises expected credit losses on its financial assets measured at amortised cost and financial assets measured at fair value through other comprehensive income, without requiring a credit-impaired event to have occurred prior to the recognition. The Group considers the changes in credit risk of financial assets in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception for this approach is that for trade receivables and other receivables that do not contain a significant financing component and lease receivables, the Group applies a simplified approach to determine the lifetime expected credit losses.

Hedge accounting

The Group considers, in case that the hedge accounting criteria are met, recognition as follows:

For fair value hedges, a change in fair value of the hedging instruments and a change in fair value of the hedged items attributable to the risk being hedged are both recognised in profit or loss.

For cash flow hedges, a change in fair value of the effective portion of the hedging instrument is recognised in other comprehensive income, while a change in fair value of the ineffective portion of the hedging instruments is recognised in profit or loss.

Offsetting of financial instruments

The Group offsets financial assets and financial liabilities and presents the net amount in the statement of financial position if the entity has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(TRANSLATION)

3. Accounting Policies (Continued)**3.2 Significant Accounting Policies (Continued)****3.2.20 Fair Value Measurement**

The Group measures fair value and discloses the information relating to fair value measurement in accordance with TFRS 13 “Fair Value Measurement”. The guidance under this standard will be applied when the Group is required to measure any assets and liabilities at fair value under relevant standards.

The Group uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or a quoted market price is not available.

Fair Value Hierarchy

In applying the above-mentioned valuation techniques, the Group endeavors to use relevant observable inputs as much as possible by determining a fair value hierarchy that categorises inputs into three levels as follows:

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs for such assets or liabilities such as the Group’s estimates of future cash flows

3.2.21 Use of Estimates and Significant Assumptions

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions used in the preparation of financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant assumptions and the sources of contingent estimates that might impact the carrying amounts of assets and liabilities presented in the financial statements are as follows:

Provisions

The Group recognises a provision in the statement of financial position if, as a result of a past event, the Group has a present obligation that can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions depend on various current circumstances such as laws and regulations and market prices. Therefore, the actual result may differ from estimates and assumptions.

(TRANSLATION)

3. Accounting Policies (Continued)

3.2 Significant Accounting Policies (Continued)

3.2.21 Use of Estimates and Significant Assumptions (Continued)

Income Tax

The Group is responsible for the payment of income tax in various countries. When income tax payable is estimated, the Group uses significant judgment due to numerous transactions and calculations arising from its operations.

The Group recognises income tax payable based on estimated incremental tax payments. The difference between the actual tax paid and the estimate will affect income tax and deferred tax in the period in which the difference occurs.

A deferred tax asset will be recognised when it is highly probable that the Group will have sufficient net income against which to utilise the temporary difference. Assumptions related to future taxable income are uncertain and subject to change which affects the recognition of deferred tax assets.

Impairment of Non-financial Assets

The Group records an allowance for impairment of assets when an event or a circumstance indicates that the carrying amount of an asset is higher than its recoverable amount, which is the higher of fair value less cost to sell or value in use (calculated from discounted future cash flows). As a result, the carrying amount of an asset is written down immediately to its recoverable amount. The decrease is recorded in profit or loss. Thus, the loss on impairment of assets excluding goodwill recognised in the prior period will be reversed if the estimates for indicated recoverable amount changes.

The estimation of discounted future cash flows depends on various factors such as the future selling prices, demand and supply in the market, risk factors and gross margins. The discounted rates used in the calculation of present value of future cash flows depend on the cost of capital of the asset unit.

3.2.22 Operating Segments

The operating segment information is reported by business segments and based on the internal management reports that are received and regularly reviewed by the Chief Operating Decision Maker (CODM) for allocating resources to the segments and assessing its performance.

(TRANSLATION)

4. Impact of changes in accounting policies**Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards**

The impacts on the beginning balance of retained earnings of 2020 from changes in accounting policies due to the first-time adoption of TFRS Group of Financial Instruments and TFRS 16 Leases are presented as follows:

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
Effect on retained earnings as at January 1, 2020		
Classification of available-for-sale investments as		
financial assets at fair value through profit or loss	0.71	0.03
Recognition of an allowance for expected credit losses		
on financial assets	(142.84)	(141.96)
Recognition of derivatives at fair value through		
profit or loss	10.38	10.38
Related income taxes	15.50	12.46
Recognition of leases	(15.07)	-
Total effects on retained earnings	<u>(131.32)</u>	<u>(119.09)</u>

The impacts on the beginning balance of other comprehensive income of 2020 from changes in accounting policies due to the first-time adoption of TFRS Group of Financial Instruments and TFRS 16 Leases are presented as follows:

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
Effect on other comprehensive income as at January 1, 2020		
Classification of available-for-sale investments as		
financial assets at fair value through profit or loss	(0.71)	(0.03)
Loss on fair value measurement of investments		
in equity instruments	(11.12)	(11.12)
Income taxes related to loss on fair value measurement of		
investments in equity instruments	2.43	2.23
Total effects on other comprehensive income	<u>(9.40)</u>	<u>(8.92)</u>

(TRANSLATION)

4. Impact of changes in accounting policies (Continued)

Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (Continued)

The monetary amount of adjustments to the balances at the statement of financial position as at January 1, 2020 as a result of changes in accounting policies due to the adoption of TFRS Group of Financial Instruments and TFRS 16 Leases are presented as follows:

	Consolidated financial statements			Unit : Million Baht
	Increase (Decrease)			
	Previous accounting policies December 31, 2019	TFRS Group of Financial Instruments	TFRS 16	As reported January 1, 2020
Statement of Financial Position				
Assets				
Current assets				
Investments in current financial assets	-	1,098.62	-	1,098.62
Current investments	1,098.62	(1,098.62)	-	-
Trade accounts receivable	21,347.26	(19.65)	-	21,327.61
Other accounts receivable	17,665.38	(41.21)	(287.05)	17,337.12
Other current financial assets	-	19.62	-	19.62
Non-current assets				
Available-for-sale investments	1,351.85	(1,351.85)	-	-
Other non-current financial assets	-	1,341.77	-	1,341.77
Other long-term investments	1.04	(1.04)	-	-
Property, plant and equipment	40,098.14	-	(318.73)	39,779.41
Right-of-use assets	-	-	8,740.69	8,740.69
Intangible assets	2,402.73	-	(116.94)	2,285.79
Deferred tax assets	9,480.25	0.22	2.99	9,483.46
Other non-current assets	2,588.60	-	(2,128.37)	460.23

(TRANSLATION)

4. Impact of changes in accounting policies (Continued)**Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (Continued)**

	Consolidated financial statements			Unit : Million Baht
	Previous accounting policies December 31, 2019	Increase (Decrease)		As reported January 1, 2020
		TFRS Group of Financial Instruments	TFRS 16	
Liabilities and Equity				
Current liabilities				
Other accounts payable	6,922.05	77.32	(12.38)	6,986.99
Current portion of long-term loans	3,615.07	-	(88.15)	3,526.92
Current portion of lease liabilities	-	-	584.75	584.75
Other current financial liabilities	-	12.67	-	12.67
Non-current liabilities				
Long-term loans	50,334.81	-	(230.57)	50,104.24
Lease liabilities	-	-	5,651.81	5,651.81
Deferred tax liabilities	1,542.04	(14.69)	-	1,527.35
Other non-current financial liabilities	-	1.23	-	1.23
Other non-current liabilities	961.90	-	(0.82)	961.08
Equity				
Unappropriated retained earnings	15,747.24	(119.27)	(12.05)	15,615.92
Other comprehensive income	412.39	(9.40)	-	402.99

(TRANSLATION)

4. Impact of changes in accounting policies (Continued)

Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (Continued)

Unit : Million Baht

	Separate financial statements			As reported
		Increase (Decrease)		
	Previous accounting policies December 31, 2019	TFRS Group of Financial Instruments	TFRS 16	January 1, 2020
Statement of Financial Position				
Assets				
Current assets				
Investments in current financial assets	-	1,000.00	-	1,000.00
Current investments	1,000.00	(1,000.00)	-	-
Trade accounts receivable	22,494.00	(18.78)	-	22,475.22
Other accounts receivable	16,144.34	(41.21)	(87.99)	16,015.14
Other current financial assets	-	19.62	-	19.62
Non-current assets				
Available-for-sale investments	1,350.13	(1,350.13)	-	-
Other non-current financial assets	-	1,341.63	-	1,341.63
Other long-term investments	2.61	(2.61)	-	-
Property, plant and equipment	40,371.21	-	(290.13)	40,081.08
Right-of-use assets	-	-	6,523.65	6,523.65
Intangible assets	35,534.66	-	(116.94)	35,417.72
Other non-current assets	1,717.67	-	(1,515.41)	202.26
Liabilities and Equity				
Current liabilities				
Other accounts payable	5,762.94	77.32	-	5,840.26
Current portion of long-term loans	3,560.91	-	(77.71)	3,483.20
Current portion of lease liabilities	-	-	418.47	418.47
Other current financial liabilities	-	12.67	-	12.67

(TRANSLATION)

4. Impact of changes in accounting policies (Continued)**Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (Continued)**

Unit : Million Baht

	Separate financial statements			
		Increase (Decrease)		
	Previous accounting policies December 31, 2019	TFRS Group of Financial Instruments	TFRS 16	As reported January 1, 2020
Non-current liabilities				
Long-term loans	50,225.99	-	(209.19)	50,016.80
Lease liabilities	-	-	4,381.61	4,381.61
Deferred tax liabilities	1,509.99	(14.69)	-	1,495.30
Other non-current financial liabilities	-	1.23	-	1.23
Equity				
Unappropriated retained earnings	6,205.26	(119.09)	-	6,086.17
Other comprehensive income	(151.53)	(8.92)	-	(160.45)

4.1 Lease Liabilities

A reconciliation between lease liabilities as at January 1, 2020 and operating lease commitments as at December 31, 2019 disclosed according to TAS 17 is presented as follows:

Unit : Million Baht

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at January 1, 2020	8,535.42	5,569.77
Adjustments:		
Short-term leases and leases of low-value assets	(224.48)	(36.58)
Others	(346.56)	464.54
Lease liabilities as at December 31, 2019 - net	318.72	286.90
Increase in lease liabilities from the first-time adoption of TFRS 16 Leases	8,283.10	6,284.63
Effect of above amount's discount rates	(2,046.54)	(1,484.55)
Lease liabilities, restated as at January 1, 2020	6,236.56	4,800.08
Comprising:		
Current portion of lease liabilities	584.75	418.47
Non-current lease liabilities	5,651.81	4,381.61
	6,236.56	4,800.08
Average incremental borrowing rates (per annum)	1.86% - 9.32%	1.86% - 3.54%

(TRANSLATION)

4. Impact of changes in accounting policies (Continued)**Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (Continued)****4.2 Financial Instruments**Classification and remeasurement

As at January 1, 2020 (effective date), the Group's management has considered the business model of financial assets and financial liabilities and classified items held by the Group as follows:

Unit : Million Baht				
Consolidated financial statements				
	December 31, 2019		January 1, 2020	
	Former Classification	Carrying amount under the former basis	Classification in accordance with TFRS 9	Carrying amount in accordance with TFRS 9
Financial assets				
Debt instruments	Current investments	1,098.62	Investments in current financial assets at amortised cost	1,098.62
Equity instruments	Available-for-sale Investments	1,350.00	Long-term investments measured at fair value through OCI	1,338.75
Mutual funds	Available-for-sale Investments	1.85	Long-term investments measured at fair value through PL	1.85
Equity instruments	Other long-term investments	1.04	Long-term investments measured at fair value through OCI	1.17
Other current financial assets	-	-	Derivatives	19.62
Financial liabilities				
Other current financial liabilities	-	-	Derivatives	12.67
Other non-current financial liabilities	-	-	Derivatives	1.23

(TRANSLATION)

4. Impact of changes in accounting policies (Continued)**Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (Continued)****4.2 Financial Instruments (Continued)**

Unit : Million Baht				
Separate financial statements				
December 31, 2019		January 1, 2020		
	Former Classification	Carrying amount under the former basis	Classification in accordance with TFRS 9	Carrying amount in accordance with TFRS 9
Financial assets				
Debt instruments	Current investments	1,000.00	Investments in current financial assets at amortised cost	1,000.00
Equity instruments	Available-for-sale investments	1,350.00	Long-term investments measured at fair value through OCI	1,338.75
Mutual funds	Available-for-sale investments	0.13	Long-term investments measured at fair value through PL	0.13
Equity instruments	Other long-term investments	2.61	Long-term investments measured at fair value through OCI	2.75
Other current financial assets	-	-	Derivatives	19.62
Financial liabilities				
Other current financial liabilities	-	-	Derivatives	12.67
Other non-current financial liabilities	-	-	Derivatives	1.23

(TRANSLATION)

5. Business Restructuring

On June 18, 2018, the Company and PTT successfully executed the Business Transfer Agreement, to transfer of various assets and liabilities of the Oil Business Unit, and shares of related companies. The Company commenced the process of transferring various assets and liabilities, and shares of related companies on July 1, 2018. The valuation of the business transfer was carried out by a financial advisor in accordance with international principles to determine the appropriate price in inter-trading.

In cases where the registration process for the transfer of various assets and liabilities is not completed within six months from the date of the business transfer, PTT must comply with conditions stated in the Business Transfer Agreement, whereby PTT has to transfer the possessory rights and rights of use in the assets to the Company, which is entitled to benefits or profits arising from these assets from the date of the business transfer until the process of registration is completed.

The Company and PTT executed the amendments to Memorandum of Agreement for Business Transfer Agreement, extending the registration period of the transfer of various assets, rights, duties and responsibilities, under the First Amendment on February 28, 2019, the Second Amendment on December 4, 2019, and the Third Amendment on February 12, 2020. The parties agreed to complete the process within December 31, 2020. In the event that the transfer of rights and duties under the Business Transfer Agreement cannot be completed within December 31, 2020, the parties shall confer in good faith to find collaborative solutions to protect both parties' best interests.

As at December 31, 2020, there are certain assets and contracts that had not been completely transferred amounting to Baht 1,544.51 million (as at December 31, 2019: Baht 2,127.78 million). Currently, the Company records the transactions, holds ownership rights, utilises and receives benefits from those assets.

On February 15, 2021, the Company and PTT executed the Fourth Amendment to Memorandum of Agreement for Business Transfer, extending the registration period of the transfer of various assets, rights, duties and responsibilities under the Business Transfer Agreement to be completed within December 31, 2022 or the extended period that the parties mutually agree in writing. The aforementioned amendment to Memorandum of Agreement has been in effect since January 1, 2021.

As a result of the Business Transfer Agreement, considered a Business Combination of Entities under Common Control, the Company is deemed transferred before July 1, 2018. Consequently, the Company prepared the consolidated financial statements which included the financial information of the Oil Business Unit and the financial statements of the transferred business. Such presentation reflects the economic substances for the Company and its subsidiaries as one economic unit before July 1, 2018, although the legal form of the relationship occurred later. The difference between the book value of net assets of the subsidiaries at the date of the business transfer and the cost of business restructuring under common control totalling Baht 67,762.90 million was presented as "Deficit on business combination under common control" in the equity section of the consolidated financial statements.

(TRANSLATION)

6. Cash and Cash Equivalents

Cash and cash equivalents as at December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2020	2019	2020	2019
Cash on hand	366.12	453.96	14.23	15.00
Call deposits held at banks	17,928.03	21,662.86	15,458.36	19,176.07
Fixed deposits with maturity of 3 months or less	103.94	3,084.81	-	3,000.00
Total	18,398.09	25,201.63	15,472.59	22,191.07

Call deposits held at banks and fixed deposits with maturity of 3 months or less as at December 31, 2020 in the consolidated financial statement bear the interest at rates ranging from 0.01% - 2.50% per annum (as at December 31, 2019: interest at rates ranging from 0.03% - 2.63% per annum) and in the separate financial statement bear the interest at rates ranging from 0.05% - 0.57% per annum (as at December 31, 2019: interest rates ranging from 0.05% - 1.55% per annum).

7. Trade Accounts Receivable

Trade accounts receivable as at December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2020	2019	2020	2019
Trade accounts receivable - other parties	10,673.03	18,099.88	8,537.10	14,922.01
<u>Less Allowance for expected credit loss</u>	<u>(1,780.17)</u>	<u>(1,025.82)</u>	<u>(794.18)</u>	<u>(95.35)</u>
Trade accounts receivable - other parties - net	8,892.86	17,074.06	7,742.92	14,826.66
Trade accounts receivable - related parties - net (Note 9.1)	3,216.56	4,273.20	5,267.18	7,667.34
Total	12,109.42	21,347.26	13,010.10	22,494.00

(TRANSLATION)

7. Trade Accounts Receivable (Continued)

Aging of outstanding trade receivable is as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Within credit terms	11,587.52	20,956.84	12,794.79	21,877.87
Overdue				
- Within 3 months	290.59	409.55	179.52	71.87
- Over 3 - 6 months	35.90	6.40	17.25	379.28
- Over 6 - 12 months	866.40	71.28	747.21	260.33
- Over 12 months	1,110.37	929.01	66.70	-
	13,890.78	22,373.08	13,805.47	22,589.35
<u>Less</u> Allowance for expected				
credit loss	(1,781.36)	(1,025.82)	(795.37)	(95.35)
Total	12,109.42	21,347.26	13,010.10	22,494.00

Trade accounts receivable - other parties as at December 31, 2020 include receivables from government agencies and state enterprises in the consolidated and the separate financial statements amounting to Baht 7.06 million (as at December 31, 2019: Baht 574.27 million).

The movements in the allowance for expected credit loss of trade accounts receivable are as follows:

	Unit : Million Baht	
	Consolidated	Separate
	financial statements	financial statements
As at January 1, 2020	1,025.82	95.35
Impact of changes in accounting policies (Note 4)	19.65	18.78
Net book value - restated	1,045.47	114.13
Expected credit loss	716.01	705.75
Foreign exchange differences	19.88	(24.51)
As at December 31, 2020	1,781.36	795.37

(TRANSLATION)

8. Other Accounts Receivable

Other accounts receivable as at December 31, 2020 and 2019 are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Other accounts receivable	1,323.17	2,681.29	435.13	1,494.99
<u>Less</u> Allowance for expected credit loss	(44.96)	(43.96)	(28.55)	(27.10)
Other accounts receivable - net	1,278.21	2,637.33	406.58	1,467.89
Refunds receivable from the Oil Stabilization Fund	11,166.73	8,134.18	11,166.73	8,134.18
Advance payments	302.34	1,215.13	211.09	832.02
Other accounts receivable - other parties	12,747.28	11,986.64	11,784.40	10,434.09
Other accounts receivable - related parties - net (Note 9.2)	4,686.80	5,678.74	4,745.53	5,710.25
Total	17,434.08	17,665.38	16,529.93	16,144.34

The refunds receivable from the Oil Stabilization Fund mostly comprises compensation for locally manufactured oil and liquefied petroleum gas (LPG), or imported LPG for local uses. The compensation rates are determined by the Committee of Energy Policy Administration.

9. Related Party Transactions

Significant transactions carried out with related parties are as follows:

9.1 Trade accounts receivable - related parties as at December 31, 2020 and 2019

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Parent company	2,927.23	3,979.45	2,925.81	3,975.83
Subsidiaries	-	-	2,052.04	3,397.79
Other related parties	290.52	293.75	290.52	293.72
	3,217.75	4,273.20	5,268.37	7,667.34
<u>Less</u> Allowance for expected credit loss	(1.19)	-	(1.19)	-
Total (Note 7)	3,216.56	4,273.20	5,267.18	7,667.34

(TRANSLATION)

9. Related Party Transactions (Continued)

9.2 Other accounts receivable - related parties as at December 31, 2020 and 2019

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Parent company	4,475.42	5,066.57	4,474.87	5,064.91
Subsidiaries	-	-	70.66	44.23
Associates	1.68	4.32	1.68	4.32
Joint ventures	10.54	-	10.54	-
Other related parties	209.44	609.35	196.48	596.79
	4,697.08	5,680.24	4,754.23	5,710.25
<u>Less</u> Allowance for expected credit loss	(10.28)	(1.50)	(8.70)	-
Total (Note 8)	<u>4,686.80</u>	<u>5,678.74</u>	<u>4,745.53</u>	<u>5,710.25</u>

9.3 Short-term lending loan - related party as at December 31, 2020 and 2019

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Subsidiary	-	-	2,168.96	1,645.08
Total	<u>-</u>	<u>-</u>	<u>2,168.96</u>	<u>1,645.08</u>

9.4 Long-term lending loans - related parties as at December 31, 2020 and 2019

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Subsidiaries	-	-	2,701.70	3,580.90
<u>Less</u> Current portion of long-term lending loans	-	-	(1,058.70)	(878.95)
Total	<u>-</u>	<u>-</u>	<u>1,643.00</u>	<u>2,701.95</u>

(TRANSLATION)

9. Related Party Transactions (Continued)**9.5 Trade accounts payable - related parties as at December 31, 2020 and 2019**

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Parent company	1,597.01	2,225.26	1,597.01	2,225.25
Subsidiaries	-	-	87.14	309.17
Associates	93.74	210.27	93.60	210.16
Other related parties	13,129.77	22,101.46	12,391.70	20,971.62
Total	<u>14,820.52</u>	<u>24,536.99</u>	<u>14,169.45</u>	<u>23,716.20</u>

9.6 Other accounts payable - related parties as at December 31, 2020 and 2019

	Unit : Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Parent company	675.71	852.21	670.14	843.69
Subsidiaries	-	-	42.60	53.78
Associates	0.13	0.11	-	-
Joint ventures	2.35	-	2.35	-
Other related parties	702.15	725.81	691.21	715.98
Total	<u>1,380.34</u>	<u>1,578.13</u>	<u>1,406.30</u>	<u>1,613.45</u>

9.7 Short-term loan - related party as at December 31, 2020 and 2019

	Unit : Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Subsidiary	-	-	32.94	8.01
Total	<u>-</u>	<u>-</u>	<u>32.94</u>	<u>8.01</u>

(TRANSLATION)

9. Related Party Transactions (Continued)

9.8 Long-term loan - related party as at December 31, 2020 and 2019

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Other related party	16,054.80	17,000.00	16,054.80	17,000.00
<u>Less</u> Current portion of long-term loan	<u>(1,890.40)</u>	<u>(945.20)</u>	<u>(1,890.40)</u>	<u>(945.20)</u>
Total	<u>14,164.40</u>	<u>16,054.80</u>	<u>14,164.40</u>	<u>16,054.80</u>

Movements in long-term loan - related party are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Balance as at January 1	17,000.00	17,000.00	17,000.00	17,000.00
- Repayment	(945.20)	-	(945.20)	-
Balance as at December 31	16,054.80	17,000.00	16,054.80	17,000.00
<u>Less</u> Current portion of long-term loan	<u>(1,890.40)</u>	<u>(945.20)</u>	<u>(1,890.40)</u>	<u>(945.20)</u>
Balance as at December 31 - net	<u>14,164.40</u>	<u>16,054.80</u>	<u>14,164.40</u>	<u>16,054.80</u>

9.9 Lease liabilities - related parties as at December 31, 2020 and 2019

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Parent company	973.65	-	973.65	-
Subsidiaries	-	-	15.81	-
Other related parties	551.77	-	550.01	-
	1,525.42	-	1,539.47	-
<u>Less</u> Current portion of lease liabilities	<u>(437.54)</u>	<u>-</u>	<u>(443.17)</u>	<u>-</u>
Total	<u>1,087.88</u>	<u>-</u>	<u>1,096.30</u>	<u>-</u>

(TRANSLATION)

9. Related Party Transactions (Continued)**9.10 Revenue and expense transactions carried out with related parties**

For the years ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2020	2019	2020	2019
Revenues				
<u>Sales and service income</u>				
Parent company	17,439.63	25,746.99	17,434.77	25,725.55
Subsidiaries	-	-	24,699.45	37,806.70
Associates	64.61	87.36	64.61	87.36
Joint ventures	6.47	-	6.47	-
Other related parties	2,564.89	3,223.82	2,564.24	3,222.91
<u>Interest income</u>				
Subsidiaries	-	-	118.81	169.24
<u>Dividend income</u>				
Subsidiaries	-	-	32.84	82.40
Associates	-	-	693.58	708.15
<u>Other income</u>				
Parent company	1,661.99	2,536.91	1,661.53	2,536.71
Subsidiaries	-	-	273.60	352.85
Associates	41.00	13.57	41.00	13.57
Joint ventures	0.49	-	0.49	-
Other related parties	45.39	82.96	45.39	73.15

(TRANSLATION)

9. Related Party Transactions (Continued)

9.10 Revenue and expense transactions carried out with related parties (Continued)

For the years ended December 31, 2020 and 2019 are as follows: (Continued)

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2020	2019	2020	2019
Expenses				
<u>Cost of goods purchased and services</u>				
Parent company	28,416.98	40,543.97	28,416.81	40,543.82
Subsidiaries	-	-	1,105.64	3,390.95
Associates	1,580.42	1,926.57	1,580.42	1,926.57
Other related parties	250,059.03	354,909.69	244,963.90	342,402.28
<u>Other expenses</u>				
Parent company	2,091.73	3,062.74	2,081.86	3,049.15
Subsidiaries	-	-	290.03	276.04
Associates	2.31	2.15	1.17	1.16
Joint ventures	1.16	-	1.16	-
Other related parties	2,045.53	2,067.91	1,988.44	2,028.47
<u>Finance costs</u>				
Parent company	6.76	451.88	6.76	451.88
Subsidiaries	-	-	0.21	0.11
Other related parties	399.47	45.61	399.43	45.61

The aforementioned related party transactions exclude transactions carried out with government agencies and state enterprises.

Stipulation prices between the Company and its related parties are based on normal prices for the same types of business transactions carried out with non-related parties.

(TRANSLATION)

9. Related Party Transactions (Continued)**9.11 Related party transactions regarding purchases and sales of investment properties, property, plant and equipment and right-of-use assets**

For the years ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2020	2019	2020	2019
Purchases				
Parent company	744.04	1,009.47	744.04	1,009.47
Other related party	8.32	-	8.32	-
Total	<u>752.36</u>	<u>1,009.47</u>	<u>752.36</u>	<u>1,009.47</u>

9.12 Executive remunerations

For the years ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2020	2019	2020	2019
<u>Directors remunerations</u>				
Meeting remuneration and bonuses	20.19	31.99	7.40	7.31
<u>Managements remunerations</u>				
Salaries, bonuses, and other employee benefits	143.20	132.77	107.40	91.17
Post-employment benefits	2.03	2.18	2.03	2.18
Total (Note 26)	<u>165.42</u>	<u>166.94</u>	<u>116.83</u>	<u>100.66</u>

Managements refer to those persons who have authority and responsibility for planning, directing and controlling the activities of an entity either directly or indirectly.

(TRANSLATION)

10. Inventories

Inventories as at December 31, 2020 and 2019 are as follows:

	Unit : Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Inventories	15,273.10	14,460.59	13,158.48	12,179.90
Inventories - legal reserves	3,747.43	7,225.97	3,747.43	7,225.97
Total	<u>19,020.53</u>	<u>21,686.56</u>	<u>16,905.91</u>	<u>19,405.87</u>

Costs of inventories included in cost of sales

- Reversal of inventories to net realisable value	<u>(150.01)</u>	<u>(60.64)</u>	<u>(152.54)</u>	<u>(61.30)</u>
Total	<u>(150.01)</u>	<u>(60.64)</u>	<u>(152.54)</u>	<u>(61.30)</u>

The Fuel Oil Trading Act B.E. 2543, amended by the Fuel Oil Trade Act (No.2) B.E. 2550 in accordance with Notification of the Department of Energy Business “Determination of Types, Rates, Criteria, Methods and Conditions for calculation of Oil Reserves B.E. 2558”, prescribes that oil traders under section 7 must reserve crude oil and petroleum products at rate ranging from 1% - 20% of the total production and imported volume.

(TRANSLATION)

11. Other Non-current Financial Assets

11.1 Details of other non-current financial assets as at December 31, 2020 are as follows:

Unit : Million Baht

Consolidated financial statements					
Company	Nature of business	Shareholding (%)	Fair value measurement through		Total
			Profit or loss	Other comprehensive income	
Equity instruments					
- Bangkok Aviation Fuel Services Public Co., Ltd.	Aircraft refuelling services	7.06	-	1,071.00	1,071.00
- Intoplane Services Co., Ltd.	Aircraft refuelling services	16.67	-	0.14	0.14
- Fuel Pipeline Transportation Co., Ltd.*	Oil transmission pipelines	-	-	0.02	0.02
- Sarn Palung Social Enterprise Co., Ltd.	Social enterprise	10.00	-	1.00	1.00
- Flash Incorporation Co., Ltd.	Holding Company	9.58	-	1,244.80	1,244.80
Mutual fund					
- Vayupak Fund 1	-	-	1.62	-	1.62
Total other non-current financial assets			1.62	2,316.96	2,318.58

*As at December 31, 2020, the Company held 0.0000090% ownership interest in 66 shares, amounting to Baht 416.

The Group recognised dividend income for the year ended December 31, 2020 of Baht 45.91 million (For the year ended December 31, 2019 of Baht 61.66 million).

(TRANSLATION)

11. Other Non-current Financial Assets (Continued)

11.1 Details of other non-current financial assets as at December 31, 2020 are as follows: (Continued)

Separate financial statements					Unit : Million Baht
Company	Nature of business	Shareholding (%)	Fair value measurement through		
			Profit or loss	Other comprehensive income	
Equity instruments					
- Bangkok Aviation Fuel Services Public Co., Ltd.	Aircraft refuelling services	7.06	-	1,071.00	1,071.00
- Intoplane Services Co., Ltd.	Aircraft refuelling services	16.67	-	1.74	1.74
- Fuel Pipeline Transportation Co., Ltd.*	Oil transmission pipelines	-	-	-	-
- Sarn Palung Social Enterprise Co., Ltd.	Social enterprise	10.00	-	1.00	1.00
Mutual fund					
- Vayupak Fund 1	-	-	0.11	-	0.11
Total other non-current financial assets			0.11	1,073.74	1,073.85

*As at December 31, 2020, the Company held 0.00000090% ownership interest in 66 shares, amounting to Baht 416.

The Group recognised dividend income for the year ended December 31, 2020 of Baht 45.90 million (For the year ended December 31, 2019 of Baht 61.65 million).

(TRANSLATION)

11. Other Non-current Financial Assets (Continued)

11.2 Movements of other non-current financial assets for the year ended December 31, 2020 are as follows:

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
	2020	2020
As at January 1	-	-
- Impact of changes in accounting policies (Note 4)	1,341.77	1,341.63
As at January 1, restated	1,341.77	1,341.63
- Addition	1,244.80	-
- Loss on fair value measurement through other comprehensive income	(267.58)	(267.76)
- Loss on fair value measurement through profit or loss	(0.30)	(0.02)
- Exchange differences on translation of financial statements	(0.11)	-
As at December 31	<u>2,318.58</u>	<u>1,073.85</u>

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures

12.1 Details of investments in subsidiaries as at December 31, 2020 and 2019 are as follows:

Separate financial statements												Unit : Million Baht
Company	Country of incorporation	Nature of business	Shareholding (%)		Cost method		Allowance for impairment		Cost method - net		Dividend income	
			2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
PTT Retail Management Co., Ltd.	Thailand	Oil and Retail business management	100.00	100.00	4,603.70	4,603.70	(2,220.00)	(2,220.00)	2,383.70	2,383.70	-	-
PTT Retail Service Co., Ltd.	Thailand	Human resources management	100.00	100.00	10.40	10.40	-	-	10.40	10.40	-	-
PTT Philippines Trading Corporation	Philippines	Oil marketing and retail business	100.00	100.00	1,372.98	1,372.98	-	-	1,372.98	1,372.98	-	82.40
PTT Philippines Corporation	Philippines	Oil marketing and retail business	100.00	100.00	2,108.83	2,108.83	-	-	2,108.83	2,108.83	-	-
Thai Lube Blending Co., Ltd.	Thailand	Blending and bottling of lube oil	100.00	100.00	329.89	329.89	-	-	329.89	329.89	2.00	-
PTT (Cambodia) Limited.	Cambodia	Oil marketing and retail business	100.00	100.00	6,304.62	6,304.62	-	-	6,304.62	6,304.62	30.84	-
PTT Oil Myanmar Co., Ltd.	Myanmar	Business services	100.00	100.00	56.98	56.98	(41.00)	(41.00)	15.98	15.98	-	-
PTTOR China (Shanghai) Co., Ltd.	China	Lube oil product marketing and retail business	100.00	100.00	252.56	72.74	-	-	252.56	72.74	-	-
PTTOR Singapore Pte. Ltd.	Singapore	Retail business	100.00	100.00	153.36	153.36	(67.60)	-	85.76	153.36	-	-
PTTOR Holdings Co., Ltd.	Thailand	Holding Company	100.00	100.00	3,125.82	1,619.67	-	-	3,125.82	1,619.67	-	-
Total investment in subsidiaries					18,319.14	16,633.17	(2,328.60)	(2,261.00)	15,990.54	14,372.17	32.84	82.40

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures (Continued)**12.1** Details of investments in subsidiaries as at December 31, 2020 and 2019 are as follows: (Continued)

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

	Unit : Million Baht Separate financial statements	
	2020	2019
Investments in subsidiaries		
As at January 1	14,372.17	13,905.39
- Addition	1,685.97	2,220.78
- Allowance for impairment	(67.60)	(1,754.00)
As at December 31	<u>15,990.54</u>	<u>14,372.17</u>

Details of indirect subsidiaries of the Company as at December 31, 2020 and 2019 are as follows:

Company	Country of incorporation	Nature of business	Shareholding (%)	
			2020	2019
<u>Subsidiary of PTT (Cambodia) Limited</u>				
PTT (Lao) Company Limited	Laos	Oil marketing and retail business	100.00	100.00
<u>Subsidiaries of PTTOR Holdings Co., Ltd.</u>				
PTTOR International Holdings (Singapore) Pte. Ltd.	Singapore	Holding Company	100.00	100.00
Modulus Venture Co., Ltd.	Thailand	Holding Company	100.00	-
Peaberry Thai Co., Ltd	Thailand	Trading coffee brewing machines, coffee beans and operating cafes to sell beverages	65.00	-

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures (Continued)

12.2 Details of investments in associates as at December 31, 2020 and 2019 are as follows:

Consolidated financial statements										Unit : Million Baht
Company	Country of incorporation	Nature of business	Shareholding (%)		Cost method		Equity method		Dividend income	
			2020	2019	2020	2019	2020	2019	2020	2019
<u>Direct Associates</u>										
Thai Petroleum Pipeline Co., Ltd.	Thailand	Petroleum transportation services through the pipeline system	40.53	40.53	3,173.23	3,173.23	4,040.41	4,179.87	693.58	708.15
Petro Asia (Thailand) Co., Ltd.	Thailand	Oil marketing	35.00	35.00	131.25	131.25	8.94	8.87	-	-
<u>Indirect associate, held through PTT Philippines Corporation</u>										
FST Aviation Services Limited	Hong Kong	Aircraft refueling services	25.00	25.00	0.73	0.69	1.29	1.19	-	-
Total					3,305.21 (131.25)	3,305.17 (131.25)	4,050.64 -	4,189.93 -	693.58 -	708.15 -
<u>Less</u> Allowance for impairment										
Total investments in associates					3,173.96	3,173.92	4,050.64	4,189.93	693.58	708.15

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures (Continued)**12.2 Details of investments in associates as at December 31, 2020 and 2019 are as follows: (Continued)**

Unit : Million Baht

Separate financial statements								
Company	Country of incorporation	Nature of business	Shareholding (%)		Cost method		Dividend income	
			2020	2019	2020	2019	2020	2019
Thai Petroleum Pipeline Co., Ltd.	Thailand	Petroleum transportation services through the pipeline system	40.53	40.53	11,986.94	11,986.94	693.58	708.15
Petro Asia (Thailand) Co., Ltd.*	Thailand	Oil marketing	35.00	35.00	-	-	-	-
Total investments in associates					<u>11,986.94</u>	<u>11,986.94</u>	<u>693.58</u>	<u>708.15</u>

* As at December 31, 2020 and 2019 : Petro Asia (Thailand) Co., Ltd. had net book value of Baht 1.

Movements of investments in associates in the consolidated financial statements are as follows:

Unit : Million Baht

	Consolidated financial statements	
	2020	2019
Investments in associates		
As at January 1	4,189.93	4,159.57
- Share of profit	554.23	748.44
- Dividend income	(693.58)	(708.15)
- Exchange differences on translation of financial statements	0.06	(0.05)
- Share of other comprehensive loss	-	(9.88)
As at December 31	<u>4,050.64</u>	<u>4,189.93</u>

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures (Continued)

12.2 Details of investments in associates as at December 31, 2020 and 2019 are as follows: (Continued)

A summary of financial information of material associate of the Company, after accounting policy adjustment is as follows:

Statements of financial position as at December 31, 2020 and 2019

	Unit : Million Baht	
	Thai Petroleum Pipeline Co., Ltd.	
	2020	2019
Current assets	4,017.22	4,763.87
Non-current assets	8,089.56	6,727.03
Current liabilities	(571.14)	(544.04)
Non-current liabilities	(1,138.77)	(205.89)
Net assets	10,396.87	10,740.97

Statements of income for the years ended December 31, 2020 and 2019

	Unit : Million Baht	
	Thai Petroleum Pipeline Co., Ltd.	
	2020	2019
Revenues*	2,966.56	3,635.95
Expenses	(1,251.33)	(1,349.17)
Profit before income taxes	1,715.23	2,286.78
Income taxes	(343.36)	(457.08)
Net profit	1,371.87	1,829.70

* Including gain (loss) on foreign exchange rates.

The voting right in this associate was 40.5280% and the ownership interest in this associate was 40.5265%

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures (Continued)

12.3 Details of investments in joint ventures as at December 31, 2020 and 2019 are as follows:

Consolidated financial statements										Unit : Million Baht	
Company	Country of incorporation	Nature of business	Shareholding (%)		Cost method		Equity method		Dividend income		
			2020	2019	2020	2019	2020	2019	2020	2019	
<u>Indirect joint ventures, held through PTTOR International Holdings (Singapore) Pte. Ltd.</u>											
Brighter PTT Oil and Retail Business Co., Ltd.	Myanmar	Oil marketing and retail business	51.00	51.00	48.74	7.08	37.59	6.34	-	-	
Brighter Energy Company Limited	Myanmar	Depot and wholesale of petroleum	35.00	35.00	671.93	490.98	666.81	486.83	-	-	
ORC Coffee Passion Group Joint Stock Company	Vietnam	Retail business	60.00	-	45.06	-	37.28	-	-	-	
Total investments in joint ventures					765.73	498.06	741.68	493.17	-	-	

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures (Continued)

12.3 Details of investments in joint ventures as at December 31, 2020 and 2019 are as follows: (Continued)

Movements of investments in joint ventures in the consolidated financial statements are as follows:

	Unit : Million Baht	
	Consolidated	
	financial statements	
	2020	2019
Investments in joint ventures		
As at January 1	493.17	-
- Addition	282.09	498.06
- Share of loss from investments in joint ventures	(18.93)	(4.89)
- Share of other comprehensive loss of joint ventures	(0.24)	-
- Exchange differences on translation of financial statements	(14.41)	-
As at December 31	<u>741.68</u>	<u>493.17</u>

12.4 Significant events during the year ended December 31, 2020

PTTOR Holdings Co., Ltd. (ORHOLDCO)

On January 31, 2020, the Board of Directors' Meeting No. 1/2020 of PTTOR International Holdings (Thailand) Co., Ltd. (THHOLDCO) passed a resolution to approve the increase in registered capital of THHOLDCO of Baht 46.75 million by issuing 467,475 new ordinary shares, at a par value of Baht 100 each. The Company paid for the increased registered capital on March 27, 2020.

On February 17, 2020, the Board of Directors' Meeting No. 2/2020 of the Company passed a resolution to approve the change of the company's name from PTTOR International Holdings (Thailand) Co., Ltd. (THHOLDCO) to PTTOR Holdings Co., Ltd. (ORHOLDCO) in order to be consistent with the Company's intention to invest in both domestic and foreign businesses. On March 11, 2020, the Board of Directors of THHOLDCO approved the aforementioned resolution. On April 2, 2020, THHOLDCO registered a change of the company's name with the Department of Business Development.

On June 5, 2020, ORHOLDCO registered the incorporation of Modulus Venture Co., Ltd. (MODULUS) as a juristic person in Thailand with the initial registered capital of Baht 1 million.

On June 22, 2020, the Extraordinary General Meeting of Shareholders No. 3/2020 of ORHOLDCO passed a resolution to approve the increase in registered capital of ORHOLDCO of Baht 1,419.00 million by issuing 14,190,000 new ordinary shares, at a par value of Baht 100 each. The Company fully paid for the increased registered capital on July 2, 2020.

On October 16, 2020, the Extraordinary General Meeting of Shareholders No. 4/2020 of ORHOLDCO passed a resolution to approve the increase in registered capital of ORHOLDCO of Baht 40.40 million by issuing 404,030 new ordinary shares, at a par value of Baht 100 each. The Company fully paid for the increased registered capital on October 27, 2020.

(TRANSLATION)

12. Investments in Subsidiaries, Associates and Joint Ventures (Continued)**12.4 Significant events during the year ended December 31, 2020 (Continued)****PTTOR China (Shanghai) Co., Ltd. (PTTOR China)**

On December 19, 2019, the Board of Directors' Meeting No. 12/2019 of the Company passed a resolution to approve the increase of registered capital of PTTOR China (Shanghai) Co., Ltd. (PTTOR China) in order to finance Café Amazon business in People's Republic of China. On March 13, 2020, the Board of Directors' Meeting of PTTOR China passed a resolution to approve the increase of registered capital of CNY 41.00 million or approximately Baht 179.82 million. The Company fully paid for the increased registered capital on June 15, 2020.

PTT Oil Myanmar Co., Ltd. (PTTOM)

On September 23, 2020, the Board of Directors' Meeting No. 9/2020 of the Company passed a resolution to approve the dissolution and liquidation of PTT Oil Myanmar Co., Ltd. (PTTOM), the Company's subsidiary. On September 30, 2020, the Board of Directors' Meeting No.09/2019-20 of PTTOM passed a resolution to approve the company's dissolution. Currently, PTTOM is in a process of filing a notice of dissolution and appointing a liquidator.

13. Investment Properties

Details of investment properties as at December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2020	2019	2020	2019
Land	53.65	-	53.65	-
Buildings and building improvements	371.86	203.51	363.42	193.79
Net book value	425.51	203.51	417.07	193.79

In 2020, the Group applied the following approaches in measuring the fair value of investment properties.

- Land plots with no specific objective of future use are measured at acquisition cost. The management believes that the fair value does not significantly differ from the acquisition cost.
- Buildings and building improvements are measured based on income approach. Main assumptions for measuring the fair value of buildings and building improvements are rental amount, rent-out rate and rental growth rate. The fair value is Baht 1,504.14 million.

The fair value measurement of investment properties is in the Level 3 of the fair value hierarchy based on the information used in the fair value measurement.

(TRANSLATION)

14. Property, Plant and Equipment

Details of property, plant and equipment are as follows:

Unit : Million Baht

	Consolidated financial statements					
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	Total
As at January 1, 2019						
Cost	9,684.29	18,199.30	30,425.21	2,908.45	1,740.92	62,958.17
<u>Less</u> Accumulated depreciation	-	(8,036.66)	(19,760.16)	(1,875.91)	-	(29,672.73)
Net book value	9,684.29	10,162.64	10,665.05	1,032.54	1,740.92	33,285.44
For the year ended December 31, 2019						
Beginning net book value	9,684.29	10,162.64	10,665.05	1,032.54	1,740.92	33,285.44
- Additions	486.84	883.38	2,368.56	218.11	6,185.55	10,142.44
- Reclassifications	1,641.49	2,336.95	480.93	120.43	(4,667.89)	(88.09)
- Disposals and write-off - net	-	(47.43)	(39.81)	(44.53)	(4.56)	(136.33)
- Depreciation for the year	-	(1,146.62)	(1,490.13)	(312.47)	-	(2,949.22)
- Exchange differences on translation of financial statements	-	(99.99)	(27.09)	(8.37)	(20.65)	(156.10)
Ending net book value	11,812.62	12,088.93	11,957.51	1,005.71	3,233.37	40,098.14
As at December 31, 2019						
Cost	11,812.62	21,137.72	33,113.77	3,128.57	3,233.37	72,426.05
<u>Less</u> Accumulated depreciation	-	(9,048.79)	(21,156.26)	(2,122.86)	-	(32,327.91)
Net book value	11,812.62	12,088.93	11,957.51	1,005.71	3,233.37	40,098.14

(TRANSLATION)

14. Property, Plant and Equipment (Continued)

Details of property, plant and equipment are as follows: (Continued)

Unit : Million Baht						
	Consolidated financial statements					
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	Total
As at January 1, 2020						
Cost	11,812.62	21,137.72	33,113.77	3,128.57	3,233.37	72,426.05
<u>Less</u> Accumulated depreciation	-	(9,048.79)	(21,156.26)	(2,122.86)	-	(32,327.91)
Net book value	11,812.62	12,088.93	11,957.51	1,005.71	3,233.37	40,098.14
Impact of changes in accounting policies (Note 4)	-	-	-	(318.73)	-	(318.73)
Net book value after impact of changes in accounting policies	11,812.62	12,088.93	11,957.51	686.98	3,233.37	39,779.41
For the year ended December 31, 2020						
Beginning net book value	11,812.62	12,088.93	11,957.51	686.98	3,233.37	39,779.41
- Business acquisition (Note 31)	16.44	9.70	24.31	6.77	-	57.22
- Additions	51.13	530.50	1,428.84	141.83	4,051.93	6,204.23
- Reclassifications	393.34	1,923.94	672.93	16.71	(3,463.99)	(457.07)
- Disposals and write-off - net	(4.47)	(43.16)	(127.13)	(2.85)	(2.55)	(180.16)
- Depreciation for the year	-	(1,349.06)	(1,770.81)	(229.67)	-	(3,349.54)
- Loss on impairment	-	(30.91)	(31.25)	(0.89)	-	(63.05)
- Exchange differences on translation of financial statements	-	(6.68)	(0.34)	1.96	9.82	4.76
Ending net book value	12,269.06	13,123.26	12,154.06	620.84	3,828.58	41,995.80
As at December 31, 2020						
Cost	12,269.06	23,332.95	34,980.75	2,791.32	3,828.58	77,202.66
<u>Less</u> Accumulated depreciation	-	(10,178.78)	(22,795.44)	(2,169.59)	-	(35,143.81)
Allowance for impairment	-	(30.91)	(31.25)	(0.89)	-	(63.05)
Net book value	12,269.06	13,123.26	12,154.06	620.84	3,828.58	41,995.80

(TRANSLATION)

14. Property, Plant and Equipment (Continued)

Details of property, plant and equipment are as follows: (Continued)

Unit : Million Baht

	Separate financial statements					
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	Total
As at January 1, 2019						
Cost	9,812.95	4,093.44	20,538.58	742.93	950.30	36,138.20
<u>Less</u> Accumulated depreciation	-	(138.30)	(1,011.98)	(57.35)	-	(1,207.63)
Net book value	9,812.95	3,955.14	19,526.60	685.58	950.30	34,930.57
For the year ended December 31, 2019						
Beginning net book value	9,812.95	3,955.14	19,526.60	685.58	950.30	34,930.57
- Additions	371.89	625.65	2,149.14	120.70	5,197.55	8,464.93
- Reclassifications	1,580.05	1,741.96	368.24	35.20	(3,813.78)	(88.33)
- Disposals and write-off - net	-	(23.55)	(35.53)	(43.19)	(4.56)	(106.83)
- Depreciation for the year	-	(429.91)	(2,249.26)	(149.96)	-	(2,829.13)
Ending net book value	11,764.89	5,869.29	19,759.19	648.33	2,329.51	40,371.21
As at December 31, 2019						
Cost	11,764.89	6,430.79	23,013.71	839.99	2,329.51	44,378.89
<u>Less</u> Accumulated depreciation	-	(561.50)	(3,254.52)	(191.66)	-	(4,007.68)
Net book value	11,764.89	5,869.29	19,759.19	648.33	2,329.51	40,371.21

(TRANSLATION)

14. Property, Plant and Equipment (Continued)

Details of property, plant and equipment are as follows: (Continued)

Unit : Million Baht

	Separate financial statements					
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	Total
As at January 1, 2020						
Cost	11,764.89	6,430.79	23,013.71	839.99	2,329.51	44,378.89
<u>Less</u> Accumulated depreciation	-	(561.50)	(3,254.52)	(191.66)	-	(4,007.68)
Net book value	11,764.89	5,869.29	19,759.19	648.33	2,329.51	40,371.21
Impact of changes in accounting policies (Note 4)	-	-	-	(290.13)	-	(290.13)
Net book value after impact of changes in accounting policies	11,764.89	5,869.29	19,759.19	358.20	2,329.51	40,081.08
For the year ended December 31, 2020						
Beginning net book value	11,764.89	5,869.29	19,759.19	358.20	2,329.51	40,081.08
- Additions	0.42	408.52	1,143.13	75.57	3,663.26	5,290.90
- Reclassifications	386.07	1,439.74	429.82	7.24	(2,710.62)	(447.75)
- Disposals and write-off - net	-	(35.70)	(43.89)	(0.54)	(0.05)	(80.18)
- Depreciation for the year	-	(610.58)	(2,518.89)	(94.70)	-	(3,224.17)
- Loss on impairment	-	(36.40)	(139.95)	(1.71)	-	(178.06)
Ending net book value	12,151.38	7,034.87	18,629.41	344.06	3,282.10	41,441.82
As at December 31, 2020						
Cost	12,151.38	8,205.72	24,518.74	551.59	3,282.10	48,709.53
<u>Less</u> Accumulated depreciation	-	(1,134.45)	(5,749.38)	(205.82)	-	(7,089.65)
Allowance for impairment	-	(36.40)	(139.95)	(1.71)	-	(178.06)
Net book value	12,151.38	7,034.87	18,629.41	344.06	3,282.10	41,441.82

(TRANSLATION)

15. Leases**15.1 Right-of-use Assets**

Net book value of right-of-use assets under lease agreements for land, buildings, machinery and equipment and other assets are as follows:

	Consolidated financial statements				Unit : Million Baht
	Land	Buildings	Machinery and equipment	Other assets	Total
As at January 1, 2020					
Net book value	-	-	-	-	-
Impact of changes in accounting policies (Note 4)	6,128.83	691.13	1,542.97	377.76	8,740.69
Net book value after impact of changes in accounting policies	6,128.83	691.13	1,542.97	377.76	8,740.69
For the year ended December 31, 2020					
Beginning net book value	6,128.83	691.13	1,542.97	377.76	8,740.69
- Additions	1,967.77	1,609.00	442.04	73.85	4,092.66
- Reclassifications	103.68	14.24	11.27	-	129.19
- Termination	(24.04)	(4.82)	-	(20.23)	(49.09)
- Depreciation for the year	(588.76)	(494.82)	(184.22)	(114.46)	(1,382.26)
- Loss on impairment	(4.80)	-	-	-	(4.80)
- Exchange differences on translation of financial statements	(2.31)	1.81	(9.43)	0.06	(9.87)
Ending net book value	7,580.37	1,816.54	1,802.63	316.98	11,516.52
As at December 31, 2020					
Cost	9,743.21	2,324.92	1,985.85	559.60	14,613.58
<u>Less</u> Accumulated depreciation	(2,158.04)	(508.38)	(183.22)	(242.62)	(3,092.26)
Allowance for impairment	(4.80)	-	-	-	(4.80)
Net book value	7,580.37	1,816.54	1,802.63	316.98	11,516.52

(TRANSLATION)

15. Leases (Continued)**15.1 Right-of-use Assets (Continued)**

Net book value of right-of-use assets under lease agreements for land, buildings, machinery and equipment and other assets are as follows: (Continued)

	Unit : Million Baht				
	Separate financial statements				Total
	Land	Buildings	Machinery and equipment	Other assets	
As at January 1, 2020					
Net book value	-	-	-	-	-
Impact of changes in accounting policies (Note 4)	4,182.61	468.36	1,531.43	341.25	6,523.65
Net book value after impact of changes in accounting policies	4,182.61	468.36	1,531.43	341.25	6,523.65
For the year ended December 31, 2020					
Beginning net book value	4,182.61	468.36	1,531.43	341.25	6,523.65
- Additions	1,346.43	1,574.93	182.49	55.82	3,159.67
- Reclassifications	67.21	13.73	11.26	-	92.20
- Termination	(2.72)	(4.82)	-	(20.22)	(27.76)
- Depreciation for the year	(383.60)	(423.25)	(153.06)	(94.62)	(1,054.53)
- Loss on impairment	(3.05)	-	-	-	(3.05)
Ending net book value	5,206.88	1,628.95	1,572.12	282.23	8,690.18
As at December 31, 2020					
Cost	5,678.39	2,041.44	1,725.18	441.29	9,886.30
<u>Less</u> Accumulated depreciation	(468.46)	(412.49)	(153.06)	(159.06)	(1,193.07)
Allowance for impairment	(3.05)	-	-	-	(3.05)
Net book value	5,206.88	1,628.95	1,572.12	282.23	8,690.18

(TRANSLATION)

15. Leases (Continued)

15.2 Lease Liabilities

Net book value and movements of lease liabilities are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
As at January 1	318.72	331.26	286.90	290.81
Impact of changes in accounting policies (Note 4)	5,917.84	-	4,513.18	-
As at January 1 (restated)	6,236.56	331.26	4,800.08	290.81
Additions	3,503.36	90.44	2,560.18	88.81
Repayments	(1,109.42)	(102.60)	(787.30)	(90.56)
Interest on lease liabilities	281.83	22.26	191.53	20.45
Others	(45.80)	(22.64)	(43.86)	(22.61)
As at December 31	8,866.53	318.72	6,720.63	286.90
<u>Less</u> Current portion of lease liabilities	<u>(1,181.46)</u>	<u>(88.15)</u>	<u>(919.05)</u>	<u>(77.71)</u>
Lease liabilities	<u>7,685.07</u>	<u>230.57</u>	<u>5,801.58</u>	<u>209.19</u>

16. Goodwill

Movements of goodwill are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
As at January 1	3,469.26	3,469.26	12,798.97	12,798.97
- Business acquisition (Note 31)	14.31	-	-	-
As at December 31	<u>3,483.57</u>	<u>3,469.26</u>	<u>12,798.97</u>	<u>12,798.97</u>

(TRANSLATION)

17. Intangible Assets

Details of intangible assets are as follows:

	Unit : Million Baht				
	Consolidated financial statements				
	Computer software	Right-of-use	Trademarks	Other intangible assets	Total
As at January 1, 2019					
Cost	1,914.02	20.41	107.33	2,705.02	4,746.78
<u>Less</u> Accumulated amortisation	<u>(543.07)</u>	<u>(15.27)</u>	<u>(40.82)</u>	<u>(1,608.71)</u>	<u>(2,207.87)</u>
Net book value	<u>1,370.95</u>	<u>5.14</u>	<u>66.51</u>	<u>1,096.31</u>	<u>2,538.91</u>
For the year ended December 31, 2019					
Beginning net book value	1,370.95	5.14	66.51	1,096.31	2,538.91
- Additions	108.45	120.33	-	-	228.78
- Reclassifications	112.71	-	-	(29.02)	83.69
- Write-off	(0.13)	-	-	-	(0.13)
- Amortisation for the year	(305.87)	(6.86)	(4.29)	(127.63)	(444.65)
- Exchange differences on translation of financial statements	<u>(1.75)</u>	<u>(1.25)</u>	<u>-</u>	<u>(0.87)</u>	<u>(3.87)</u>
Ending net book value	<u>1,284.36</u>	<u>117.36</u>	<u>62.22</u>	<u>938.79</u>	<u>2,402.73</u>
As at December 31, 2019					
Cost	2,101.56	137.01	107.33	2,672.08	5,017.98
<u>Less</u> Accumulated amortisation	<u>(817.20)</u>	<u>(19.65)</u>	<u>(45.11)</u>	<u>(1,733.29)</u>	<u>(2,615.25)</u>
Net book value	<u>1,284.36</u>	<u>117.36</u>	<u>62.22</u>	<u>938.79</u>	<u>2,402.73</u>

(TRANSLATION)

17. Intangible Assets (Continued)

Details of intangible assets are as follows: (Continued)

	Consolidated financial statements					Unit : Million Baht
	Computer software	Customer lists	Right-of-use	Trademarks	Other intangible assets	Total
As at January 1, 2020						
Cost	2,101.56	-	137.01	107.33	2,672.08	5,017.98
<u>Less</u> Accumulated amortisation	<u>(817.20)</u>	<u>-</u>	<u>(19.65)</u>	<u>(45.11)</u>	<u>(1,733.29)</u>	<u>(2,615.25)</u>
Net book value	1,284.36	-	117.36	62.22	938.79	2,402.73
Impact of changes in accounting policies (Note 4)	-	-	(116.94)	-	-	(116.94)
Net book value after impact of changes in accounting policies	1,284.36	-	0.42	62.22	938.79	2,285.79
For the year ended December 31, 2020						
Beginning net book value	1,284.36	-	0.42	62.22	938.79	2,285.79
- Business acquisition (Note 31)	0.95	12.00	-	54.20	-	67.15
- Additions	75.59	-	-	-	1.58	77.17
- Reclassifications	154.76	-	(0.42)	-	24.46	178.80
- Write-off	(0.63)	-	-	-	(18.59)	(19.22)
- Amortisation for the year	(318.21)	(0.10)	-	(4.75)	(127.00)	(450.06)
- Exchange differences on translation of financial statements	(0.02)	-	-	-	1.07	1.05
Ending net book value	1,196.80	11.90	-	111.67	820.31	2,140.68
As at December 31, 2020						
Cost	2,331.57	12.00	-	161.53	2,730.03	5,235.13
<u>Less</u> Accumulated amortisation	<u>(1,134.77)</u>	<u>(0.10)</u>	<u>-</u>	<u>(49.86)</u>	<u>(1,909.72)</u>	<u>(3,094.45)</u>
Net book value	1,196.80	11.90	-	111.67	820.31	2,140.68

(TRANSLATION)

17. Intangible Assets (Continued)

Details of intangible assets are as follows: (Continued)

	Unit : Million Baht			
	Separate financial statements			
	Computer software	Right-of-use	Other intangible assets	Total
As at January 1, 2019				
Cost	1,321.00	37,602.07	253.97	39,177.04
<u>Less</u> Accumulated amortisation	(71.74)	(1,195.28)	(12.80)	(1,279.82)
Net book value	1,249.26	36,406.79	241.17	37,897.22
For the year ended December 31, 2019				
Beginning net book value	1,249.26	36,406.79	241.17	37,897.22
- Additions	84.63	120.33	-	204.96
- Reclassifications	110.41	-	-	110.41
- Amortisation for the year	(278.06)	(2,374.47)	(25.40)	(2,677.93)
Ending net book value	1,166.24	34,152.65	215.77	35,534.66
As at December 31, 2019				
Cost	1,516.04	37,722.40	253.97	39,492.41
<u>Less</u> Accumulated amortisation	(349.80)	(3,569.75)	(38.20)	(3,957.75)
Net book value	1,166.24	34,152.65	215.77	35,534.66

(TRANSLATION)

17. Intangible Assets (Continued)

Details of intangible assets are as follows: (Continued)

	Separate financial statements					Unit : Million Baht
	Computer software	Customer lists	Right-of-use	Trademarks	Other intangible assets	Total
As at January 1, 2020						
Cost	1,516.04	-	37,722.40	-	253.97	39,492.41
<u>Less</u> Accumulated amortisation	<u>(349.80)</u>	<u>-</u>	<u>(3,569.75)</u>	<u>-</u>	<u>(38.20)</u>	<u>(3,957.75)</u>
Net book value	1,166.24	-	34,152.65	-	215.77	35,534.66
Impact of changes in accounting policies (Note 4)	-	-	(116.94)	-	-	(116.94)
Net book value after impact of changes in accounting policies	1,166.24	-	34,035.71	-	215.77	35,417.72
For the year ended December 31, 2020						
Beginning net book value	1,166.24	-	34,035.71	-	215.77	35,417.72
- Additions	51.51	-	-	-	-	51.51
- Reclassifications	149.11	13,638.73	(34,035.71)	15,821.27	4,575.71	149.11
- Write-off	(0.73)	-	-	-	(18.43)	(19.16)
- Amortisation for the year	<u>(286.55)</u>	<u>(1,268.95)</u>	<u>-</u>	<u>(563.55)</u>	<u>(562.94)</u>	<u>(2,681.99)</u>
Ending net book value	1,079.58	12,369.78	-	15,257.72	4,210.11	32,917.19
As at December 31, 2020						
Cost	1,715.41	15,547.38	-	16,668.90	5,616.55	39,548.24
<u>Less</u> Accumulated amortisation	<u>(635.83)</u>	<u>(3,177.60)</u>	<u>-</u>	<u>(1,411.18)</u>	<u>(1,406.44)</u>	<u>(6,631.05)</u>
Net book value	1,079.58	12,369.78	-	15,257.72	4,210.11	32,917.19

(TRANSLATION)

18. Income Taxes and Deferred Taxes

Applicable tax rates for the Group are as follows:

	<u>Rates (%)</u>
Income tax under the Revenue Code of the Company and its subsidiaries	20
Corporate income tax in foreign countries	5 - 30

18.1 Income taxes recognised in the statements of income for the years ended December 31, 2020 and 2019 are as follows:

	Unit : Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current tax:				
Current tax	411.22	220.44	244.91	-
	<u>411.22</u>	<u>220.44</u>	<u>244.91</u>	<u>-</u>
Deferred tax:				
Change in temporary differences	1,364.93	1,911.98	699.99	1,264.94
Total	<u>1,776.15</u>	<u>2,132.42</u>	<u>944.90</u>	<u>1,264.94</u>

18.2 The reconciliation between accounting profit and income taxes are as follows:

	Unit : Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit before income taxes	<u>10,567.13</u>	<u>13,028.22</u>	<u>6,602.58</u>	<u>7,223.03</u>
Applicable tax rate	20%		20%	
Profit before income taxes				
tax multiplied by tax rate	2,113.43	2,605.64	1,320.52	1,444.61
Effects of tax rates of foreign operations	20.72	11.45	-	-
Effects of share of profit from investments in associates and joint ventures	(107.05)	(148.72)	-	-
Income not subject to tax	(8.14)	(9.49)	(149.88)	(164.28)
Non-deductible expenses	68.63	101.49	48.35	47.41
Additional expense deductions allowed	(281.21)	(324.04)	(268.71)	(255.77)
Others	<u>(30.23)</u>	<u>(103.91)</u>	<u>(5.38)</u>	<u>192.97</u>
Income taxes reported in the statement of income	<u>1,776.15</u>	<u>2,132.42</u>	<u>944.90</u>	<u>1,264.94</u>

(TRANSLATION)

18. Income Taxes and Deferred Taxes (Continued)

18.3 Movements in deferred taxes are as follows:

	Consolidated financial statements							Unit : Million Baht	
	As at December 31, 2020							Deferred tax assets	Deferred tax liabilities
	Net balance as at January 1, 2020 (before restated)	Impact of changes in accounting policies	Other adjustments	Net balance as at January 1, 2020 (restated)	Profit (loss)	Other comprehensive income (loss)	Exchange differences on translation of financial statements	Net balance	
Property, plant and equipment	2,492.00	-	-	2,492.00	(154.86)	-	(0.26)	2,336.88	2,339.32 (2.44)
Intangible assets	6,665.41	-	-	6,665.41	(454.41)	-	0.02	6,211.02	6,211.02 -
Right-of-use assets	-	-	-	-	(1,272.78)	-	0.03	(1,272.75)	- (1,272.75)
Other non-current financial assets	13.33	2.22	-	15.55	0.01	53.55	(0.01)	69.10	93.67 (24.57)
Trade and other accounts receivable	(2,036.88)	14.54	-	(2,022.34)	(414.94)	-	(0.08)	(2,437.36)	184.31 (2,621.67)
Inventories	-	-	-	-	1.33	-	-	1.33	1.33 -
Lease liabilities	-	2.99	-	2.99	1,313.21	-	0.04	1,316.24	1,316.24 -
Provision for employee benefits	15.79	-	-	15.79	49.56	(3.25)	0.46	62.56	71.63 (9.07)
Provision for decommissioning costs	38.39	-	-	38.39	0.05	-	0.06	38.50	38.50 -
Derivatives	-	(2.07)	(12.46)	(14.53)	3.69	-	-	(10.84)	- (10.84)
Cumulative loss carried forward	476.10	-	-	476.10	(430.37)	-	0.39	46.12	46.12 -
Others	274.07	0.22	12.46	286.75	(5.42)	-	8.29	289.62	321.50 (31.88)
Total before set-off of taxes	7,938.21	17.90	-	7,956.11	(1,364.93)	50.30	8.94	6,650.42	10,623.64 (3,973.22)
Set-off of taxes	-	-	-	-	-	-	-	-	(1,800.35) 1,800.35
Net deferred tax assets (liabilities)	-	-	-	-	-	-	-	6,650.42	8,823.29 (2,172.87)

(TRANSLATION)

18. Income Taxes and Deferred Taxes (Continued)

18.3 Movements in deferred taxes are as follows: (Continued)

	Consolidated financial statements							Unit : Million Baht	
	As at December 31, 2019								
	Net balance as at January 1, 2019	Profit (loss)	Other comprehensive income (loss)	Others	Exchange differences on translation of financial statements	Net balance	Deferred tax assets	Deferred tax liabilities	
Property, plant and equipment	2,677.18	(184.20)	-	0.25	(1.23)	2,492.00	2,493.46	(1.46)	
Intangible assets	7,118.46	(452.81)	-	(0.25)	0.01	6,665.41	6,665.41	-	
Available-for-sale investments	(11.42)	-	24.74	-	0.01	13.33	37.88	(24.55)	
Trade and other accounts receivable	(966.56)	(1,069.50)	-	-	(0.82)	(2,036.88)	38.21	(2,075.09)	
Provision for employee benefits	8.55	75.72	(71.46)	3.68	(0.70)	15.79	53.93	(38.14)	
Provision for decommissioning costs	32.37	6.06	-	-	(0.04)	38.39	38.39	-	
Cumulative loss carried forward	788.54	(311.94)	-	-	(0.50)	476.10	476.10	-	
Others	210.21	24.69	-	44.17	(5.00)	274.07	310.39	(36.32)	
Total before set-off of taxes	9,857.33	(1,911.98)	(46.72)	47.85	(8.27)	7,938.21	10,113.77	(2,175.56)	
Set-off of taxes						-	(633.52)	633.52	
Net deferred tax assets (liabilities)						7,938.21	9,480.25	(1,542.04)	

(TRANSLATION)

18. Income Taxes and Deferred Taxes (Continued)

18.3 Movements in deferred taxes are as follows: (Continued)

	Separate financial statements						As at December 31, 2020		Unit : Million Baht	
	Net balance as at January 1, 2020 (before restated)	Impact of changes in accounting policies	Other adjustments	Net balance as at January 1, 2020 (adjusted)	Profit (loss)	Other comprehensive income (loss)	Net balance	Deferred tax assets		Deferred tax liabilities
Property, plant and equipment	35.47	-	-	35.47	81.95	-	117.42	117.42	-	
Intangible assets	1.24	-	-	1.24	0.89	-	2.13	2.13	-	
Right-of-use assets	-	-	-	-	(1,272.33)	-	(1,272.33)	-	(1,272.33)	
Other non-current financial assets	37.88	2.22	-	40.10	-	53.55	93.65	93.65	-	
Trade and other accounts receivable	(2,050.60)	14.54	-	(2,036.06)	(416.15)	-	(2,452.21)	169.46	(2,621.67)	
Inventories	-	-	-	-	1.33	-	1.33	1.33	-	
Lease liabilities	-	-	-	-	1,299.54	-	1,299.54	1,299.54	-	
Provision for employee benefits	(38.14)	-	-	(38.14)	29.41	(0.35)	(9.08)	-	(9.08)	
Provision for decommissioning costs	5.50	-	-	5.50	0.24	-	5.74	5.74	-	
Derivatives	-	(2.07)	(12.46)	(14.53)	3.69	-	(10.84)	-	(10.84)	
Cumulative loss carried forward	463.55	-	-	463.55	(463.55)	-	-	-	-	
Others	35.11	-	12.46	47.57	34.99	-	82.56	89.36	(6.80)	
Total before set-off of taxes	(1,509.99)	14.69	-	(1,495.30)	(699.99)	53.20	(2,142.09)	1,778.63	(3,920.72)	
Set-off of taxes							-	(1,778.63)	1,778.63	
Net deferred tax liabilities							(2,142.09)	-	(2,142.09)	

(TRANSLATION)

18. Income Taxes and Deferred Taxes (Continued)

18.3 Movements in deferred taxes are as follows: (Continued)

	Separate financial statements				Unit : Million Baht	
	As at December 31, 2019					
	Net balance as at January 1, 2019	Profit (loss)	Other comprehensive income (loss)	Net balance	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	8.63	26.84	-	35.47	35.47	-
Intangible assets	0.39	0.85	-	1.24	1.24	-
Other non-current financial assets	13.13	-	24.75	37.88	37.88	-
Trade and other accounts receivable	(980.97)	(1,069.63)	-	(2,050.60)	24.49	(2,075.09)
Provision for employee benefits	(42.39)	77.82	(73.57)	(38.14)	-	(38.14)
Provision for decommissioning costs	-	5.50	-	5.50	5.50	-
Cumulative loss carried forward	775.49	(311.94)	-	463.55	463.55	-
Others	29.49	5.62	-	35.11	48.63	(13.52)
Total before set-off of taxes	(196.23)	(1,264.94)	(48.82)	(1,509.99)	616.76	(2,126.75)
Set-off of taxes				-	(616.76)	616.76
Net deferred tax liabilities				(1,509.99)	-	(1,509.99)

(TRANSLATION)

19. Loans

19.1 Movements in loans are as follows:

Unit : Million Baht

	Consolidated financial statements					Unit : Million Baht
		Cash flows from financings		Non-cash items		
	As at January 1, 2020	Additions	Repayments	Exchange differences on translation of financial statements	Others	As at December 31, 2020
Bank overdraft and Short-term loans from financial institutions	460.65	7,230.48	(7,695.20)	27.51	0.39	23.83
Loans - Baht currency	53,500.00	1,000.00	(3,733.20)	-	(71.30)	50,695.50
Loans - foreign currency	131.16	-	(44.40)	(3.56)	-	83.20
Total	54,091.81	8,230.48	(11,472.80)	23.95	(70.91)	50,802.53

Unit : Million Baht

	Separate financial statements				As at December 31, 2020
	Cash flows from financings		Non-cash items		
	As at January 1, 2020	Additions	Repayments	Others	
Short-term loans from financial institutions	-	5,800.00	(5,800.00)	-	-
Short-term loans - related party	8.01	24.93	-	-	32.94
Loans - Baht currency	53,500.00	1,000.00	(3,733.20)	(71.30)	50,695.50
Total	53,508.01	6,824.93	(9,533.20)	(71.30)	50,728.44

(TRANSLATION)

19. Loans (Continued)

19.2 Details of long-term loans as at December 31, 2020 and 2019 are as follows:

Traditional currency of loan - foreign currency as at December 31, 2020 and 2019 are as follows:

	Unit : Million Baht	
	Consolidated financial statements	
	2020	2019
Current portion of long-term loan		
Loan - foreign currency		
- LAK	41.60	43.72
Long-term loan		
Loan - foreign currency		
- LAK	41.60	87.44

Interest rates charged on long-term loans as at December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loans - Baht currency	1.21% - 2.35%	1.95% - 3.20%	1.21% - 2.35%	1.95% - 3.20%
Loans - foreign currency				
- LAK	4.75%	4.75%	-	-

The loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rates prescribed in the agreements.

As at December 31, 2020, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 9,556.01 million (as at December 31, 2019: Baht 1,058.45 million)

(TRANSLATION)

19. Loans (Continued)

19.3 Details of long-term loans as at December 31, 2020 are as follows:

Loans - Baht currency

As at December 31, 2020, details of long-term loan from related party of the Company in Baht currency are as follows:

Currency	Principal (unit : million)	Interest rate Percent (per annum)	Repayment terms
Baht	17,000	6M FDR plus margin	Principal is repayable every 6 months, totalling 17 installments, commencing in September 2020.

As at December 31, 2020, details of long-term loans from financial institutions of the Company in Baht currency are as follows:

Currency	Principal (unit : million)	Interest rate Percent (per annum)	Repayment terms
Baht	5,000	6M FDR plus margin	Principal is repayable every 6 months, totalling 17 installments, commencing in September 2020.
Baht	10,000	MLR minus discount	Principal is repayable every 6 months, totalling 16 installments, commencing in March 2021.
Baht	10,000	3M THBFIX plus margin	Principal is repayable every 6 months, totalling 12 installments, commencing in June 2021.
Baht	9,500	3M BIBOR plus margin	Principal is repayable every 6 months, totalling 9 installments, commencing in September 2020.
Baht	3,000	3M BIBOR plus margin	Principal is repayable every 6 months, totalling 15 installments, commencing in September 2020.

(TRANSLATION)

19. Loans (Continued)

19.3 Details of long-term loans as at December 31, 2020 are as follows:

Loans - foreign currency

As at December 31, 2020, details of long-term loan from financial institution of the subsidiary in foreign currency is as follows:

Principal		Interest rate		Repayment terms
Currency	(unit : million)	Percent	(per annum)	
LAK	81,500	4.75%		Principal is repayable every 3 months, totalling 20 installments, commencing in March 2018.

(TRANSLATION)

20. Provision for Employee Benefits

Movements in the present value of provision for employee benefits are as follows:

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As at January 1	1,793.82	1,742.01	1,533.11	1,550.89
- Business acquisition (Note 31)	4.03	-	-	-
- Past service cost	-	227.77	-	222.30
- Current service cost	134.33	169.21	113.77	120.34
- Interest cost	34.09	56.58	26.12	47.68
- Actuarial gain from provisions for post-employment benefits	(14.22)	(352.91)	(1.75)	(367.82)
- Actuarial loss from provision for other long-term employee benefits	24.19	17.17	11.67	15.86
- Actual payment	(91.12)	(62.69)	(81.46)	(56.14)
- Exchange differences on translation of financial statements	1.58	(3.32)	-	-
As at December 31	<u>1,886.70</u>	<u>1,793.82</u>	<u>1,601.46</u>	<u>1,533.11</u>

Details of actuarial gain from provisions for post-employment benefits are as follows:

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss from experience adjustments	0.47	208.73	-	224.87
Gain from changes in financial assumptions	(16.70)	(49.88)	(1.75)	(80.93)
(Gain) loss from changes in demographic assumptions	2.01	(511.76)	-	(511.76)
Total	<u>(14.22)</u>	<u>(352.91)</u>	<u>(1.75)</u>	<u>(367.82)</u>

(TRANSLATION)

20. Provision for Employee Benefits (Continued)

Expenses recognised in the statements of income and comprehensive income for the years ended December 31, 2020 and 2019 are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Past service cost	-	227.77	-	222.30
Current service cost	134.33	169.21	113.77	120.34
Interest cost	34.09	56.58	26.12	47.68
Actuarial loss (gain)	9.97	(335.74)	9.92	(351.96)
Total	178.39	117.82	149.81	38.36

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2020	2019	2020	2019
Cost of sales and services	22.26	18.93	-	-
Selling and distribution expenses	73.54	215.12	73.46	215.12
Administrative expenses	94.78	234.50	76.07	188.88
Managements remunerations	2.03	2.18	2.03	2.18
Other comprehensive income	(14.22)	(352.91)	(1.75)	(367.82)
Total	178.39	117.82	149.81	38.36

Principal actuarial assumptions used in determining the present value of provision for post-employment benefits of the Group are as follows:

	Annual percentage	
	2020	2019
Discount rate	0.36% - 5.40%	1.18% - 5.70%
Inflation rate	1.80% - 3.80%	2.00% - 3.20%
Employee turnover rate	0.00% - 60.00%	0.00% - 70.00%
Mortality rate	based on the published statistics of each country	based on the published statistics of each country

(TRANSLATION)

20. Provision for Employee Benefits (Continued)

A sensitivity analysis of principal actuarial assumptions used in determining the present value of provisions for post-employment benefits of the Group as at December 31, 2020 and 2019 are as follows:

	Unit : Million Baht	
	<u>Increase (decrease) in present value of the provisions</u>	
	<u>2020</u>	<u>2019</u>
Discount rate		
Increase 1%	(237.72)	(186.52)
Decrease 1%	307.40	345.70

The weighted average duration of the provisions for post-employment benefits of the Group for the year 2020 was 18.57 years (for the year 2019 was 19.09 years).

21. Share Capital

On March 30, 2020, the Annual General Meeting of Shareholders for the year 2020 passed a resolution approving the increase of the Company's registered capital from Baht 90,000 million to Baht 120,000 million by issuing 3,000 million ordinary shares, with a par value of Baht 10 each. There will be an allotment of capital increase shares for an initial public offering (IPO) as disclosed in Note 1.3.

As at December 31, 2020, The Company had an authorised ordinary share capital of 12,000 million shares with a par value of Baht 10 per share amounting to Baht 120,000 million (as at December 31, 2019: ordinary share capital of 9,000 million shares with a par value of Baht 10 per share).

22. Legal Reserve

Under the Public Limited Companies Act B.E. 2535, the Company is required to appropriate not less than 5% of its annual net profit as legal reserve until the reserve fund reaches 10% of the authorised share capital. The reserve is non-distributable.

(TRANSLATION)

23. Basic Earnings per Share

Basic earnings per share were calculated by dividing profit for the year attributable to owners of the Company by the weighted average number of ordinary shares issued during the year.

For the years ended December 31, 2020 and 2019

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit attributable to owners of the Company (Million Baht)	8,791.07	10,895.81	5,657.68	5,958.08
Weighted average number of ordinary shares (Million shares)	9,000	9,000	9,000	9,000
Earnings per share (Baht/share)	0.98	1.21	0.63	0.66

24. Sales and Service Income

Details of sales and service income for the years ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Oil products	380,427.88	518,136.44	363,023.08	495,432.83
Gas products	30,313.51	40,805.90	30,315.41	40,807.52
Retail business	17,170.96	17,135.25	12,537.40	11,718.60
Others	891.78	1,056.43	410.41	528.80
Total	428,804.13	577,134.02	406,286.30	548,487.75

Sales and service income for the year ended December 31, 2020 included sales to governmental agencies and state enterprises amounting to Baht 174.08 million (2019: Baht 6,709.77 million) in the consolidated financial statements, and Baht 164.92 million (2019: Baht 6,700.12 million) in the separate financial statements.

(TRANSLATION)

25. Other Income

Details of other income for the years ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2020	2019*	2020	2019*
Transportation income	958.54	1,055.45	1,129.75	1,274.00
Income from managing terminals and retails outlets	1,472.09	2,326.05	1,472.09	2,326.05
Aircraft refuelling service income	691.79	1,684.92	688.31	1,693.60
Dividend income	45.91	61.66	772.32	852.20
Interest income	190.63	220.10	279.69	367.33
Others	685.87	726.55	469.82	604.53
Total	4,044.83	6,074.73	4,811.98	7,117.71

* The Company reclassified the financial information to be comparable with financial statement presentation for the year ended December 31, 2020.

26. Expenses by Nature

Details of expenses by nature for the years ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2020	2019	2020	2019
Goods purchased and raw materials used	394,163.38	541,404.50	377,202.12	518,919.46
Executive remunerations (Note 9.12)	165.42	166.94	116.83	100.66
Staff costs	4,809.65	5,182.76	3,153.80	3,404.73
Outsourcing	5,745.53	6,677.68	5,593.10	6,528.98
Transportation	1,973.45	2,068.45	1,848.80	1,932.62
Depreciation and amortisation	5,202.76	3,601.88	6,971.11	5,674.23
Repair	1,698.44	1,612.39	1,499.90	1,382.78
Utilities	900.71	805.68	502.61	386.70
Rental and terminal services	1,606.97	3,461.68	1,638.61	3,317.53
Insurance	92.12	79.48	68.10	57.37
Advertising and promotion	2,439.91	2,869.77	2,409.54	2,763.42
Others	2,144.65	1,617.10	1,762.28	2,689.34
Total	420,942.99	569,548.31	402,766.80	547,157.82

(TRANSLATION)

27. Operating Segments

The following operating segments are consistent with the internal management reports provided to the Chief Operating Decision Maker (CODM), who makes decisions related to the allocation of resources to the segments and assesses their performance. For management purposes, the Group is organised into business units based on types of products and services. The major segments of the Group are as follows:

1. Oil business: Revenue of the oil business of the Group consists of revenue from the retail and commercial marketing of the Company and its subsidiaries in Thailand.
2. Retail and other service business (Non-oil): Revenue of the retail business and other services of the Group consists of Cafe Amazon business, convenience stores, food and beverage retail stores and the area management business of the Company and its subsidiaries in Thailand.
3. International business: Revenue of the international business of the Group consists of revenues from the oil business, retail business and other services which are operated by the subsidiaries in foreign countries.

Other operations of the Group are included in other segments, none of which constitutes a separately reportable segment.

(TRANSLATION)

27. Operating Segments (Continued)

Consolidated financial statements

For the year ended December 31, 2020

	Unit : Million Baht					
	Oil	Non-oil	International	Others	Elimination	Total
Sales - others	391,922.03	16,110.71	20,737.60	33.79	-	428,804.13
- intercompany	4,786.46	756.26	623.38	1,575.09	(7,741.19)	-
Net sales	396,708.49	16,866.97	21,360.98	1,608.88	(7,741.19)	428,804.13
Gross profit*	23,594.52	8,960.15	1,613.46	100.04	(1,115.58)	33,152.59
EBITDA	12,144.64	4,494.41	861.06	120.48	(1.63)	17,618.96
Depreciation and amortisation	3,086.53	1,532.55	570.18	13.50	-	5,202.76
Segment operating profit	9,058.11	2,961.86	290.88	106.98	(1.63)	12,416.20
Share of profit from						
investments in associates						
and joint ventures	-	-	0.03	535.27	-	535.30
Other income (expenses)	(688.70)	(45.67)	(10.92)	75.27	(30.84)	(700.86)
Unallocated revenue and						
expenses						(236.36)
EBIT						12,014.28
Profit for the year						8,790.98

* Gross profit excludes depreciation and amortisation in cost of sales.

(TRANSLATION)

27. Operating Segments (Continued)

Timing of recognition of revenue from sales and services:

	Unit : Million Baht					
	Oil	Non-oil	International	Others	Elimination	Total
Point of time	396,708.49	16,866.97	21,360.98	1,608.88	(7,741.19)	428,804.13
Total revenue from sales and services	396,708.49	16,866.97	21,360.98	1,608.88	(7,741.19)	428,804.13

Consolidated financial statements

As at December 31, 2020

	Unit : Million Baht					
	Oil	Non-oil	International	Others	Elimination	Total
Segment assets	63,782.48	35,701.76	9,847.68	22,031.77	-	131,363.69
Intercompany assets	704.75	75.41	44.12	5,196.51	(6,020.79)	-
Investments in associates	-	-	1.29	4,049.35	-	4,050.64
Investments in joint ventures	-	-	-	741.68	-	741.68
Total segment assets	64,487.23	35,777.17	9,893.09	32,019.31	(6,020.79)	136,156.01
Unallocated assets						8,823.29
Total assets						144,979.30
Segment liabilities	43,454.31	3,831.58	3,589.55	54,015.03	-	104,890.47
Intercompany liabilities	2,252.64	2,900.70	811.10	45.29	(6,009.73)	-
Total segment liabilities	45,706.95	6,732.28	4,400.65	54,060.32	(6,009.73)	104,890.47
Unallocated liabilities						2,172.87
Total liabilities						107,063.34
Capital expenditures	5,191.07	3,414.61	1,320.59	308.33	-	10,234.60

(TRANSLATION)

27. Operating Segments (Continued)

Consolidated financial statements

For the year ended December 31, 2019

	Unit : Million Baht					
	Oil	Non-oil	International	Others	Elimination	Total
Sales - others	530,129.90	16,238.01	30,758.58	7.53	-	577,134.02
- intercompany	9,705.54	778.17	2,898.37	1,706.66	(15,088.74)	-
Net sales	539,835.44	17,016.18	33,656.95	1,714.19	(15,088.74)	577,134.02
Gross profit*	24,686.61	8,828.37	1,649.56	75.31	(1,140.31)	34,099.54
EBITDA	12,016.44	4,254.71	707.21	36.07	(9.02)	17,005.41
Depreciation and amortisation	2,298.80	921.77	353.06	28.25	-	3,601.88
Segment operating profit	9,717.64	3,332.94	354.15	7.82	(9.02)	13,403.53
Share of profit (loss) from investments in associates and joint ventures	-	-	(0.06)	743.61	-	743.55
Other income (expenses)	7.09	(34.93)	3.68	144.79	(82.40)	38.23
Unallocated revenue and expenses						402.98
EBIT						14,588.29
Profit for the year						10,895.81

* Gross profit excludes depreciation and amortisation in cost of sales.

Timing of recognition of revenue from sales and services:

	Unit : Million Baht					
	Oil	Non-oil	International	Others	Elimination	Total
Point of time	539,835.44	17,016.18	33,656.95	1,714.19	(15,088.74)	577,134.02
Total revenue from sales and services	<u>539,835.44</u>	<u>17,016.18</u>	<u>33,656.95</u>	<u>1,714.19</u>	<u>(15,088.74)</u>	<u>577,134.02</u>

(TRANSLATION)

27. Operating Segments (Continued)Consolidated financial statements

As at December 31, 2019

	Unit : Million Baht					
	Oil	Non-oil	International	Others	Elimination	Total
Segment assets	95,191.70	22,100.81	9,296.68	11,423.67	-	138,012.86
Intercompany assets	1,132.70	62.95	271.64	5,520.55	(6,987.84)	-
Investments in associates	-	-	1.19	4,188.74	-	4,189.93
Investments in joint ventures	-	-	-	493.17	-	493.17
Total segment assets	<u>96,324.40</u>	<u>22,163.76</u>	<u>9,569.51</u>	<u>21,626.13</u>	<u>(6,987.84)</u>	<u>142,695.96</u>
Unallocated assets						<u>9,480.25</u>
Total assets						<u>152,176.21</u>
Segment liabilities	50,713.02	2,991.66	3,138.66	55,083.00	-	111,926.34
Intercompany liabilities	<u>2,526.64</u>	<u>3,114.24</u>	<u>1,289.99</u>	<u>47.78</u>	<u>(6,978.65)</u>	<u>-</u>
Total segment liabilities	<u>53,239.66</u>	<u>6,105.90</u>	<u>4,428.65</u>	<u>55,130.78</u>	<u>(6,978.65)</u>	<u>111,926.34</u>
Unallocated liabilities						<u>1,542.04</u>
Total liabilities						<u>113,468.38</u>
Capital expenditures	7,855.74	2,103.15	486.92	152.25	-	10,598.06

(TRANSLATION)

27. Operating Segments (Continued)

Geographic information

Revenue from external customers is based on customers' locations.

	Unit : Million Baht	
	Consolidated financial statements	
	2020	2019*
Revenue from external customers		
America	309.86	882.18
Australia	146.35	560.77
Europe and the European Union	2,944.99	5,997.24
Asia	48,633.19	86,736.77
Thailand	376,112.71	482,005.03
Other continents	657.03	952.03
Total	428,804.13	577,134.02
Non-current assets (excluding financial instruments, deferred tax assets, net defined benefit assets and rights arising under insurance contracts)		
Thailand	60,073.11	50,167.88
Asia	4,860.69	3,015.26
Total	64,933.80	53,183.14

* The Company reclassified the financial information to be comparable with financial statement presentation for the year ended December 31, 2020.

28. Financial instruments

28.1 Fair value of financial instruments

Some financial assets and financial liabilities are classified as short-term financial assets and liabilities or bear an interest rate close to the market rate and are classified as loans in Baht currency that have a floating interest rate corresponding to the market interest rate. Thus, the management estimates that the carrying value of these financial assets and financial liabilities is approximate to their fair value.

(TRANSLATION)

28. Financial instruments (Continued)**28.1 Fair value of financial instruments (Continued)**

Details of fair value of financial assets and financial liabilities as at December 31, 2020 are as follows :

Unit: Million Baht

	Consolidated financial statements			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets				
Current financial assets				
Cash and cash equivalents	-	-	18,398.09	18,398.09
Investments in current financial assets	-	-	605.76	605.76
Trade accounts receivable	-	-	12,109.42	12,109.42
Other accounts receivable	-	-	4,779.39	4,779.39
Other current financial assets	10.76	-	-	10.76
Other current assets	-	-	30.99	30.99
Non-current financial assets				
Other non-current financial assets	1.62	2,316.96	-	2,318.58
Other non-current assets	-	-	309.19	309.19
Total financial assets	12.38	2,316.96	36,232.84	38,562.18
Financial liabilities				
Current financial liabilities				
Bank overdrafts and short-term loans from financial institutions	-	-	23.83	23.83
Trade accounts payable	-	-	23,338.95	23,338.95
Other accounts payable	-	-	5,371.85	5,371.85
Current portion of long-term loans	-	-	9,144.93	9,144.93
Current portion of lease liabilities	-	-	1,181.46	1,181.46
Other current financial liabilities	27.82	-	-	27.82
Other current liabilities	-	-	16.80	16.80
Non-current financial liabilities				
Long-term loans	-	-	41,633.78	41,633.78
Lease liabilities	-	-	7,685.07	7,685.07
Deposits on LPG cylinders	-	-	11,873.80	11,873.80
Other non-current liabilities	-	-	962.32	962.32
Total financial liabilities	27.82	-	101,232.79	101,260.61

(TRANSLATION)

28. Financial instruments (Continued)**28.1 Fair value of financial instruments (Continued)**

Details of fair value of financial assets and financial liabilities as at December 31, 2020 are as follows:
(Continued)

Unit: Million Baht

	Separate financial statements			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets				
Current financial assets				
Cash and cash equivalents	-	-	15,472.59	15,472.59
Investments in current financial assets	-	-	500.00	500.00
Trade accounts receivable	-	-	13,010.10	13,010.10
Other accounts receivable	-	-	4,776.84	4,776.84
Short-term lending loans	-	-	2,168.96	2,168.96
Current portion of long-term lending loans	-	-	1,058.69	1,058.69
Other current financial assets	10.76	-	-	10.76
Other current assets	-	-	30.98	30.98
Non-current financial assets				
Other non-current financial assets	0.11	1,073.74	-	1,073.85
Long-term lending loans	-	-	1,643.00	1,643.00
Other non-current assets	-	-	191.98	191.98
Total financial assets	10.87	1,073.74	38,853.14	39,937.75
Financial liabilities				
Current financial liabilities				
Trade accounts payable	-	-	21,569.32	21,569.32
Other accounts payable	-	-	4,538.36	4,538.36
Short-term loans - related parties	-	-	32.94	32.94
Current portion of long-term loans	-	-	9,103.32	9,103.32
Current portion of lease liabilities	-	-	919.05	919.05
Other current financial liabilities	27.82	-	-	27.82
Other current liabilities	-	-	5.31	5.31
Non-current financial liabilities				
Long-term loans	-	-	41,592.18	41,592.18
Lease liabilities	-	-	5,801.58	5,801.58
Deposits on LPG cylinders	-	-	11,873.80	11,873.80
Other non-current liabilities	-	-	837.68	837.68
Total financial liabilities	27.82	-	96,273.54	96,301.36

(TRANSLATION)

28. Financial instruments (Continued)**28.2 Offsetting of financial assets and financial liabilities**

Unit : Million Baht

	Consolidated/Separate financial statements		
	Gross amount	Amount offset	Net amount reported in the statement of financial position
Other accounts receivable	19.80	(19.80)	-
Other accounts payable	69.65	(19.80)	49.85
Derivative assets	19.62	(9.37)	10.25
Derivative liabilities	37.15	(9.37)	27.78

28.3 Financial Risk Management policies

The Group is exposed to the principal financial risks associated with fluctuations in exchange rates, interest rates, and global oil market prices. The Group also has certain portions of sales, purchases and loans for operations nominated in foreign currencies which are paid in both fixed and floating interest rates. Accordingly, the management has entered into derivative contracts to cover these risks. The financial instruments used for hedging risks are foreign exchange forward contracts. Risk exposure relating to global oil market prices is managed by forward oil contracts.

The department responsible for managing exposure to exchange rate risks and fluctuations in oil market prices has to report details of the costs and market prices of all financial instruments to management, including outstanding foreign exchange forward contracts and forward oil contracts. The reported information principally covers exposure to the following risks:

- foreign exchange rate risk
- fluctuation in oil market price risk
- credit risk
- market risk
- liquidity risk

(TRANSLATION)

28. Financial instruments (Continued)

28.3 Financial Risk Management Policies (Continued)

28.3.1 Foreign Exchange Rate Risk

The Group has entered into foreign exchange forward contracts. The contract prices and exchange rates under the foreign exchange forward contracts as at December 31, 2020 and 2019 are as follows:

	Unit : Million Baht	
	Consolidated/Separate financial statements	
	2020	2019
Foreign exchange forward - buy contract		
Baht 30.1370 - 30.1900 = USD 1	-	499.76
Foreign exchange forward - sale contract		
Baht 30.0100 - 30.1976 = USD 1	140.92	-
Baht 30.1430 - 30.2165 = USD 1	-	313.59

28.3.2 Fluctuations in Oil Market Price Risk

The Group has entered into oil price derivatives. As at December 31, 2020, the volume of oil under those contracts that mature during January to December 2021 in the separate financial statements is 0.21 million barrels (as at December 31, 2019 : 0.10 million barrels).

28.3.3 Credit Risk

Credit risk arises when customers do not comply with the terms and conditions of credit agreements, causing financial losses to the Company. However, the Company has managed risk by adjusting its credit policies according to the current economic situation, focusing on developing financial instruments by cooperating with financial institutions to support credit facilities provided to customers in order to buy the Company's products, such as the Dealer Financing and Supply Chain Credit project, the Trade Credit Insurance and the Payment card and Fleet card, aims to reduce credit risks of the Company. The Company also reduces credit risk by determining procedures for risk prevention and mitigation, including credit rating for all trading partners of the Company.

28.3.4 Market Risk

The Group is exposed to the currency exchange fluctuation risk mainly from THB/USD exchange rates. The volatility of profit or loss from the fluctuation in the exchange rates mostly results from financial assets and financial liabilities denominated in USD currency.

(TRANSLATION)

28. Financial instruments (Continued)**28.3 Financial Risk Management Policies (Continued)****28.3.4 Market Risk (Continued)**

The sensitivity analyses of financial instruments as at December 31, 2020 are as follow:

Currency exchange rate

	Unit : Million Baht	
	Consolidated financial statements	
	Profit before tax increase (decrease)	Other components of equity - Exchange differences on translation of financial statements increase (decrease)
US Dollar - appreciated by 10% against THB*	184.16	269.67
US Dollar - depreciated by 10% against THB*	(184.16)	(269.67)

* All other variables are held constant

	Unit : Million Baht	
	Separate financial statements	
	Profit before tax increase (decrease)	
US Dollar - appreciated by 10% against THB*		184.81
US Dollar - depreciated by 10% against THB*		(184.81)

* All other variables are held constant

Interest rates

	Unit : Million Baht	
	Consolidated/Separate financial statements	
	Finance cost for the year 2020 increase (decrease)	
Interest rate - increased by 1.0%*		322.88
Interest rate - decreased by 1.0%*		(300.96)

* All other variables are held constant

(TRANSLATION)

28. Financial instruments (Continued)
28.3 Financial Risk Management Policies (Continued)
28.3.5 Liquidity risk

Unit : Million Baht

	Consolidated financial statements			
	Within 1 year	Over 1 year but not over 5 years	Over 5 years	Total
Maturity of financial liabilities				
As at December 31, 2020				
Bank overdrafts and short-term loans from financial institutions	23.83	-	-	23.83
Trade accounts payable	23,338.95	-	-	23,338.95
Other accounts payable	5,371.85	-	-	5,371.85
Long-term loans from financial institutions	9,166.75	25,304.55	16,378.70	50,850.00
Lease liabilities	1,449.18	3,366.41	6,873.28	11,688.87
Deposits on LPG cylinders	-	-	11,873.80	11,873.80
Other financial liabilities	16.80	478.97	483.35	979.12
Cash outflows from foreign exchange forward contracts	140.75	-	-	140.75
Cash inflows from foreign exchange forward contracts	140.92	-	-	140.92
Cash outflows from commodity derivatives	23.09	-	-	23.09
Cash inflows from commodity derivatives	12.51	0.21	-	12.72

Unit : Million Baht

	Separate financial statements			
	Within 1 year	Over 1 year but not over 5 years	Over 5 years	Total
Maturity of financial liabilities				
As at December 31, 2020				
Trade accounts payable	21,569.32	-	-	21,569.32
Other accounts payable	4,534.82	-	-	4,534.82
Short-term loans-related party	32.94	-	-	32.94
Long-term loans from financial institutions	9,125.15	25,262.95	16,378.70	50,766.80
Lease liabilities	1,123.30	2,378.62	5,255.61	8,757.53
Deposits on LPG cylinders	-	-	11,873.80	11,873.80
Other financial liabilities	5.31	381.69	456.00	843.00
Cash outflows from foreign exchange forward contracts	140.75	-	-	140.75
Cash inflows from foreign exchange forward contracts	140.92	-	-	140.92
Cash outflows from commodity derivatives	23.09	-	-	23.09
Cash inflows from commodity derivatives	12.51	0.21	-	12.72

(TRANSLATION)

29. Fair Value Hierarchy

As at December 31, 2020 and 2019, the Group had financial assets and financial liabilities that were measured at fair value as follows:

Unit : Million Baht				
Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
As at December 31, 2020				
Financial assets measured at fair value				
Investments measured at fair value through other comprehensive income				
Equity instruments	1,071.00	-	1,245.96	2,316.96
Investments measured at fair value through profit or loss				
Mutual funds	1.62	-	-	1.62
Derivatives				
Current derivatives assets				
Foreign exchange forward contracts	-	0.51	-	0.51
Commodity derivatives	-	10.25	-	10.25
Financial liabilities measured at fair value				
Derivatives				
Current derivatives liabilities				
Foreign exchange forward contracts	-	0.04	-	0.04
Commodity derivatives	-	27.78	-	27.78
As at December 31, 2019				
Financial assets measured at fair value				
Available-for-sale investments				
Equity instruments	1,350.00	-	-	1,350.00
Mutual funds	1.85	-	-	1.85

(TRANSLATION)

29. Fair Value Hierarchy (Continued)

As at December 31, 2020 and 2019, the Group had financial assets and financial liabilities that were measured at fair value as follows: (Continued)

	Unit : Million Baht			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
As at December 31, 2020				
Financial assets measured at fair value				
Investments measured at fair value through other comprehensive income				
Equity instruments	1,071.00	-	2.74	1,073.74
Investments measured at fair value through profit or loss				
Mutual funds	0.11	-	-	0.11
Derivatives				
Current derivatives assets				
Foreign exchange forward contracts	-	0.51	-	0.51
Commodity derivatives	-	10.25	-	10.25
Financial liabilities measured at fair value				
Derivatives				
Current derivatives liabilities				
Foreign exchange forward contracts	-	0.04	-	0.04
Commodity derivatives	-	27.78	-	27.78
As at December 31, 2019				
Financial assets measured at fair value				
Available-for-sale investments				
Equity instruments	1,350.00	-	-	1,350.00
Mutual funds	0.13	-	-	0.13

(TRANSLATION)

29. Fair Value Hierarchy (Continued)

Fair value valuation techniques and inputs for Level 1 valuation

The fair values measured through other comprehensive income of equity investments which are marketable securities were determined based on the last-bid price in stock market at the last operating day of the year.

The fair values measured through profit or loss of investments in mutual funds were determined based on the net asset value as reported in the Capital Call Statement at the report date.

Fair value valuation techniques and inputs for Level 2 valuation

The fair values of derivatives were determined based on discounted future cash flow and valuation model techniques, using an appropriate risk-adjusted discount rate. Most of the inputs used for the valuation are observable in the relevant markets such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves, bonds yield curves, and commodity price yield curves, etc.

Fair value valuation techniques and inputs for Level 3 valuation

The fair values of other non-current financial assets, which are non-marketable securities are based on the net asset method, and concluded that investments has appropriately represented the fair value of the investments.

During the year, there was no transfer between levels within the fair value hierarchy.

The Group has some financial assets and liabilities where the fair value was not measured, most of which have the carry amount that reasonably approximates fair value.

(TRANSLATION)

30. Dividends Paid

On February 17, 2020, the Board of Directors' Meeting No. 2/2020 of the Company passed a resolution to propose to the Annual General Meeting of shareholders for approving the dividend payment for the year 2019 of Baht 0.37 per share, amounting to Baht 3,330 million. On March 30, 2020, the Annual General Meeting of the Company's shareholders approved the dividend payment.

Dividend	Period of operating result	Dividend payment rate (Baht per share)	Number of shares (Million shares)	Total Dividends (Million Baht)	Payment Date
Annual	January 1, 2019 - December 31, 2019	0.37	9,000	3,330	April 23, 2020

On November 23, 2020, the Board of Directors' Meeting No. 11/2020 of the Company passed a resolution to approve the interim dividend payment for the first 9-month operating result of the year 2020 as below;

Dividend	Period of operating result	Dividend payment rate (Baht per share)	Number of shares (Million shares)	Total Dividends (Million Baht)	Payment Date
Interim	January 1, 2020 - September 30, 2020	0.68	9,000	6,120	December 17, 2020

31. Business Acquisition

On November 17, 2020, Modulus Venture Co., Ltd., a subsidiary of PTTOR Holdings Co., Ltd., entered into a share purchase agreement to purchase 17,199,000 shares of Peaberry Thai Co., Ltd., which is equivalent to 65% shareholding.

On December 1, 2020, Peaberry Thai Co., Ltd. entered into an asset purchase agreement with Peaberry Co., Ltd., a shareholder of Peaberry Thai Co., Ltd., to operate the business of trading coffee brewing machines, coffee beans, and operating cafes to sell beverages.

(TRANSLATION)

31. Business acquisition (Continued)**31.1 Fair value of net assets acquired at the acquisition date is as follows:**

	Unit : Million Baht
Purchase consideration	138.20
Fair value of net assets acquired	<u>(123.89)</u>
Goodwill (Note 16)	<u>14.31</u>

Assets and liabilities from the business acquisition at the acquisition date are as follows:

	Unit : Million Baht
Cash and cash equivalents	0.61
Inventories	0.08
Other current assets	8.88
Property, plant and equipment (Note 14)	57.22
Other intangible assets (Note 17)	67.15
Other non-current assets	1.96
Other accounts payable	(0.55)
Other current liabilities	(7.43)
Provision for employee benefits	<u>(4.03)</u>
Fair value of net assets acquired	123.89
<u>Add</u> Goodwill	14.31
Total purchase consideration transferred	138.20
<u>Less</u> Cash and cash equivalents of the subsidiary	<u>(0.61)</u>
Net consideration paid for the business acquisition	<u>137.59</u>

(TRANSLATION)

32. Commitments and Contingent Liabilities

Details of significant commitments and contingent liabilities are as follows:

- 32.1 Commitments under leases - where the Group is as a lessee, the future minimum lease payments under non-cancellable leases as at December 31, 2020 are as follows:

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
	2020	2020
Within 1 year	38.35	14.96
Over 1 year but not over 5 years	44.04	1.61
Over 5 years	94.81	-
Total	177.20	16.57

As at January 1, 2020, the Group recognised lease liabilities for those leases previously classified as operating leases based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of first-time adoption of TFRS 16 Leases (Note 4).

- 32.2 A subsidiary has entered into a delivery service agreement with the other company. The subsidiary is committed to pay service fees to such company in accordance with the terms and conditions in the agreement.
- 32.3 A subsidiary has entered into a cash collection service agreement with the other company. The subsidiary is committed to pay service fees to such company in accordance with the terms and conditions in the agreement.
- 32.4 As at December 31, 2020, the Group had outstanding contingent liabilities in form of letters of guarantee issued by financial institutions in the amount of Baht 198.74 million (as at December 31, 2019: Baht 164.00 million) in the consolidated financial statements and Baht 198.41 million (as at December 31, 2019: Baht 163.66 million) in the separate financial statements.
- 32.5 As at December 31, 2020, the Group had capital commitments of Baht 454.63 million (as at December 31, 2019: Baht 1,012.68 million) relating to the construction of gas stations.
- 32.6 In 2007, a subsidiary in the Philippines received an assessment and Formal Letter of Demand from the Bureau of Customs (“BOC”) for alleged deficiencies on payment of customs duties and value added taxes amounting to PHP 470.73 million or approximately Baht 300.23 million, including penalties of PHP 3,765.80 million or approximately Baht 2,401.83 million due to deficient declaration of taxable importation of ordinary kerosene in 2004 - 2006. The assessments were properly contested by the subsidiary’s legal counsel, and the case docket was forwarded to the Court of Tax Appeals En Banc (“CTA”). Subsequently, the CTA ruled that such subsidiary’s cases previously filed separately be combined and that the CTA would reconsider the consolidated case. The BOC appealed the resolution to the Supreme Court (“SC”). Currently, no decision on the BOC’s appeal has been rendered by the SC yet.

As at December 31, 2020, such subsidiary did not recognise a provision for contingent liability of the said penalty in its financial statements since the subsidiary’s management and legal counsel assessed that the tax refund claims were valid. The subsidiary has ceased importing ordinary kerosene and therefore, does not expect that the circumstances which gave rise to this tax proceeding will arise in its present or future operations.

(TRANSLATION)

33. Events after the Reporting Period

- 33.1 On January 7, 2021, the Extraordinary General Meeting of Shareholders No. 1/2021 of PTTOR Holdings Co., Ltd. passed a resolution to approve the increase in registered capital of Baht 18.60 million by issuing 186,000 new ordinary shares at a par value of Baht 100 each in order to invest in PTTOR International Holdings (Singapore) Pte. Ltd. This is to additionally invest in ORC Coffee Passion Group Joint Stock Company (ORCG). The Company fully paid for the increased registered capital on January 20, 2021.
- 33.2 On February 17, 2021, the Board of Directors' Meeting No. 2/2021 of the company passed a resolution to propose the dividend payment for the operating result of the fourth quarter of 2020 at the rate of Baht 0.10 per share to the Annual General Meeting of shareholders for approval.
- 33.3 The Board of Directors of the Company approved these financial statements for issuance on February 17, 2021.
-



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Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900
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Attachment

Annual Report 2020 (56-1 One Report)

PTT Oil and Retail Business Public Company Limited (OR)

Attachment List

- | | |
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Attachment 1

Details on Directors, Executives,
Controlling Persons, Chief Financial Officer, Chief Accountant,
and Company Secretary

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
1. Ms. Jiraphon Kawwat Director / Member of the Enterprise Risk Management Committee / Acting President and Chief Executive Officer / Authorized Director Appointed : • Director : January 22, 2016 • Acting President and Chief Executive Officer : July 1, 2018 • Member of the Enterprise Risk Management Committee : May 14, 2019	58	1. Master of Business Administration (Financial Management), Kasetsart University 2. Master of Accountancy (Cost Accounting), Chulalongkorn University 3. Bachelor of Science (Accounting), Kasetsart University 4. Senior Executive Program in Energy Science (Class 12), Thailand Energy Academy 5. Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations Program (Class 20/2019), King Prajadhipok's Institute 6. Top Executive Program (Class 26), Capital Market Academy 7. Executive Development Program (EDP) Thai Listed Companies Association	0.00	None	2019 – present	Member of the Enterprise Risk Management Committee	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2018 – present	Acting President and Chief Executive Officer	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2018 – present	Senior Executive Vice President, reporting to Chief Operating Officer, Downstream Petroleum Business Group	PTT Public Company Limited	Energy & Utilities
					2016 – present	Director	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2017 – 2019	Chairman	PTT Retail Management Company Limited	Oil & Retail Business Management
					2018	Director	IRPC Public Company Limited	Energy & Utilities
					2017 – 2018	Senior Executive Vice President, Oil Business Unit, PTT Public Company Limited	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
		8. Senior Executive Program, London Business School, United Kingdom 9. Director Certification Program (DCP 180/2013), Thai Institute of Directors 10. Company Secretary Program (CSP 53/2013), Thai Institute of Directors 11. Director Certification Program Update (DCPU 2/2014), Thai Institute of Directors 12. How to Develop a Risk Management Plan (HRP 6/2014), Thai Institute of Directors 13. Successful Formulation & Execution of Strategy (SFE 21/2014), Thai Institute of Directors 14. Risk Management Program for Corporate Leaders (RCL 19/2020), Thai Institute of Directors			2016 – 2017	Managing Director	PTT Retail Management Company Limited	Oil & Retail Business Management
					2016	Director	PTT Retail Business Company Limited (Currently, OR) PTT Public Company Limited	Energy & Retail
					2012 – 2016	Executive Vice President, Oil Business Planning		Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
2. Mr. Somyot Kongprawet Senior Executive Vice President, Organization Effectiveness Appointed : July 1, 2018.	57	1. Master of Economics, National Institute of Development Administration 2. Bachelor of Accounting, Thammasat University 3. Director Certification Program (DCP 181/2013), Thai Institute of Directors 4. TLCA Executive Development Program (EDP), Thai Listed Companies Association	0.00	None	2020 – present	Chairman	PTT Retail Service Company Limited	Workforce Service
					2018 – present	Senior Executive Vice President, Organization Effectiveness	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2019 – 2020	Chairman	PTT Retail Management Company Limited (PTTRM)	Oil & Retail Business Management
					2017 – 2018	Director	PTT Retail Management Company Limited (PTTRM)	Oil & Retail Business Management
					2017 – 2018	Chairman	PTT Retail Service Company Limited	Workforce Service
					2017 – 2018	Managing Director	PTT Retail Management Company Limited (PTTRM)	Oil & Retail Business Management
					2017	Executive Vice President, Commercial Marketing	PTT Public Company Limited	Energy & Utilities
					2014 – 2017	Executive Vice President, Commercial and International Marketing	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
3. Ms. Rajsuda Rungsiyakul Senior Executive Vice President, Corporate Strategy, Innovation and Sustainability Appointed : October 1, 2020	45	1. Master of Science, Engineering Business Management, the University of Warwick 2. Master of Engineering (Engineering Management), Chulalongkorn University 3. Bachelor of Engineering (Industrial Engineering), Chulalongkorn University 4. Director Certification Program (DCP 296/2020), Thai Institute of Directors 5. Executive Course for Press Management, ISRA Institute Thai Press Development Foundation	0.00	None	2013 – 2014	Executive Vice President, Planning and Finance	PTT Retail Management Company Limited (PTTRM)	Oil & Retail Business Management
					2020 – present	Senior Executive Vice President, Corporate Strategy, Innovation and Sustainability	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2020 – present	Chairman	Modulus Venture Company Limited	Investment Management
					2020 – present	Director	Thai Petroleum Pipeline Company Limited	Pipeline Oil Transportation
					2019 – present	Director	Brighter PTT Oil and Retail Business Company Limited (BOR)	Oil & Retail Marketing
					2018 – 2020	Vice President, Corporate Communication	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2017 – 2019	Director	Business Services Alliance Company Limited	Workforce Management

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
4. Mr. Phichin Aphiwantapanorn Senior Executive Vice President, Finance Appointed : October 1, 2018 (Assigned as Chief Financial Officer)	55	1. Master of Business Administration (MBA), Indiana University, U.S.A. 2. Bachelor of Economics, Thammasat University 3. Strategic Financial Leadership Program (2018), Thai Listed Companies Association (12 hours) 4. TLCA Executive Development Program (EDP), Thai Listed Companies Association 5. Thai Intelligence Investor Program (TIIP)	0.00	None	2017 – 2019	Director	Business Professional Solutions Recruitment Company Limited	Workforce Management
					2017 – 2018	Director	Petro Asia (Thailand) Company Limited	Oil Marketing
					2017 – 2018	Vice President, Retail Strategy	PTT Public Company Limited	Energy & Utilities
					2016 – 2017	Vice President, Business Planning	PTT Public Company Limited	Energy & Utilities
					2013 – 2016	Division Manager, Marketing Strategy	PTT Public Company Limited	Energy & Utilities
					2018 – present	Senior Executive Vice President, Finance	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2018 – present	Executive Vice President, reporting to the Chief Financial Officer	PTT Public Company Limited	Energy & Utilities
					2017 – 2018	Acting Vice President, Finance Strategy	PTT Public Company Limited	Energy & Utilities
					2013 – 2018	Vice president, Investor Relations	PTT Public Company Limited	Energy & Utilities
					2011 – 2013	Division Manager, Corporate Finance Planning	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
		6. Leadership Development Program, Harvard School of Business (LDP-HBS) 7. CFO Focus On Financial Reporting (2018) (Class 7), Federation of Accounting Professions (12 hours) 8. Financial Transaction Analysis (Class 1/2019), Federation of Accounting Professions (6 hours) 9. Financial Statement Analysis for Executives and Accounting Professionals, Dharmniti Seminar and Training Company Limited, (an institution endorsed by Federation of Accounting Professions) (6 hours) 10. Advance Treasury and Finance Management (Class 7), Treasury and Accounting Development Institution for Public Sector, the Comptroller General Department 11. Leadership Development Program (LDP 3) (Class 4), PTT Leadership and Learning Institute (PTT PLLI)						

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
5. Mr. Boonma Phonthanakornkul Senior Executive Vice President, Oil Retail Business Appointed : October 1, 2019	58	1. Bachelor of Business Administration (Finance), Dhurakij Pundit University 2. Director Certification Program (DCP 176/2017), Thai Institute of Directors	0.00	None	2020 – present	Chairman	PTT (Cambodia) Ltd.	Oil and Retail Marketing
					2020 – present	Director	PTT Retail Management Company Limited	Oil & Retail Business Management
					2020 – present	Director	Brighter PTT Oil and Retail Business Company Limited	Oil and Retail Marketing
					2019 – present	Senior Executive Vice President, Oil Retail Business	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2018 – 2019	Managing Director	PTT (Cambodia) Ltd. (PTTCL)	Oil and Retail Marketing
					2018	Vice President, Aviation and Marine Marketing	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2015 – 2018	Vice President, Domestic Lubricants Marketing and Technical Services	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
6. Mr. Suchat Ramarch Senior Executive Vice President, Non-Oil Retail Business Appointed : October 1, 2019	52	1. Master of Arts (Social Development), National Institute of Development Administration 2. Bachelor of Engineering (Mechanical Engineering), Rajamangala University of Technology 3. Director Certification Program (DCP 176/2016), Thai Institute of Directors 4. Top Executive Program (Class 28), Capital Market Academy 5. TLCA Executive Development Program (EDP), Thai Listed Companies Association 6. Advance Certificate, Public Sector Management and Public Law, King Prajadhipok's Institute	0.00	None	2020 – present	Chairman	PTT Retail Management Company Limited	Oil & Retail Business Management
					2020 – present	Chairman	Peaberry Thai Company Limited	Retail Business
					2020 – present	Chairman	PTTOR China (Shanghai) Company Limited	Lubricants & Retail Business
					2019 – present	Director	Business Services Alliance Company Limited	Workforce Management
					2019 – present	Director	Business Professional Solutions Recruitment Company Limited	Workforce Management
					2019 – present	Senior Executive Vice President, Non-Oil Retail Business	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2016 – 2020	Director	PTT Retail Management Company Limited (PTTRM)	Oil & Retail Business Management

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
		7. Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations Program (Class 22/2020), King Prajadhipok's Institute			2018 – 2019	Senior Executive Vice President, Retail Marketing	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2016 – 2018	Executive Vice President, Retail Marketing	PTT Public Company Limited	Energy & Utilities
					2016 – 2017	Chairman	PTT Retail Service Company Limited	Workforce Service
					2013 – 2017	Director	PTT (Lao) Co., Ltd.	Oil & Retail Marketing
					2013 – 2016	Vice President, Café Amazon Business	PTT Public Company Limited	Energy & Utilities
					2013	Vice President, Service Station Retail Business	PTT Public Company Limited	Energy & Utilities
					2010 – 2012	Vice President, Government and Commercial Marketing	PTT Public Company Limited	Energy & Utilities
					2020 – present	Senior Executive Vice President, Commercial Marketing	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2020 – present	Director	Bangkok Aviation Fuel Services Public Company Limited	Aircraft Refueling Service
7. Mr. Chumpol Surapittayanont Senior Executive Vice President, Commercial Marketing Appointed : October 1, 2020	56	1. Master of Business Administration (Marketing), Ramkhamhaeng University 2. Bachelor of Engineering (Industrial Engineering), Kasetsart University	0.00	None				

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
		3. Director Certification Program (DCP 180/2013), Thai Institute of Directors 4. TLCA Executive Development Program (EDP), Thai Listed Companies Association			2019 – 2020	Chairman	PTTOR China (Shanghai) Company Limited	Lubricants & Retail Business
					2019 – 2020	Senior Executive Vice President, Commercial Marketing	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2019 – 2020	Chairman	Thai Lube Blending Company Limited	Lubricants Formulating and Packaging
					2018 – 2019	Senior Executive Vice President, Business Planning	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2016 – 2019	Chairman	PTT Oil Myanmar Company Limited	Petroleum Market Consultant
					2016 – 2019	Director	Thai Petroleum Pipeline Company Limited	Pipeline Oil Transportation
					2016 – 2018	Senior Executive Vice President, Business Planning	PTT Public Company Limited	Energy & Utilities
					2558 – 2016	Vice President, Business Planning	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
8. Mr. Chumpol Siripuchaka Senior Executive Vice President, Lubricants Business Appointed : October 1, 2020	56	1. Master of Public Administration (Public and Private Management), National Institute of Development Administration 2. Bachelor of Science (Industrial Chemical), King Mongkut's University of Technology North Bangkok 3. Director Certification Program (DCP 192/2014), Thai Institute of Directors	0.00	None	2015 – 2016	Director	Into Plane Services Company Limited	Aircraft Refueling
					2012 – 2014	Vice President, Aviation and Marine Marketing	PTT Public Company Limited	Energy & Utilities
					2020 – present	Senior Executive Vice President, Lubricants Business	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2020 – present	Chairman	Thai Lube Blending Company Limited	Lubricants Formulating and Packaging
					2020	Deputy Director, Advance PTTOR towards a Leading Learning and Agile Organization Project	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2015 – 2020	Director	Thai Lube Blending Company Limited	Lubricants Formulating and Packaging
					2018 – 2019	Vice President, Business Development	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2017 – 2019	Director	PTT (Lao) Co., Ltd.	Oil & Retail Marketing
					2016 – 2018	Vice President, Business Development	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
9. Mr. Wisarn Chawalitanon Senior Executive Vice President, International Marketing Appointed : July 1, 2018	58	1. Master of Public Administration (Public and Private Management), National Institute of Development Administration 2. Engineering (Mechanical Engineering), Khon Kaen University 3. Top Executive Program, Capital Market Academy 4. N.U.S. Executive Management Program, Thai Institute of Directors 5. CMA-GMS International Program, Capital Market Academy	0.00	None	2014 – 2018	Director	PTT (Cambodia) Ltd.	Oil & Retail Marketing
					2014	Vice President, Subsidiary Management	PTT Public Company Limited	Energy & Utilities
					2020 – present	Chairman	ORC Coffee Passion Group Joint Stock Company (ORCG)	Retail Business
					2019 – present	Chairman	PTTOR International Holdings (Singapore) Pte. Ltd.	Investment Management
					2018 – present	Senior Executive Vice President, International Marketing	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2017 – present	Chairman	PTT Philippines Corporation	Oil & Retail Marketing
					2017 – present	Chairman	PTT (Lao) Co., Ltd.	Oil & Retail Marketing
					2017 – 2019	Chairman	PTT (Cambodia) Ltd.	Oil & Retail Marketing
					2017 – 2018	Executive Vice President, International Marketing	PTT Public Company Limited	Energy & Utilities
					2014 – 2016	Acting President and Chief Executive Officer	PTT Philippines Corporation	Oil & Retail Marketing

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
10. Mr. Soontorn Chursuk Senior Executive Vice President, Petroleum Terminal Operations Appointed : October 1, 2020	57	1. Master of Public Administration (Management for Executives), National Institute of Development Administration 2. Bachelor of Industrial Technology (Industrial Computer Technology), King Mongkut's Institute of Technology Ladkrabang 3. Director Certification Program (DCP 180/2013), Thai Institute of Directors 4. TLCA Executive Development Program (EDP), Thai Listed Companies Association	0.00	None	2020 – present	Senior Executive Vice President, Petroleum Terminal Operations	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2020 – present	Chairman	Thai Petroleum Pipeline Company Limited	Pipeline Oil Transportation
					2020 – present	Director	Brighter Energy Company Limited	Depot Management
					2019 – 2020	Senior Executive Vice President, Commercial Marketing	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2017 – 2020	Director	Thai Petroleum Pipeline Company Limited	Pipeline Oil Transportation
					2017 – 2019	Managing Director	Thai Petroleum Pipeline Company Limited	Pipeline Oil Transportation
					2015 – 2017	Vice President, Engineering and Maintenance	PTT Public Company Limited	Energy & Utilities
					2015	Vice President, Aviation and Marine Marketing	PTT Public Compa- ny Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
11. Mr. Patranit Kitta Vice President, Finance and Accounting Control Appointed : October 1, 2018 (Assigned as Chief Accountant / Possess qualifications of Chief Accountant specified by announcements of the Department of Business Development, Ministry of Commerce)	55	1. Master of Public Administration (General Management), Burapa University 2. Bachelor of Business Administration (Accounting), Ramkhamhaeng University 3. Financial Statement Analysis, CPD Tutor Company Limited, (an institution endorsed by Federation of Accounting Professions) (14 hours) 4. Consolidated Financial Statement and TRFS 15, CPD Tutor Company Limited, (an institution endorsed by Federation of Accounting Professions) (14 hours) 5. Managerial Accounting : Internal Control and Adjustment of Accounting System, Dharmmiti Seminar and Training Company Limited, (an institution endorsed by Federation of Accounting Professions) (13 hours) 6. Director Certification Program (DCP 292/2020), Thai Institute of Directors	0.00	None	2020 – present	Director	Modulus Venture Company Limited	Investment Management
					2019 – present	Director	PTTOR Holdings Company Limited	Investment Management
					2018 – present	Vice President, Finance and Accounting Control	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2018 – 2019	Vice President, Reporting to the Chief Financial Officer	PTT Public Company Limited	Energy & Utilities
					2017 – 2018	Division Manager, Managerial Accounting	PTT Public Company Limited	Energy & Utilities
					2016 – 2017	Division Manager, Infrastructure Business Management Accounting	PTT Public Company Limited	Energy & Utilities
					2014 – 2016	Division Manager, Sales and Cost Accounting	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
12. Mr. Surachart Chintavalakorn Vice President, Corporate Finance Appointed : July 1, 2018	50	1. Master of Business Administration (MBA), Finance, Auburn University, U.S.A. 2. Bachelor of Business Administration (Finance and Banking), Ramkhamhaeng University 3. CFO In Practice, Federation of Accounting Professions	0.00	None	2019 – present	Vice President, Corporate Finance	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2019 – present	Vice President, Reporting to the Chief Financial Officer	PTT Public Company Limited	Energy & Utilities
					2018 – 2019	Division Manager, Acting Vice President, Corporate Finance	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2018 – 2019	Division Manager, Acting Vice President, Reporting to the Chief Financial Officer	PTT Public Company Limited	Energy & Utilities
					2018	Division Manager, Corporate Finance	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2016 – 2018	Division Manager, Corporate Finance Planning	PTT Public Company Limited	Energy & Utilities
					2015 – 2016	Division Manager, Subsidiary Finance Management	PTT Public Company Limited	Energy & Utilities

Name-Surname / Position / Date Appointed	Age	Education and Training	Share- holding in OR (%)	Family Relation among Directors and Executives	Working Experience			
					Time Period	Position	Organization / Company	Business Type
13. Mrs. Kanchanee Udomkulwanich, Vice President, Office of the President and Corporate Secretary Appointed : October 1, 2020	54	1. Master of Business Administration (International Management), Southeastern University 2. Bachelor of Laws, Thammasat University 3. Company Secretary Program (CSP 111/2020), Thai Institute of Directors	0.00	None	2014 – 2015	Division Manager, Corporate Finance	Global Power Synergy Public Company Limited	Energy & Utilities
					2014	Acting Division Manager, Corporate Finance	Global Power Synergy Public Company Limited	Energy & Utilities
					2020 – present	Corporate Secretary / Vice President, Office of the President and Corporate Secretary	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2020 2019 -	Vice President, Human Resources Management	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2020	Vice President, Human Resources and Organization Development	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2019	Vice President, Petroleum Terminal	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2018	Vice President, Petroleum Transportation	PTT Oil and Retail Business Public Company Limited	Energy & Retail
					2015 – 2018	Vice President, Petroleum Transportation	PTT Public Company Limited	Energy & Utilities

Attachment 2

Details on Directors of OR's Subsidiaries

[illegible]
$$N = \text{Executive}$$

// = Executive Committee

/ = Director

Remark : X = Chairman

Information as of December 31, 2020

Attachment 3

Detail on the Head of Internal Audit

Name-Surname / Position	Age	Education and Training	Working Experience			
			Time Period	Position	Organization / Company	Business Type
Ms. Worrapanit Sittibusaya Vice President, Internal Audit Department	47	<ul style="list-style-type: none"> Master of Business Administration (MBA), University of North Florida Bachelor of Accounting, Thammasat University 	2018 – present	Vice President, Internal Audit Department	PTT Oil and Retail Business Public Company Limited	Energy & Retail
			2015 – 2018	Vice President, Business Development, Oil Business Unit	PTT Public Company	Energy & Utilities
			2012 – 2015	Tax Division Manager	PTT Public Company	Energy & Utilities
			1998 – 2012	Accountant	PTT Public Company	Energy & Utilities

Attachment 4

Business Assets and Details on Asset Evaluation

Business Assets and Details on Asset Evaluation

As of December 31, 2020, the net book values of OR's non-current assets after accumulated depreciation were as shown in OR's consolidated financial statements. These non-obligation non-current assets have the following net book values:

Asset	Net Book Value as of December 31, 2020 (THB Million)
Land	12,269.0 ¹
Buildings and Building Improvements	13,123.3 ²
Machinery and Equipment	12,154.1 ³
Other Assets ⁴	620.8 ⁵
Construction in Progress	3,828.6 ⁶
Intangible Assets ⁷	2,140.7 ⁸
Total	44,136.5

Details of Key Lease Agreements

As of December 31, 2020, OR's key lease and licensing agreements for its operations with third parties and PTT group were as follows:

1. Land Lease Agreements for Service Stations (including other types of agreements for the right to use the property or space)

OR entered into land lease agreements with third parties (including agreements for creating rights over the land) in order to operate its domestic COCO (company-owned-company-operated) outlets, which generally carry terms of lease or creation of right of approximately 27 years.

For land and space lease, OR has registered with Land Department offices lease agreements, without buildings leased and with building. For the former, the terms stated that the current as well as future buildings and facilities must belong to OR after the termination of the agreement; OR may also demolish all those buildings and facilities and rehabilitate the areas for other uses or deliver them, owned by OR, to the landowner, as applicable. OR has also obtained approval to use the land or premises of some government agencies and has to comply with their rules and regulations.

Regarding the superficies right agreements for some portion of the service stations, OR is authorized to use the property under such agreements between OR and the landowner, with OR as the owner of the buildings and assets in such property. Upon the termination of the superficies right under the agreement, OR may demolish the buildings and facilities and rehabilitate the site to its former conditions, or in the event that the landowner objects to the demolition and desires to buy such buildings and facilities, OR must duly sell them to the landowner.

¹ Details as in Notes to Financial Statements No. 14

² Details as in Notes to Financial Statements No. 14

³ Details as in Notes to Financial Statements No. 14

⁴ Other assets are mainly office equipment and vehicles

⁵ Details as in Notes to Financial Statements No. 14

⁶ Details as in Notes to Financial Statements No. 14

⁷ Intangible assets comprise computer software, licenses, client's list, trademarks, and other intangible assets

⁸ Details as in Notes to Financial Statements No. 17

2. Depot Sublease Agreements (Phra Khanong-Bangchak premises)

OR, as the sub-lessee, has entered into an agreement with PTT, the lessor, to sublease the premises in Phra Khanong-Bangchak depots (including buildings and materials on the premises) to be used in the loading, receiving, storage and distributing lubricant products. The agreements are due to expire on December 31, 2020.

3. Office Building Sublease Agreements (Phra Khanong and Bangchak premises)

OR, as the sub-lessee, has entered into an agreement with PTT, the lessor, to sublease the premises in Phra Khanong and Bangchak depots (including buildings and materials on the premises) to be used as office buildings in its business operations. The agreements are effective from July 1, 2020, to December 31, 2021.


4. Lease and Sublease Agreements for PTT's Depots

OR, as the lessee/sub-lessee, has entered into agreements with PTT, the lessor / sub-lessor, for the premises in PTT's 12 oil and petroleum depots to be used for the loading, receiving, storage and distributing of petroleum products, and other materials for the petroleum business, promotional products or other implementation under its other business plans. The terms of these leases or subleases are from October 1, 2020, with expiry dates of each depot varying with the conditions mutually agreed by the parties.

Trademarks and Service Marks

OR-Owned Trademarks and Service Marks

As of December 31, 2020, OR has altogether 948 trademarks and service marks⁹, 685 of which have been registered and 263 of which are in the registration process with the Department of Intellectual Property. OR has a high number of trademarks and service marks to ensure that it has covered as many goods and services as possible for its operations and to protect its valuable brands from all trademark infringement as well as other concurrent liabilities.

Furthermore, OR has proceeded with the registration of these trademarks and service marks bearing  (including those in the registration process), domestically and internationally, in over 28 countries to ensure that its related marks, names and logos will be protected there as well.

⁹ The total 948 trademarks and service marks comprise (a) 192 trademarks and service marks of which OR is the original owner, (b) 647 trademarks and service marks which were transferred from PTT, and (c) 109 trademarks and service marks which remain in the registration process of being transferred from PTT.

Details of key trademarks and service marks of significance to OR's operations are:




Trademark / Service Mark	Application No. / Registration No.	Protection Period / Status ¹⁰
For Service Stations		
	180116292	Under the consideration of the Department of Intellectual Property
	180144741	Under the consideration of the Department of Intellectual Property
	180144707	Under the consideration of the Department of Intellectual Property
	180144729	Under the consideration of the Department of Intellectual Property
For FIT Auto Service Stations		
	161106372	From November 14, 2013, to November 13, 2023, with OR as the owner
For petroleum products		
	191110529	From September 5, 2017, to September 4, 2027, with OR as the owner
	170131232	Under the consideration of the Department of Intellectual Property

¹⁰ Trademarks and service marks that are pending registration are yet protected under the Trademark Act B.E. 2534 (1991), as amended, as registered trademarks or service marks, but may be protected by other laws, such as tort claims for damages for passing off and the right to institute criminal proceedings in relation to unregistered marks under the Criminal Code.

Trademark / Service Mark	Application No. / Registration No.	Protection Period / Status ¹⁰
	171130415	From December 19, 2011, to December 18, 2021, with OR as the owner
	171130414	From December 19, 2011, to December 18, 2021, with OR as the owner
For Non-Oil		
	171111510	From September 25, 2015, to December 24, 2025, with OR as the owner
	191108039	From December 7, 2017, to December 6, 2027, with OR as the owner
	200103892	Under the consideration of the Department of Intellectual Property
	201106911	From December 7, 2017, to December 6, 2027, with OR as the owner
	Bor14847	From November 24, 2000, to November 23, 2020, with PTT Retail Management Co., Ltd. (PTTRM), OR's subsidiary, as the owner. OR is currently in the process of renewing the protection period of the trademark to November 23, 2030.
	Kor385644	From October 31, 2012 – October 30, 2022, with PTT Retail Management Company Limited (PTTRM), a subsidiary of OR, as the owner

Trademarks and Service Marks Licensed to OR

OR has obtained the permission to use the trademarks and service marks of other parties under licensing or franchise agreements with them. Details of these key trademarks and service marks are as follows:

Trademarks / Service Marks	Owner	Category
 	Cajun Funding Corp	Food service, beverages, poultry, chicken meat, processed food made from chicken and others
	Huasenghong Ratchaphruek Company Limited	Food and beverage services, outside catering, restaurant and branches, frozen foods with ingredients from fish, ham, poultry, meat or pork, herbal drinks, mooncake, bread, pie, frozen dim sum, dim sum and others

Policy of investment in subsidiaries and associates

Under OR's investment policy, either in projects (not an investment in OR's normal businesses such as joint ventures, amalgamation or business acquisition) or in plans (an investment in OR's regular businesses), OR will analyze and consider such investments based on the following criteria: strategic fit, execution capacity, risk management, governance management, stakeholder management, financial return, and capital management.

Attachment 5

**Polices and Guidelines for Corporate Governance
and Business Ethics**

Corporate Governance,
Ethical Standards
and Code of Business Ethics Handbook



Corporate Governance

Ethical Standards and Code of Business Ethics Handbook
2020

Corporate
Governance

Acknowledgement and Conformity Form

I have received and read this PTT Oil and Retail Business Public Company Limited Corporate Governance, Ethical Standards and Code of Business Ethics Handbook.

I understand, acknowledge and will comply with these practices.

Signature : _____
(_____)

Position : _____

Employee ID _____

Business Unit _____

Date : _____ / _____ / _____

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OR has formulated the good corporate governance policy, aiming to enable the Board of Directors, management and employees to efficiently conduct their business with good corporate governance, excellent management, business ethics, transparency and verifiability.

OR's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook has been launched to develop and enhance OR's corporate governance, thereby creating trust among all stakeholders and leading to OR's sustainable growth.

To demonstrate a mutual commitment to the essence of this Handbook, OR personnel at all levels are to sign to acknowledge their understanding and acceptance of this Handbook as their guidance to preserve OR's good corporate governance.

(Mr. Auttapol Rerkpiboon)

Chairman of the Board of Directors
PTT Oil and Retail Business Public Company Limited

____/____/____

Corporate Governance Policy

The Board of Directors is determined to adhere to good corporate governance principles, ethical standards, and code of business ethics to continuously develop and enhance the efficiency of OR's corporate governance to ensure fairness and trust among all stakeholders for sustainable growth. OR's Corporate Governance Policy has thus been formulated for our personnel to observe and practice as their working directions.

1. The Board of Directors ("The Board"), management and employees shall commit to OR's six Good Corporate Governance Principles, namely Accountability, Responsibility, Equitable Treatment, Transparency, Vision to Create Long-Term Value and Ethics. The Company's organization structure shall fairly balance the roles of the Board, management and shareholders.
2. The Board shall perform its duties with dedication, a sense of responsibility and independence, and there shall be a clear segregation between the roles and responsibilities of the Chairman and the President and Chief Executive Officer.
3. The Board shall play a vital role in formulating the Company's vision, strategies, policies and plans, while taking into consideration risk factors and establishing appropriate risk management, as well as ensuring that the accounting systems, financial reports and accounting audits are all reliable.
4. The Board shall be the role model for ethics and shall perform their duties in accordance with the Company's good corporate governance guidelines, as well as overseeing and resolving conflicts of interest and Connected Transactions.
5. The Board may appoint specific committees, as deemed appropriate, to assist in reviewing critical matters.

6. The Board shall perform an annual self-assessment to be used as a framework for reviewing the Board's performance.
7. The Board shall establish the Company's code of ethics, which the Board, management, and employee, as well as all contract employees must observe in parallel with Company's rules and regulations.
8. Disclosure of the Company's information, both financial and non-financial, shall be adequate, reliable and timely, so that the Company's shareholders and other stakeholders receive such information in a fair and equitable manner. The Corporate Communications Department and the Investor Relations Department shall be responsible for providing information to general public and investors.
9. The Company's shareholders shall receive equitable treatment, and have equal rights to access Company's information and appropriate communication channels with Company.
10. There shall be an appropriate system for the selection and appointment of key management positions at all levels with a transparent and fair nomination process.
11. There shall be the anti-corruption principle in the Company's corporate governance policy to ensure that the management is aware of and pays attention to anti-corruption practices and implementation.

In order to comply with OR's corporate governance policy and the Constitution of the Kingdom of Thailand stipulating the making of the Code of Ethics for state employees, OR has established ethical standards for directors, management and employees to abide by as corporate values, along with other rules and regulations of OR, in order that all business operation will be transparent, explicit, justifiable and efficient, upholding the honor and prestige worth the confidence and trust of customers and the public. Ethical standards of OR are as follows:

1. To adhere to moral and ethics.
2. To have good conscience, honesty and responsibility.
3. To uphold the benefits of the country beyond oneself, with no conflict of interest.
4. To adhere to the righteousness, fairness and legitimacy.
5. To provide prompt, courteous and non-discriminative service to the public.
6. To disclose complete information to general public without distortion.
7. To aim at the result, standard, quality, transparency and accountability of work.
8. To uphold the democratic regime of government with the King as Head of State.
9. To adhere to the professional ethics of the organization.

OR is a leading organization equipped with good corporate governance, ethics, transparency and verifiability. In order to continuously develop good corporate governance that complies with Corporate Code for Listed Companies set up by the Securities and Exchange Commission and international practices on Good Corporate Governance, OR has formulated its Corporate Governance, Ethical Standards and Code of Business Ethics Handbook for our Board of Directors, management and employees to adhere to as a guidance in performing their duties, whilst focusing on compliance with laws, customs, traditions, and culture of the countries of OR's investment.

Vision

Leading Thai Global Brand Enriching Community Values through Oil, Retail, and Related Businesses.

Mission

To conduct integrated oil, retail, and related businesses both domestic and international as a globally recognized company, which creates values and engages all stakeholders.

<i>To the country</i>	Driving economic growth in a sustainable way through oil, retail and related businesses
<i>To community and society</i>	Maintaining a good standing corporate status in society by exercising environmental stewardship and helping to improve the quality of life for community and society

- To shareholders* Operating profitable business and expanding businesses globally that lead to sustainable growth while generating optimum returns
- To the customers* Ensuring customer satisfaction and loyalty by delivering world-class quality products and services at fair prices
- To business partners* Conducting fair business practice with all partners while promoting trust, relationship and cooperation to expand business capability and increase efficiency in long-term business partnership
- To employees* Promoting capability building professionally

SPIRIT



Synergy

Performance Excellence

Innovation

Responsibility for Society

Integrity and Ethics

Trust and Respect

Instructions and Mechanism for OR's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook

OR personnel at all levels must commit to and abide by OR Corporate Governance, Ethical Standards and Code of Business Ethics Handbook as the discipline of their daily operation. In case a failure to comply with these principles is discovered and is confirmed by the results of a fair investigation, OR shall take disciplinary and/or legal action as appropriate in compliance with OR's personnel management rules and regulations.

Hierarchical superiors in each department are responsible for overseeing and supporting their subordinates to strictly follow OR Corporate Governance, Ethical Standards and Code of Business Ethics Handbook.

In case of violation, the behavior of such violation, intention or intent, motive, age, record, position, duty and responsibility of the violator, including the damage and other significant reasons shall be taken into consideration.

OR personnel who comply with their particular professional codes of ethics, e.g. engineers, accountants, doctors, pharmacists and lawyers, must strictly adhere to their professional ethics as a part of OR's Ethical Standards and Code of Business Ethics Handbook.

OR personnel must keep in mind that OR cannot specify written guidelines for every behaviour, event or circumstance in the code of ethics handbook. If OR personnel encounter difficulties in decision making or operation, they shall first employ their own judgment before proceeding by asking the following questions:

- Is it against the law ?
- Is it against OR's policies ?
- Is it against OR's values or corporate culture ?
- Could there be any adverse effects on OR's stakeholders ?
- Could there be any adverse effects on OR's reputation ?
- Could there be any undesired corporate culture in the future ?

If the answer to any of the above questions is "yes", they should refrain from the action. Should any employees have doubts whether a certain action complies with good practices or code of ethics presented in this Handbook, they should seek advice from colleagues, supervisors or Board of Directors. The management is responsible for advising its subordinates or consulting with the Office of President and Corporate Secretary.

Whistleblowing Policy

OR expects all personnel to monitor the compliance with OR's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook, and encourages all personnel to raise their questions and concerns. In addition, OR personnel can report any misconduct or non-compliance, or send their enquiry to the Office of President and Corporate Secretary, the Internal Audit Department or the Human Resource and Organization Development Department.

Every enquiry will be treated fairly, transparently, with due care and fair judgment and response will be provided in a timely manner. Whistleblowers will be protected both during and after the investigation.

Complaint Channels on Business Ethics

In case of violation or non-compliance with OR's Corporate Governance, Ethical Standards and Business Ethics Handbook, any enquiry or complaint can be sent to the following channels:

E-mail	officeofCEO@pttor.com
Regular Mail	Office of President and Corporate Secretary PTT Oil and Retail Business Public Company Limited 555/2 Energy Complex Building B, 12 th Floor, Vibhavadi Rangsit Rd., Chatuchak, Chatuchak, Bangkok 10900, Thailand

Definition and Meaning

Good corporate governance is a management structure and mechanism within the organization to create relations among OR's Board of Directors, the management, employees and shareholders to serve the best interests of shareholders, taking into account the interests of all stakeholders. OR's corporate governance embraces the following principles:

- | | |
|--|---|
| 1. Accountability | Responsibility for one's own decisions and actions, and ensuring they can be explained and clarified. |
| 2. Responsibility | Efficient performance of duties and to the best of one's abilities. |
| 3. Equitable Treatment | Fair and equitable treatment of all stakeholders. |
| 4. Transparency | Ensuring corporate operations can be examined and information is disclosed to relevant parties. |
| 5. Vision to Create Long-term Value | Looking towards the future to create long-term added value and sustainable growth. |
| 6. Ethics | Existence of business ethics and code of conduct. |

The Importance of Good Corporate Governance

1. To establish a transparent management system of international standards in order to strengthen OR's competitiveness, as well as protect against and eliminate any conflicts of interest.
2. To build confidence among domestic and foreign investors by encouraging communication between OR and its stakeholders, and to maximize the value of the company's shares.
3. To provide a tool to measure OR's performance and monitor its operations to improve efficiency.
4. To build a responsibility framework of the Board and management towards all stakeholders and the management's delegated authorities.

Good Practices according to Good Corporate Governance Principles

OR's Board of Directors has prioritized the following 8 corporate governance principles as their guiding principles:

1. Establish clear leadership role and responsibilities of the Board
2. Define objectives that promote sustainable value creation
3. Strengthen Board effectiveness
4. Ensure effective CEO and people management
5. Nurture innovation and responsible business
6. Strengthen effective risk management and internal control
7. Ensure disclosure and financial integrity
8. Ensure engagement and communication with shareholders.

1. Establish Clear Leadership Role and Responsibilities of the Board

1.1 The Board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including:

- defining objectives
- determining means to attain the objectives
- monitoring, evaluating, and reporting on performance.

1.2 To achieve sustainable value creation, the Board should exercise its leadership role and pursue the following governance outcomes:

- competitiveness and performance with long-term perspective
- ethical and responsible business
- good corporate citizenship
- corporate resilience.

In this regard, the Board will adhere to the following guidelines:

1.2.1. In evaluating the performance of the company, the Board should not just consider the company's financial results but also take into account non-financial performance such as its ethical performance and impact on stakeholders, society and the environment.

1.2.2. The Board should assume a leadership role in creating and driving a culture of compliance and ethical conduct throughout the company, and lead by example.

1.2.3. The Board should ensure the creation of written policies and guidelines, such as codes of ethics, and business conduct, applicable to all directors, executives, employees and staff of the company.

- 1.2.4. The Board should ensure effective implementation including regular communication of the company's policies and guidelines to all directors, executives, employees and staff. The Board should ensure adequate mechanisms are in place for monitoring, reviewing and reporting compliance with the company's policies and guidelines.
- 1.3. The Board should ensure that all directors and executives perform their responsibilities in compliance with their fiduciary duties, and that the company operates in accordance with applicable law and standards. The Board is responsible for the implementation of adequate systems and controls to ensure that the company complies with applicable law and standards for specified matters, including material investment, related party transaction, acquisition/disposal of assets, and dividend payment decisions.
- 1.4. The Board should demonstrate a thorough understanding of the division of Board and management responsibilities. The Board should clearly define the roles and responsibilities of management and monitor management's proper performance of its duties.
- 1.4.1. The Board should adopt a charter that clearly sets out the roles and responsibilities of the Board and management. The charter should be reviewed on a yearly basis.
- 1.4.2. The Board shall have the composition, qualifications, scope of authority, responsibility and the term as specified in the Board of Directors Charter.
- 1.4.3. The Board is responsible and accountable for the overall affairs of the company but may delegate day-to-day management duties. The Board must provide written directions to management that clearly set out management's responsibilities.

Division of Board and management's responsibilities are as follows:

Matters for which the Board has primary responsibility

Matters for which the Board has primary responsibility are matters that the Board should fully consider. Some matters may be decided following recommendation by management section as appropriate.

- (1) Defining objectives and business model.
- (2) Developing culture of compliance and ethical conduct, and lead by example.
- (3) Strengthening an effective Board structure and practices conducive for achieving the company's objectives.
- (4) Ensuring suitable CEO selection, remuneration, development, and performance evaluation.
- (5) Ensuring appropriate compensation architecture that supports achievement of the company's objectives.

Matters involving shared responsibility of the Board and management

Matters involving shared responsibility of the Board President and President and Chief Executive Officer and management are matters requiring joint consideration between the Board and management. The Board must closely monitor these matters and seek regular reports from management.

- (1) Formulating and reviewing policies and strategies, plans and targets.
- (2) Ensuring robust system for risk management and internal control.
- (3) Clearly defining management's responsibilities.
- (4) Overseeing appropriate policies and plans for resource allocation, including HR, IT, and budgeting.

- (5) Monitoring and evaluating financial and non-financial corporate performance.
- (6) Ensuring integrity of financial and non-financial information disclosures.

Matters that the Board shall delegate to others

Matters that the Board assign other persons to act on behalf of the Board are matters in which the Board should refrain from active involvement in normal circumstances.

- (1) Engaging in activities which under normal circumstances are not expected roles of the Board, including day-to-day management and decisions (such as procurement and staffing), ongoing monitoring that conduct and operations are in compliance with the company's policies, strategies, plans, and applicable law and standards.
- (2) Not getting involved in or influencing matters in which a director may have vested interests.

2. Define Objectives that Promote Sustainable Value Creation

- 2.1. The Board should define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the company.
 - 2.1.1. The Board should ensure that the company has clearly defined objectives that support the company's business model. The Board should ensure company-wide communication of the objectives, for instance, in the form of the company's vision and values, or principles and purposes.
 - 2.1.2. The Board should ensure that the company's objectives lead to the business model for sustainable value creation.
 - 2.1.3. The company's values should reflect characteristics of good corporate governance, such as accountability, integrity, transparency, and due consideration of social and environmental responsibilities.

2.1.4. The Board should promote a good corporate governance culture and strive to have the company's objectives embedded in company-wide decision-making and conduct through effective communication and leading by example.

2.2. The Board should ensure that the company's annual and medium-term objectives (3-5 years), goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively.

2.2.1. The Board should ensure that the company's annual and medium-term (for example, 3 - 5 years) objectives, goals, strategies, and plans correlate and align with the company's long-term objectives, while considering the business environment, opportunities, and the company's risk appetite. The Board should ensure that the company's medium-term objectives, goals, strategies, and plans are annually reviewed and updated as appropriate.

2.2.2. The Board should ensure that the company's strategies and plans take into account all relevant factors influencing the value chain, including the company's ecosystem, risks, resources, competitiveness, and stakeholders. The Board should ensure that a mechanism for stakeholder engagement is in place

2.2.3. When developing strategies and plans, the Board should promote innovation and the use of technology to enhance competitiveness, respond to stakeholder concerns and expectations, and meet social and environmental responsibilities.

2.2.4. In considering the approval of the company's targets (financial and non-financial), the Board should ensure that they are suitable to the

company's business profile, and they do not cause the company to engage in illegal or unethical conduct.

2.2.5. The Board should ensure effective communication of the company's objectives, goals, strategies, plans, and targets throughout the company.

2.2.6. The Board should ensure proper resource allocation and effective systems and controls, and monitor the implementation of the company's strategies and plans.

3. Strengthen Board Effectiveness

3.1. The Board should be responsible for determining and reviewing the Board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the company's objectives.

3.1.1. The Board should establish a skills matrix to ensure that the Board consists of directors with appropriate and the necessary qualifications, knowledge, skills, experience, character traits, with an appropriate gender and age balance and diversity to achieve the objectives of the company and stakeholder interests. At least one of the non-executive directors should be experienced and competent in oil and/or retail business.

3.1.2. Each director must be qualified under the Public Company law and the Standard Qualifications for State Enterprise Directors and Employees law. Each director must have no record of suspicion concerning any behaviour against the fiduciary duty for public company limited under the law or the regulations and notifications announced by the Securities and Exchange Commission.

3.1.3. The proportion between executive directors and non-executive directors should support proper checks and balances, whereby:

- (1) the majority of the Board should be non-executive directors, who exercise objective and independent judgement;
- (2) the number and qualifications of the independent non-executive directors should reflect applicable legal requirements, as well as other qualifications as required by the Securities and Exchange Commission or the Securities Exchange of Thailand or OR (as defined in the Appendix). The Board should ensure that the independent directors and the entire Board can fulfil its role and responsibilities efficiently and in the best interest of the company while exercising objective and independent judgement. Independent directors must freely express their opinion in meetings as specified in Roles and Responsibilities of OR Independent Directors (in the Appendix).

3.1.4. The Board should explicitly disclose in the company's annual information disclosure (Form 56-1), Annual Report (Form 56-2) and on the website its diversity policies and details relating to directors, including directors' age, gender, qualifications, experience, shareholding percentage, years of service as director, and director position in other listed companies.

3.2. The Board should select an appropriate person as the Chairman and ensure that the Board composition serves the best interest of the company, enabling the Board to make its decisions as a result of exercising independent judgement on corporate affairs.

3.2.1. The Chairman of the Board should be an independent director.

3.2.2. The Chairman's roles and responsibilities are different from those of the President and Chief Executive Officer. The Board should clearly define the roles and responsibilities of both positions. To ensure effective checks and balances of power, the two positions should be held by different individuals.

3.2.3. The Chairman is responsible for leading the Board. The Chairman's duties should at least cover the following matters:

- (1) Oversee, monitor, and ensure that the Board efficiently carries out its duties to achieve the company's objectives.
- (2) Ensure that all directors contribute to the company's ethical culture and good corporate governance.
- (3) Set the Board meeting agenda by discussing with the President and Chief Executive Officer which important matters should be included.
- (4) Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the company.
- (5) Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the Board and management section.

3.2.4. If the roles and responsibilities of the Chairman and the President and Chief Executive Officer are not clearly separated, for instance, when the Chairman and the President and Chief Executive Officer are the same person, the Chairman is not an independent director, the Chairman and the President and Chief Executive Officer are family

members, or the Chairman is a member of the management team or has been assigned a management role, the Board should ensure the balance of power and authority of the Board and between the Board and management by:

- (1) having the Board comprise a majority of independent directors, or
- (2) appointing a designated independent director to participate in setting the Board meeting agenda.

3.2.5. The Board should appoint relevant committees to review specific matters, to screen information, and to recommend action for Board approval; however, the Board remains accountable for all decisions and actions.

3.2.6. The Board should establish the policy that the tenure of an independent director should not exceed a cumulative term of nine years from the first day of service. Upon completing nine years, an independent director may continue to serve on the Board, subject to the Board's rigorous review of his/her continued independence.

3.2.7. The Board should disclose the roles and responsibilities of the Board and the committees, the number of meetings and the number of directors participating in meetings in the previous year, Board and committee performance.

3.3. The Board should ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the board. When proposing director remuneration to the shareholders' meeting for approval, the Board should consider whether the remuneration structure is appropriate for the directors' respective roles and

responsibilities, linked to their individual and company performance, and provide incentives for the Board to lead the company in meeting its objectives, both in the short and long terms.

If the Board appoints any person to consult with the nomination and remuneration committee, that consultant's information should be disclosed in the annual report, including information regarding independence and any conflicts of interest.

- 3.4. The Board should ensure that all directors are properly accountable for their duties, responsibilities and (in-) actions, and allocate sufficient time to discharge their duties and responsibilities effectively.

3.4.1 The Board should ensure that there is a mechanism to support directors in understanding their roles and responsibilities, and the time commitment expected from them.

3.4.2. OR directors shall serve in a director position for a state enterprise and/or a juristic person as follows:

- (1) Serving in a director position for no more than three state enterprises and / or juristic persons shared by a state enterprise.
- (2) Serving in a director position for no more than three companies listed in the Stock Exchange of Thailand, which must not contradict the criteria in (1)

The total number of director positions in (1) and (2) must not exceed five.

- 3.4.3. The Board should ensure reporting and public disclosure of directors assuming or holding positions at other companies.

- 3.4.4. The Board should ensure that the company's policies prohibit and prevent a director from creating a conflict of interest with the company, including by using the company's assets, information or opportunities for his or her own benefit, as a result of having or taking a director or management position, or having or creating vested interests, both directly and indirectly, in other companies. Information about a director's other directorships and positions should be reported to shareholders, as appropriate.
- 3.4.5. The Board should fully devote its time and efforts to concentrating on OR's operation and shall regularly attend meetings, at least once a month or as deemed necessary. Each director should attend not less than 75 percent of all Board meetings. The Corporate Secretary shall coordinate the meetings and prepare necessary documents and invitations. The quorum shall comprise at least half of the total number of directors.
- 3.4.6. If a director is necessarily unable to attend a meeting, a written notice must be submitted to the Chairman of the Board. If a director is absent from more than three consecutive Board meetings without an acceptable reason, it shall be interpreted as unwillingness to act as a director of OR.
- 3.4.7. Any director who may either have interest or involvement in any item on the agenda must not vote or express views on that item and/or shall leave the meeting room when it is discussed.
- 3.5. The Board should ensure that the company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate, as specified by OR

regulations regarding investment criteria and management of investment budget and investment governance directions of OR Group B.E. 2561.

- 3.6. The Board should conduct a formal annual performance evaluation of the Board, its committees and each individual director. The evaluation results should be used to strengthen the effectiveness of the Board.

3.6.1. The assessment is comprised of

- (1) Assessment of the Board
- (2) Assessment of Individual Director (Self-assessment)
- (3) Individual Assessment of Other Directors (Cross-assessments)
- (4) Self-assessment of the Committees (the entire committees)

3.6.2. The performance evaluation results shall be reported to the Board and disclosed in the annual report.

3.6.3. The company may appoint an external consultant to assist in setting guidelines and providing recommendations for a Board assessment at least once every three years. This information should be disclosed in the annual report.

3.6.4. The evaluation results should be used for ensuring that the directors collectively possess the right combination of knowledge, skills, and experience.

- 3.7. The Board should ensure that the Board and each individual director understand their roles and responsibilities, the nature of the business, the company's operations, relevant law and standards, and other applicable obligations. The Board should support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the Board and Board committees.

3.7.1. The Board should ensure that newly appointed directors receive a formal and proper induction and all information relevant to their responsibilities and performing their duties, including details about the company's objectives, the nature of the business, and the company's operations.

The Board should ensure that directors regularly receive sufficient and continuous training and knowledge development e.g. courses offered by the Institute of Directors Association (IOD) and other, including in-house briefing by experts and consultant companies with helpful business data.

3.7.2. The Board should have knowledge and understanding of relevant law and standards, and other applicable obligations, risk factors, and the company's business environment. The Board should receive accurate, timely and clear information, including timely and regular updates.

3.7.3. The Board should disclose in the Annual Report training and knowledge development of the Board.

3.8. The Board should ensure that it can perform its duties effectively and have access to accurate, relevant and timely information. The Board should appoint a Corporate Secretary with necessary qualifications, knowledge, skills, and experience to support the Board in performing its duties.

3.8.1. The Board's meeting schedule and agenda should be set in advance and each director should receive sufficient notice to ensure attendance.

3.8.2. The number of Board meetings should be appropriate to the obligations and responsibilities of the Board and nature of the business, but the Board should meet at least six times per financial

year. If the Board meetings are not held monthly, the Board should receive a report on the company's performance for the months in which the Board does not hold a meeting, so that it can monitor management and company performance continuously and promptly.

- 3.8.3. The Board should have a mechanism that allows each Board member and management to propose the inclusion of relevant items on the meeting agenda.
- 3.8.4. Meeting documents should be sent to each director at least seven days before the meeting. Except in the case of urgency to preserve the rights or benefits of the company, the meeting may be notified by other means and the date of the meeting can be determined earlier than usual.
- 3.8.5. The Board should encourage the President and Chief Executive Officer to invite key executives to attend Board meetings to present details on the agenda items related to matters that they are directly responsible for, and to allow the Board to gain familiarity with key executives and assist succession planning.
- 3.8.6. The Board should have access to accurate, relevant, timely and clear information required for their respective roles from the President and Chief Executive Officer, Corporate Secretary, or designated executive. If necessary to discharge their responsibilities, the Board may seek independent professional advice at the company's expense.
- 3.8.7. The independent directors must hold their own meeting at least once a year, and report their independence upon the appointment and on a yearly basis. The Board must conduct an annual self assessment to examine its performance and disclose the results in the Annual Report.

- 3.8.8. Non-executive directors should be able to meet, as necessary, among themselves without the management team to debate their concerns and report the outcome of their meeting to the company's President and Chief Executive Officer.
- 3.8.9. The quorum shall comprise at least half of the total number of directors.
- 3.8.10. The Board shall appoint the Corporate Secretary in accordance with the Securities and Exchange law. The responsibilities of the Corporate Secretary are to assemble documents for meetings, retain and submit a copy of the report of conflict of interests filed by directors or executives to the Chairman of the Board and the Chairman of the Audit Committee within seven days. The Corporate Secretary shall be in charge of other tasks as directed by the Capital Market Supervisory Board in accordance with the Securities and Exchange law. The Chairman of the Board shall notify the appointment of the Corporate Secretary to the Office of the Capital Market Supervisory Board within 14 days.
- 3.8.11. The Board should appoint a Corporate Secretary with the necessary qualifications, knowledge, skills, and experience for performing his/her duties, including providing advice on corporate governance, legal, regulatory and administrative requirements, preparing Board meetings and other important documents, supporting Board meetings, and coordinating the implementation of Board resolutions. The Board should disclose the qualifications and experience of the Corporate Secretary in its Annual Report and on the company's website.

3.8.12. The minutes of the Board meetings must be clear and contain the resolutions of the meeting and the comments of the Board for reference.

3.8.13. The Corporate Secretary should receive ongoing training and education relevant to performing his/her duties. The Corporate Secretary is also encouraged to enrol on a Corporate Secretary certified programme.

4. Ensure Effective CEO and People Management

4.1. The Board should ensure that a proper mechanism is in place for the nomination and development of the President and Chief Executive Officer and key executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the company to achieve its objectives.

4.1.1. The Board should establish, or assign the Nomination and Remuneration Committee to establish the criteria and procedures for nomination and appointment of the President and Chief Executive Officer.

4.1.2. The Board should ensure that the President and Chief Executive Officer appoints knowledgeable, skilled, and experienced key executives. The Board or the Nomination and Remuneration Committee together with the President and Chief Executive Officer should establish the criteria and procedures for nomination and appointment of key executives.

To ensure business continuity, the Board should ensure that development and succession plans for the President and Chief Executive Officer and key executives are in place. The Board should annually request reporting on the implementation of the

development and succession plans from the President and Chief Executive Officer.

OR has developed a succession plan for personnel to assume higher positions, namely: the President and Chief Executive Officer, Senior Executive Vice President or equivalent, and Vice President or equivalent.

- 4.1.3. The Board should promote continuous development and education of the Chief Executive Officer and key executives that is relevant to their roles.
- 4.1.4. The principles for executives when taking the positions as committee, advisor, professional or other positions in other companies or other juristic persons, shall be as follows:
 - (1) In case the chief executives of company are appointed by the royal command or by the cabinet, according to any jurisdiction, to take other positions apart from working for OR, the chief executives shall notify the Board, which they are working for, of such appointment.
 - (2) In case the chief executives of company are appointed by government units, state-enterprises, NGO or public education institutes to take the position as committee, member of a working group, specialist, professional, advisor or other positions apart from working for OR, the chief executives shall notify the Board, which they are working for, of such appointment for their consideration and acknowledgement.
 - (3) In case the chief executives of company are about to take the position as committee, member of a working group, specialist,

professional, advisor, or other positions in other companies or other juristic persons apart from those provided in item (2) and not working for OR, the chief executives shall notify the Board, which they are working for, before accepting such appointment.

- (4) The executives and the employees who are not the chief executives of OR but subjected to item (1), (2) and (3) above shall notify the chief executives of OR for recognition and consideration, before accepting such appointment.

4.2. The Board through the Nomination and Remuneration Committee should ensure that an appropriate compensation structure and performance evaluation are in place.

4.2.1. The Board should ensure that the compensation structure rewards individual performance, incentivises the President and Chief Executive Officer, key executives, employees and staff at all levels to act in support of the company's objectives and values, and fosters long-term commitment by aligning incentives with future company performance through:

- (1) appropriate combination of salary and other short-term compensation (such as bonus), and long-term compensation (such as employee stock ownership plan)
- (2) ensure that the individual total compensation takes into account industry standards and company performance
- (3) predetermined and communicated performance evaluation criteria.

4.2.2. Non- executive directors are responsible for determining the total compensation of, and performance evaluation criteria for the President and Chief Executive Officer. The non-executive directors should:

- (1) ensure that the President and Chief Executive Officer's performance evaluation is based on pre-determined criteria that have been communicated to the President and Chief Executive Officer in advance. The performance evaluation criteria should incentivise the President and Chief Executive Officer to perform his/her duties in support of the company's objectives, values, and long-term sustainable value creation,
- (2) perform, or delegate to the remuneration committee, the annual performance evaluation of the President and Chief Executive Officer. The Chairman or a designated senior director should communicate the results (including development areas) of the performance evaluation to the President and Chief Executive Officer.
- (3) approve total annual compensation of the President and Chief Executive Officer, taking into consideration the performance of the President and Chief Executive Officer and other relevant factors.

4.2.3. The Board should approve the performance evaluation criteria and overall compensation structure of key executives. In addition, the Board should ensure that the President and Chief Executive Officer evaluates the performance of key executives based on clear and predetermined performance evaluation criteria.

- 4.2.4. The Board should ensure that clear and predetermined performance evaluation criteria are in place for all employees and staff throughout the company.
- 4.3. The Board should consider its responsibilities in the context of the company's shareholder structure and relationships, which may impact the management and operation of the company.
 - 4.3.1. The Board should demonstrate a thorough understanding of the company's shareholder structure and its impact on the control and management of the company.
 - 4.3.2 The Board should ensure that the company's shareholder structure and relationships do not affect the Board's exercise of its duties and responsibilities, including in relation to succession planning, in the best interest of the company.
 - 4.3.3. The Board should oversee that information is properly disclosed when there are any conditions that have an impact on the control over the company.
- 4.4. The Board should ensure the company has effective human resources management and development programmes to ensure that the company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.
 - 4.4.1. The Board should ensure that the company is properly staffed, and that human resources management aligns with the company's objectives and furthers sustainable value creation. All employees and staff must receive fair treatment.
 - 4.4.2. The Board should ensure that the company establishes a provident fund or other retirement plan, and require management to implement

a training and development programme for employees and staff that promotes financial literacy, including on retirement savings, and educates employees and staff on life path investments that are suitable for their age and risk appetite.

5. Nurture Innovation and Responsible Business

5.1. The Board should prioritise and promote innovation that creates value for the company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the company.

5.1.1. The Board should prioritise and promote a corporate culture that embraces innovation and ensure management's inclusion of innovation in corporate strategy, operational development planning, and operation monitoring.

5.1.2. The Board should nurture innovation that enhances long-term value creation for the business in a changing environment. Such innovation may include designing innovative business models, products and services, promoting research, improving production and operation processes, and collaborating with partners. Innovation should create benefits for the company, customers, business partners, the community, society and the environment. In addition, innovation should not facilitate or result in unethical, non-compliant or illegal conduct by individuals or the company.

5.2. The Board should encourage management to adopt responsible operations, and incorporate them into the company's operations plan. This is to ensure that every department and function in the company adopts the company's

objectives, goals, and strategies, applying high ethical, environmental and social standards, and contributes to the sustainable growth of the company.

5.2.1. The Board should encourage management to ensure that the company's operations reflect the company-wide implementation of high ethical, environmental and social standards and ensure that appropriate company-wide policies and procedures are implemented to further the company's objectives, goals and strategies in support of sustainable value creation. Policies and procedures for running the business fairly and respecting and adhering to stakeholders' rights should at least cover:

- (1) Responsibilities to employees, staff, and workers at least by adhering to applicable law and standards and providing fair treatment and respect for human rights, including a fair level of remuneration and other benefits, a level of welfare that is not less than the legal limit (but can be over the legal limit where appropriate), health care, non-discrimination and safety in the workplace, access to relevant training, potential skills development and advancement.
- (2) Responsibilities to customers at least by adhering to applicable law and standards, considering impact on health, safety of products and services, customer information security, sales conduct, after-sales service throughout the lifespan of products and services, and following up on customer satisfaction measurements to improve the quality of products and services. In addition, advertising and public relations should promote responsible consumption and must be done responsibly, avoiding taking advantage of or misleading customers, or causing

misunderstanding about the products and services offered by the company.

- (3) Responsibilities to business partners by engaging in and expecting fair procurement and contracting, including fair contract or agreement conditions, providing access to training, developing potential and enhancing production and service standards in line with applicable law and standards, and expecting and supervising business partners to respect human rights, social and environmental responsibilities, and treat their employees, staff, and workers fairly including ensuring that business partners have implemented sustainable and values-based business policies and procedures.
- (4) Responsibilities to the community by applying business knowledge and experience to develop and follow up on the success of projects that can concretely add value to the community while respecting community interests.
- (5) Responsibilities to the environment by preventing, reducing and managing negative impact on the environment from all aspects of the company's operations, including in the context of raw material use, energy use, water use, renewable resources use, rehabilitating the diversity of biology, waste management, and greenhouse gas emissions.
- (6) Fair competition by promoting ethical business conduct and not using anti-competitive practices to gain or protect a market position.

- (7) Anti-fraud and corruption by ensuring that the company complies with applicable anti-fraud and corruption law and standards, and implements, announces and reports on anti-fraud and corruption policies and practices to the public, including on its participation in private sector anti-corruption initiatives and certification programmes. The Board should encourage the company to collaborate with other companies and business partners to establish and implement anti-fraud and corruption measures.
- 5.3. The Board should ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the company to meet its objectives.
 - 5.3.1. The Board should have a thorough understanding of the company's resource needs to support its business model, and how available resources correlate.
 - 5.3.2. The Board should have a thorough understanding of how the business model affects resources optimisation in support of ethical, responsible, and overall sustainable value creation.
 - 5.3.3. The Board should ensure that management continuously reviews, adapts, and develops the company's use and optimisation of resources, considering internal and external factors to meet the company's objectives.
- 5.4. The Board should establish a framework for governance of enterprise IT that is aligned with the company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the company's objectives.

5.4.1. The Board should ensure that the company has an IT resource allocation policy that ensures adequate and optimal investment in and allocation of IT resources.

5.4.2. The Board should ensure that the company's risk management includes IT risk management.

5.4.3. The Board should ensure that IT security policies and procedures are in place. The company's governance of enterprise IT should cover:

- (1) Compliance with relevant law and standards.
- (2) An information security system to safeguard against unauthorised access to information, measures to maintain the integrity of relevant data and ensure availability of critical data.
- (3) Consideration of IT risks and risk mitigation policies, plans, and measures. For example, business continuity management, IT security, incident management, and IT asset management.
- (4) Proper allocation and management of IT resources, including criteria to identify IT priorities, that takes into consideration the company's business model.

6. Strengthen Effective Risk Management and Internal Control

6.1. The Board should ensure that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, goals and strategies and comply with applicable law and standards.

6.1.1. The Board should be aware of and understand the nature and scope of the company's principal and substantial risks and should approve the risk appetite of the company.

- 6.1.2. The Board should ensure the establishment and implementation of risk management policies that are consistent with the company's goals, objectives, strategies and risk appetite. The risk management policies should support identification and prioritisation of early warning signals of material risks. The risk management policies should be reviewed regularly.
- 6.1.3. The Board should ensure that the company's principal and substantial risks are identified through consideration of internal and external factors.
- 6.1.4. The Board should ensure that the impact and likelihood of identified risks are assessed and prioritised, and that suitable risk mitigation strategies and plans are in place.
- 6.1.5. Considering the size and nature of the company, the Board may establish a risk management committee or assign responsibility to the Audit Committee to assist the Board in its oversight functions related to guidelines nos. 6.1.1 – 6.1.4.
- 6.1.6. The Board should regularly monitor the effectiveness of the company's risk management.
- 6.1.7. The Board has to ensure and monitor that the company complies with relevant and applicable law and standards, whether domestic, international or foreign.
- 6.1.8. In assessing the effectiveness of the company's internal controls and risk management, the Board should consider the results of internal controls and risk management at its subsidiaries and businesses in which it has a significant investment (between 20 percent to 50 percent of shares with voting rights).

- 6.2. The Board shall establish an Audit Committee that can act effectively and independently. The Audit Committee have qualifications, scopes of authority and responsibility and terms of office as specified in OR regulation regarding audit committee and internal audit department B.E. 2561.
- 6.2.1. The Board should ensure that procedures are established that allow the Audit Committee to fulfil its duties and responsibilities, including by having access to management, employees and staff, professional advisors (such as external auditor), and information relevant and necessary to perform their duties.
- 6.2.2. The Board should ensure the designation of an internal auditor or establish an independent internal audit function that is responsible for reviewing and improving the effectiveness of risk management and internal control systems, and reporting review results to the Audit Committee. The result of the internal audit review must be disclosed in the company's annual report.
- 6.2.3. The Audit Committee should express its opinion on the adequacy of the company's internal control and risk management systems, and disclose its opinion in the company's annual report.
- 6.3. The Board should manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders. The Board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.
- 6.3.1. The Board should establish an information security system, including appropriate policies and procedures, to protect confidentiality, integrity, and availability of business information, including market-

sensitive information. The Board should monitor the implementation of the information security policies and procedures and the adherence to confidentiality requirements by insiders, including directors, executives, employees and staff, and professional advisors, such as legal or financial advisors.

6.3.2. To prevent insider trading, the Board, management, vice presidents level up in accounting or finance as well as those with access to information are to strictly observe the following measures:

- (1) Directors and management vice presidents level up in accounting or finance as well as employees with access to information who know undisclosed internal information and the information with effect on securities price and value are not allowed to use the abovementioned information for purchasing, selling, offering to purchase, offering for sale or suggesting others to purchase, sell, offer to purchase or offer for sale company's securities both directly or indirectly whether it benefits themselves or others.
- (2) Directors, management and employees or former ones are to keep confidential the company's internal data they know from their duties. They are not allowed to seek benefits from the said information in a wrong way or reveal to the public.
- (3) Directors and employees have duties to abide by the internal information utilization direction specified in the Securities and Exchange Act B.E. 2535 (including additional amendments), guidelines for managing confidential information that affects securities price as well as other related rules and company's internal data usage protection policy.

- (4) It is forbidden to purchase or sale OR shares within 45 days (for quarterly financial statements) and 60 days (for the annual financial statements) and they should wait for 2 days after the information is disclosed to the public. They must also refrain from OR securities trading. In case of necessity, they must notify Corporate Secretary at least 2 days in advance.
- (5) It is forbidden to disclose such information that may affect OR share price to external or unrelated parties.

6.3.3. The Board shall disclose any changes in OR's securities holdings in accordance with the regulations established by the Securities and Exchange Commission and provide the report of such changes to the Board of Directors' Meeting and shall be disclosed in the Annual Information Disclosure (Form 56-1) and Annual Report (Form 56-2).

6.3.4. The Board should ensure management and monitoring of conflict of interest situations and transactions. The Board should adopt an ethics and conflicts of interest policy consistent with applicable law and standards (including fiduciary duties), and establish clear guidelines and procedures for disclosure and decision-making in conflict of interest situations. For example, any party who has a vested interest in a particular transaction, should disclose that interest, and not be involved in the decision-making.

6.3.5. The Board should set requirements for all directors to report conflicts of interest in relation to any meeting agenda item at least before consideration of the matter at the meeting and record the reported conflict of interest in the meeting minutes. The Board should also ensure that all directors that have a conflict of interest in relation to

an agenda item abstain from being present for discussion of or voting on that agenda item.

6.4. The Board should establish a clear anti-corruption policy and practices (including communication and staff training), and strive to extend its anti-corruption efforts to stakeholders.

6.4.1. The Board must have an effective system supporting anti-corruption to make sure that administrative department is aware and prioritise anti-corruption and follow the measure.

6.4.2. The Board should ensure company-wide awareness and implementation of the company's anti-corruption policy and practices, and compliance with applicable law and standards.

6.5. The Board should establish a mechanism for handling complaints and whistleblowing.

6.5.1. OR expects all personnel to monitor the compliance with OR's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook, and encourages all personnel to raise any questions and concerns they may have regarding these policies. In addition, personnel can report any misconduct or non-compliance, or send their enquiry to the Office of President and Corporate Secretary, the Internal Audit Department or the Human Resource and Organization Development Department.

6.5.2. The Board should oversee that an effective mechanism is in place to record, track, resolve, and report complaints and feedback. The Board should ensure the availability of convenient complaint channels (more than one), and that stakeholders are made aware through the

company's website or Annual Report of all channels available for complaints.

6.5.3. The Board should ensure that the company has a clear whistleblowing policy, including designated whistleblowing channels for reporting of suspected wrongdoing, such as through the company's website, e-mail, designated independent directors or the Audit Committee. The Board should ensure proper and effective handling of whistleblowing complaints, including the investigation, any remedial action, and reporting to the Board.

6.5.4. The Board should ensure that whistleblowers are protected from retaliation as a result of their good faith whistleblowing activities. Every enquiry will be treated fairly, transparently, with due care and fair judgment and responses will be provided in a timely manner. Whistleblowers will be protected both during and after the investigation.

7. Ensure Disclosure and Financial Integrity

7.1. The Board must ensure the integrity of the company's financial reporting system and that timely and accurate disclosure of all material information regarding the company is made consistent with applicable requirements.

7.1.1. The Board should ensure that any person (including chief financial officer, accountant, internal auditor, Corporate Secretary, Investors Relation officer) involved in the preparation and disclosure of any information of the company has relevant knowledge, skills and experience, and that sufficient resources, including staffing, are allocated.

7.1.2. When approving information disclosures, the Board should consider all relevant factors, including for periodic financial disclosures:

- (1) The evaluation results of the adequacy of the internal control system.
- (2) The external auditor's opinions on financial reporting, observations on the internal control system, and any other observations through other channels.
- (3) The Audit Committee's opinions.
- (4) Consistency with objectives, strategies and policies.

7.1.3. The Board should ensure that information disclosures (including financial statements, annual reports, and Form 56-1) reflect the company's financial status and performance accurately and fairly. The Board should promote the inclusion of the Management Discussion and Analysis (MD&A) in quarterly financial reports in order to provide to investors more complete and accurate information about the company's true financial status, performance and circumstances.

7.1.4. For disclosures related to any individual director, that director should ensure the accuracy and completeness of the information disclosed by the company, including of shareholders' information and any shareholders' agreement.

7.2. The Board should monitor the company's financial liquidity and solvency.

7.2.1. The Board should ensure that management regularly monitors, evaluates and reports on the company's financial status. The Board and management should ensure that any threats to the company's financial liquidity and solvency are promptly addressed and remedied.

- 7.2.2. The Board should ensure that it does not consciously approve any transactions or propose any transactions for shareholder approval which could negatively affect business continuity, financial liquidity, and solvency.
- 7.3. The Board should ensure that risks to the financial position of the company or financial difficulties are promptly identified, managed and mitigated, and that the company's governance framework provides for the consideration of stakeholder rights.
 - 7.3.1. In the event of financial risk or difficulties, the Board should enhance monitoring of the affairs of the company, and duly consider the company's financial position and disclosure obligations.
 - 7.3.2. The Board should ensure that the company has sound financial mitigation plans that consider stakeholder rights including creditor rights. The Board should monitor management's handling of financial risk or difficulties and seek regular reports.
 - 7.3.3. The Board should ensure that any actions to improve the company's financial position are reasonable and made for a proper purpose.
- 7.4. The Board should ensure sustainability reporting, as appropriate.
 - 7.4.1. The Board should consider and report data on the company's compliance and ethical performance (including anti- corruption performance), its treatment of employees and other stakeholders (including fair treatment and respect for human rights), and social and environmental responsibilities, using a report framework that is proportionate to the company's size and complexity and meets domestic and international standards. The company can disclose this

information in the Annual Report and in separate reports, as appropriate.

- 7.4.2. The Board should ensure that the company's sustainability reporting reflects material corporate practices that support sustainable value creation.
- 7.5. The Board should ensure the establishment of a dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders and other stakeholders (such as analysts and potential investors).
 - 7.5.1. The Board should establish a communication and disclosure policy to assist the company in meeting its disclosure obligations and to ensure that all information relevant and material to the company's shareholders, the market and third parties is disclosed in an appropriate, equal, and timely manner, using appropriate channels, while protecting the company's sensitive and confidential information. The Board should ensure company-wide communication and implementation of the company's communication and disclosure policy.
 - 7.5.2. The Board should ensure the creation of an Investor Relations function responsible for regular, effective and fair communication with shareholders and external parties. The company's designated Investor Relations contact should be suitable for the role and have a thorough understanding of the nature of the company's business, and its objectives and values.
 - 7.5.3. The Board should ensure that management sets clear directions for and supports the Investor Relations function (such as through a code

of conduct), and clearly defines the roles and responsibilities of the Investor Relations function, so as to ensure effective communication between the company, the financial community and other stakeholders.

7.6. The Board should ensure the effective use by the company of information technology in disseminating information.

7.6.1. In addition to the company's mandatory periodic and non-periodic disclosure of information pursuant to applicable requirements, the Board should consider regularly disclosing relevant information in both Thai and in English through other channels, such as the company's website.

Information to be disclosed on the company's website includes:

- (1) the company's objectives and values
- (2) nature of the company's business and the company's operations
- (3) list of the company's Board of directors and of executives
- (4) financial statements and reports about the financial status and the company's financial and non-financial performance for current and previous year
- (5) downloadable version of annual reports and SEC Form 56-1
- (6) information and documents that the company discloses to the investment community and other external parties
- (7) shareholding structure, both direct and indirect
- (8) the company's group structure, including subsidiaries, affiliates, joint ventures, and special purpose enterprises/vehicles (SPEs/SPVs)

- (9) direct and indirect major shareholders, holding at least 5 percent of paid-in capital with voting rights
- (10) direct and indirect shareholdings in the company held by directors, major shareholders, and key executives of the company
- (11) invitation letters to the shareholders' ordinary and extraordinary meetings
- (12) the company's regulations, and memorandum and articles of association
- (13) the company's corporate governance policy and related policies including IT governance policy, anti-corruption policy and practices, and risk management policy
- (14) a charter or statement of duties and responsibilities, directors' qualifications, Board composition, terms, and authority of the Board and Board committees.
- (15) Codes of ethics and business conduct.
- (16) contact information (name of department or relevant person, phone number, and e-mail) for complaints, investor relations and the Corporate Secretary.

8. Ensure Engagement and Communication with Shareholders

- 8.1. The Board should ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters.
 - 8.1.1. The Board should ensure that significant corporate decisions are considered and/ or approved by the shareholders pursuant to applicable legal requirements. Matters that require shareholder

approval should be included in the agenda for the shareholders' meeting and shareholders should be provided sufficient notice thereof.

8.1.2. The Board should support participation of all shareholders through reasonable measures, including:

- (1) Establishing criteria that allow minority shareholders to propose agenda items for shareholders' meetings. The Board should consider shareholders' proposals to be included in the agenda, and if the Board rejects a proposal, the reasons should be given at the meeting.
- (2) Establishing criteria for minority shareholders to nominate persons to serve as directors of the company.

The Board should ensure that measures and criteria are established and promptly disclosed to ensure shareholder engagement and participation.

8.1.3. The Board should ensure that the notice of the shareholders' meeting (including the Annual General Meeting (AGM)) is accurate, complete, and sufficiently in advance for the shareholders to exercise their rights.

8.1.4. The Board should ensure that the company arranges for the notice of the shareholders' meeting and related papers to be sent to shareholders and posted on the company's website at least 28 days before the meeting.

8.1.5. Shareholders should be allowed to submit questions prior to the meeting. The Board should therefore ensure that there are clear criteria and a process for shareholders to submit questions. The criteria should be posted on the company's website.

8.1.6. The notice of the shareholders' meeting and related papers should be fully translated into English and published at the same time as the Thai version.

The notice of the shareholders' meeting should comply with applicable legal requirements and include the following:

- (1) Date, time, and place of the meeting.
- (2) Meeting agenda and matters to be proposed for information, consideration or approval. The agenda should clearly specify each individual matter or item of information to be considered or approved, such as the separate listing of election of directors, and approval of directors' remuneration instead of a general reference to matters related to directors.
- (3) Sufficient information, objectives and reasons, and Board of directors' opinions, concerning each agenda item, including as follows:
 - a. Approval or rejection of dividend payment: dividend payment policy, proposed dividend payment rate, including reasons and supporting information, or reasons and supporting information for rejecting a dividend payment.
 - b. Appointment of directors: name, age, gender, education, experience, the number of listed companies and other companies where they each hold directorial positions, the criteria and procedures for selection, and types of proposed directors. Where proposed directors are those who are re-entering the same position, information must be identified about participation in meetings in previous years and the date of original appointment as a director.

- c. Approval of directors' remuneration: the policy and criteria for determining role-specific director remuneration and all monetary and non-monetary components of a director's remuneration.
 - d. Appointment of external auditors: auditor's name and the name of the auditor's audit firm, auditor's experience, independence, and audit and non-audit fees.
 - (4) Proxy form and supporting documentation using the form specified by the Ministry of Commerce.
 - (5) Other supporting information, including on voting procedures (such as voting count and verification of voting results criteria, voting rights of each class of shares) , details concerning independent directors proposed by the company to act as proxies for shareholders, and map of meeting venue.
- 8.2. The Board should ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights.
- 8.2.1. The Board should set the date, time, and place of the meeting by considering the interests of shareholders, such as allocating sufficient time for debate, and choosing a convenient location.
 - 8.2.2. The Board should treat each and every shareholder equally regardless of gender, age, race, nationality, religion, beliefs, political opinions, or disabilities. If a shareholder cannot attend the Shareholders' Meeting for any reason, the shareholder shall be entitled to appoint a proxy to attend the Shareholders' Meeting.
 - 8.2.3. Shareholders shall be entitled to appoint a proxy to attend the

Shareholders' Meeting. Each shareholder has the rights to receive a proxy form and instructions to complete the form. Any proxy who submits a completed proxy form to the committee at the Shareholders' Meeting shall be allowed to attend the meeting and vote on behalf of the shareholder. Alternatively, a shareholder may appoint an Independent Director as his proxy, and request the background and personal information of each Independent Director for their consideration.

- 8.2.4. The Board should ensure that the company does not through its meeting attendance requirements or prerequisites prevent attendance by or places an undue burden on shareholders, including as a result of identification requirements that exceed applicable legal and regulatory requirements.
- 8.2.5. In the interest of transparency and accountability, the Board should promote the use of information technology to facilitate the shareholders' meetings, including for registration and vote counting.
- 8.2.6. The Chairman of the Board is the Chairman of the shareholders' meeting with responsibility for compliance with applicable legal requirements and the company's articles of association, allocating sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the company.
- 8.2.7. To ensure the right of shareholders to participate in the company's decision-making process in relation to significant corporate matters by participating and voting at shareholder's meetings on the basis of sufficient notice and information, directors who are shareholder

should not be allowed to add items to the meeting agenda that have not been duly notified in advance.

8.2.8. All directors and relevant executives should attend the meeting to answer questions from shareholders on company-related matters.

8.2.9. The attending shareholders should be informed of the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, the meeting method, and the voting and vote counting methods before the start of the meeting.

8.2.10. There should not be any bundling of several items into the same resolution. For example, the appointment of each director should be voted on and recorded as separate resolution.

8.2.11. The Board should promote the use of ballots for voting on resolutions proposed at the shareholders' meeting and designate an independent party to count or to audit the voting results for each resolution in the meeting, and to disclose such voting results at the meeting by identifying the number of "for", "against" and "abstain" votes. The voting results for each proposed resolution should be included in the minutes of the meeting.

8.3. The Board should ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

8.3.1. The Board should ensure that the company discloses the results of voting on proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and through the company's website by the next business day.

8.3.2. The Board should ensure that minutes of the shareholders' meeting is

submitted to the Stock Exchange of Thailand within 14 days from the shareholders' meeting date.

8.3.3. The Board should ensure that the company promptly prepares the minutes of the shareholders' meeting, including the following information:

- (1) attendance of directors, executives, and the proportion of attending directors;
- (2) voting and vote counting methods, meeting resolutions, and voting results (“for”, “against”, and “abstain”) for each proposed resolution; and
- (3) questions asked and answers provided during the meeting, including the identity of the persons asking and answering the questions.

Meaning

OR's Ethical Standards is a set of standards for decent behaviors of OR personnel.

OR's Code of Business Ethics is the code of behaviors that OR personnel should follow in order to protect and promote the reputation and prestige of OR. The OR's Code of Business Ethics is a code of frameworks, standards, conducts and behaviours that all OR personnel, including the Board, management and employees at all levels, in all units, shall adopt when operating the business and conducting their work. They shall be applied consistently in order to establish firm foundation and maintain OR's image as an organization with sustainable growth.

1. **Ethics for Compliance with Laws and Regulations, and Human Rights Principles**

Global society is governed by rules of law. Although each country that OR invests in or associates with has a different legal system, culture and traditions, common Human Rights Principles are shared. OR and its personnel shall respect and operate in compliance with them as well as adhere to the righteousness, fairness and legitimacy.

Good Practices

1.1. OR personnel shall understand and abide by laws related to his / her roles and responsibilities. In case of doubt, they must consult the Legal Department. When doubt arises, do not proceed without taking legal advice.

1.2. When OR personnel perform their duties overseas, they must understand the laws, traditions, customs and cultures of their destination countries before departure to ensure that merchandise, samples and all belongings; travel documents; trip objectives and designated tasks are legitimate and culturally acceptable.

1.3. OR shall systematically collect laws, government rulings and regulations for OR personnel to study and provide appropriate legal training for OR personnel if necessary. OR directors shall provide orientation and legal training on applicable laws and regulations for executives and employees.

1.4. OR shall strictly abide by Human Rights Principles and provide OR personnel with knowledge and understanding of Human Rights Principles in order that they can apply such principles in their work. OR shall not support any business that violates Human Rights Principles

2. Ethics for Anti-Money Laundering

OR raises the awareness of the importance of national and international laws on Anti-Money Laundering and Combating the Financing of Terrorism. Therefore, OR has established the practices that conform to the Anti-Money Laundering Act with an aim to prevent itself at all times from falling into any cycle of money laundering or the financing of terrorism. OR places great importance on stringent monitoring and reporting to responsible authorities any sign of misconduct or unlawful acts. Concurrently, accurate accounts and records of all transactions, financial facts and assets are to be professionally and properly maintained as stipulated by applicable national and international laws.

Good Practices

2.1. OR personnel are required to strictly comply with applicable national and international laws, rules and regulations in respect of the Anti-Money Laundering and Combating the Financing of Terrorism in every region or country where they conduct business.

2.2. Before engaging in business, OR personnel are to be reminded to obtain fundamental facts regarding customers or trading partners they are dealing with. Such facts include basic business information like people who are directors

and the person with authorised signatories, rules and regulations; their business objectives, as well as, business relationships with OR. The information can be obtained simply by checking with readily available government documents or those issued by trustworthy independent organizations in order to prevent OR from being used as an intermediary in money laundering or terrorism financing.

2.3. Fully co-operate with relevant agencies in complying with regulatory national and international measures to prevent and suppress money laundering and combat terrorism financing.

2.4. Refrain from any acts aimed at concealing or covering up any unlawful conditions in order to make them appear legal. The conditions include the acquisition of any location, distribution right, transfer right, or any other rights which involve illegal activities according to the Anti-Money Laundering and Combating the Financing of Terrorism. Also, any behavior that supports the aforementioned acts must be avoided.

2.5. Caution must be taken when completing a transaction with any person or juristic person suspected of violating the laws on money laundering and terrorism financing. The violations are, for example, offenses relating to drugs and sexuality (such as trafficking in women and children, and female prostitution); public fraud; embezzlement and business fraud in financial institutions; malfeasance; any act of extortion, blackmail or any similar illegal wrongdoing; customs evasion according to customs law; terrorism offences according to the Criminal Code gambling offences (only when charged for hosting or facilitating gambling activities); election fraud; and human trafficking.

3. Ethics for Political Support

OR is a politically neutral organization and does not support any political party, group, or politician at the national, international or global level. OR

supports its personnel to uphold the democratic regime of government with the King as Head of State, as well as activities that align with local governing system and encourages its personnel to exercise their political rights in compliance with law.

Good Practices

3.1. OR shall be a politically neutral organization. Direct or indirect utilization of its resources to support political activities of any political party, group or politician is prohibited. None can exploit OR's resources and / or premises for political purposes.

3.2. OR encourages its employees to express, join, support and exercise their political rights outside office hours, using their personal resources only. OR personnel are prohibited from using OR's authority, resources, capital or reputation for fundraising or political purposes.

3.3. OR does not support lobbying on inappropriate, unreasonable or unethical principles such as utilising personal relationships or offering paybacks.

4. Ethics for Stakeholding and Conflicts

OR personnel shall carry out their duties for the optimal benefits of the Nation and OR, without any personal interest or influence from close relationships, by neither seeking for their own benefit nor having the conflict of interest. OR personnel shall always consider their duty to avoid conflicts of interest. If a conflict of interest occurs, OR personnel shall refrain from involvement in such operation and a replacement will be sought to avoid any accusation of conflict of interest or abuse of authority for personal benefit that may damage OR. All OR personnel shall strictly comply with precautionary measures and disclosure policy as directed by OR.

Good Practices

4.1. OR personnel are prohibited from using personal influence or authority in executing transactions between OR and themselves; any partnership or other legal entity; to which they may belong; or their relatives beyond the ordinary welfare and benefits that OR personnel deserve. Exceptions may be made if conflict of interest is disclosed and approval is specifically granted or approval is obtained in principle.

4.2. OR personnel and their relatives may enter normal business agreements not influenced by OR personnel and such business terms and conditions shall be conducted at arm's length with OR or its subsidiaries.

4.3. Any orders given for self-benefit are prohibited.

4.4. When agenda items are raised during the meetings, any person with a conflict of interest shall temporarily leave the meeting and shall not be given any related meeting documents to allow other attendees to consider, analyse and discuss the item without the influence of such person.

4.5. The Board and executives shall consider connected transactions between OR and its subsidiaries or affiliates independently with prudence and honesty and ethically taking into account the benefits to OR.

4.6. OR personnel at all levels shall report every potential conflict of interest that may arise involving themselves and / or their relatives using the designated form provided in this handbook. They shall report to their direct supervisor and submit the report to the Office of President and Corporate Secretary. OR personnel shall review and assess conflicts of interest as indicated in the annual self-assessment plan.

4.7. Directors, executives and the company's auditors must report any conflict of interest with OR, its subsidiaries or affiliates, as well as their OR share

holdings or those of connected persons in accordance with the rules and regulations established by the Securities and Exchange law.

4.8. Secondment to OR subsidiaries or affiliates is allowed with approval from supervisors, executives or directors, on a case-by-case basis. OR personnel shall not accept any temporary or permanent external engagements considered as competing with OR's business operations or that might cause any conflicts of interest. Exceptions may be made with the specific approval of supervisors.

4.9. The hiring of OR personnel's relative shall be undertaken on a transparent and fair basis, as with others with the same qualifications. OR personnel shall not intervene in, influence or facilitate the hiring of their relatives.

5. Ethics for Confidentiality, Safeguarding and Use of Inside Information

Confidential information is not public information; it is information that would adversely affect or severely damage the company if disclosed to the public or competitors. Confidential information includes all information given in trust to OR from trade partners and customers. OR is responsible for maintaining the confidentiality of information and may only disclose it to authorized personnel. It is the duty of the person in charge of or possessing the information to strictly maintain confidentiality and safeguard the information.

Good Practices

5.1. OR shall establish appropriate levels of confidentiality and applicable procedures. OR personnel must understand each confidentiality level. OR personnel shall seal confidential information to keep it from being viewed by unauthorized OR personnel or the public.

5.2. OR personnel shall not disclose confidential information even after their retirement, resignation or termination of their position at OR.

5.3. OR shall maintain customer and trade privacy. OR personnel shall not disclose private information to the public or other unauthorized OR personnel unless it is required by law, for court cases, or approved by the Board.

5.4. Inside information is operational and managerial confidential information that is not yet ready to be disclosed to the public. If such information was disclosed, it would impact OR, its subsidiaries and affiliates, particularly the trading prices of OR shares on the stock exchange. OR personnel must maintain the confidentiality of inside information and shall not disclose, exploit for self gain or to affect OR's benefit.

5.5. OR personnel shall receive warnings notices and campaigns regarding inside information, especially in relation to important situations such as the issue of company shares or debentures. OR personnel shall strictly comply with OR's good corporate governance in terms of Use of inside information.

5.6. When employing candidates who have previously worked with competitors or the government, OR shall enquire and study any confidential agreements the candidates may have had with their previous employers. OR shall not force the candidate to break their agreement with trade competitors or the government, which might give rise to consequent legal actions.

5.7. Information shall only be disclosed by authorized OR personnel. Unauthorized personnel shall not disclose the information. If any unauthorized person is asked to disclose information, a direct enquiry must be made to the authorized person to ensure the correctness and consistency of the disclosed information.

5.8. OR personnel shall retain information, both on paper and in an electronic format, for at least ten years for future retrieval. For such documents that must be kept in compliance with the law, OR personnel shall consider the

requirements on a case-by-case basis and safely destroy such documents when their retention period has expired.

6. Ethics for Practices with Customers

A customer is anyone who purchases goods and services from OR. A consumer is anyone who uses products and services manufactured and offered by OR. OR aims to foster customers and consumers' satisfaction by providing quality products and service at reasonable prices, as well as being accountable to both customers and consumers. In addition, OR personnel shall promptly, courteously and non-discriminatively provide services to customers and consumers.

Good Practices

6.1. OR is committed to developing high-quality products, providing quick services and offering comprehensive range of products and services to continuously meet the needs of customers and consumers. OR personnel shall completely devote themselves to fully responding to customers' and consumers' requirements for good-quality products and services at a reasonable price, with fair terms and conditions without any restriction of consumers' fundamental rights.

6.2. OR must neither deceive nor mislead regarding product or service quality. OR shall conduct detailed surveys or research studies of its products and services advertising. OR shall promote the consumer's understanding of its products and services without deception.

6.3. OR shall strive to develop the safety of its products and services. OR shall provide warning labels and product description, inspect safety on OR premises and strictly and continuously encourage and train its personnel on consumer safety. OR will take responsibility when any accident occurs to consumers who use our products or services correctly.

7. Ethics for Practices with Ethics for Practices with Business Competitors

Business competitors are outsiders with whom OR competes liberally, adopting a capitalist approach. Competition shall be fair, without information distortion, deception or other malicious means of competition.

Good Practices

7.1. OR operates its business by free and fair competition. Untruthful accusations libel, unreasonable or doubtful information to discredit competitors shall not be tolerated.

7.2. OR shall promote beneficial cooperation with its business competitors when it benefits consumers. Cooperation between OR and its business competitors shall not take the form of monopoly, trade cartels, decreasing the quality standards of products and services, or price fixing. OR personnel shall in all circumstances associate carefully with business competitors and their personnel and shall not disclose confidential information either intentionally or negligently to trade competitors.

7.3. Any merger or acquisition between OR and its business competitor shall be transparent and after such transaction, OR shall not use its dominant market power in any way that would harm consumers' interests.

8. Ethics for Procurement and Practices with Trade Partners

OR regards procurement an important process to support its business operation under good corporate governance and thorough review as a state-owned enterprise. Trade partners are underscored with equitable treatment under fair competition for long- term business partnership. OR has defined Suppliers Sustainable Code of Conduct along with supply chain management to ensure that our business partners conduct their operation with business ethics, human rights

respect, occupational health care and safety and sustainable environmental management.

Good Practices

8.1. OR personnel who need to procure products and services shall consider needs, value, prices and quality. The procurement process shall be transparent. All vendors shall receive information equally and accurately. The vendor selection shall be made with fair treatment, fair competition and without bias. Selection shall be in accordance with academic standards, with care and suited to the circumstances, and strictly comply with law, regulation, relevant order that regulating public agencies.

8.2. OR promotes fair treatment with and among its trade partners. When procuring products and services, OR personnel should not rush to completion. OR shall allow trade partners adequate time for preparation. Contracts between OR and its trade partners shall be fair and drawn up in the presence of a legal advisor.

8.3. OR personnel shall remain neutral, refraining from any request for or acceptance of benefit relevant to the procurement. OR personnel shall refrain from close association with the trade partner that might, however slightly influence their decision-making. OR personnel must also comply with the good practices outlined in the Ethics for Stakeholding and Conflicts of Interest.

8.4. OR divisions or personnel in charge of procurement shall keep all documents about approval, price quotation, negotiation, contracts, or the implementation of contracts as supporting evidence for a specific period.

8.5. OR shall strictly adhere to contractual agreements. If either OR or the trade partner should fail to comply with the agreed terms and conditions or circumstances arise that render compliance impossible, OR personnel shall discontinue their work and communication with the trade partner and immediately

report to their supervisor to seek corrective action, if possible and without detriment to either OR or its trade partner.

8.6. OR personnel in charge of procurement must monitor trade partners to strictly comply with OR Suppliers Sustainable Code of Conduct.

9. Ethics for Community, Social and Environmental Responsibilities

OR cannot be separated from the community in which it operates and has the responsibility for sustainable development and return to the community and society as a whole. OR considers one of its duties and key policies to become involved in the development of society and the community by concentrating on social; community and environmental development; religious support; conserving and increasing natural resources; educational support for youths; and support encouragement and strengthening of impoverished communities.

Good Practices

9.1. OR will publish information about the business, its social responsibilities and its environmental responsibilities without concealing disclosable information. OR shall collaboratively and rapidly disclose information to investors, shareholders and public.

9.2. OR seriously and continuously strives to fulfill its social responsibilities regarding quality, safety, health and environmental protection, using natural resources efficiently with due regard to the security and environmental awareness of its stakeholders. OR also supports environmental conservations and the sustainable development of the quality of life in the community.

9.3. OR shall consider alternative use of natural resources to alleviate adverse effects on the community, environment and quality of life. OR supports the reduction in consumption of energy and resources.

9.4. OR shall foster awareness of individual social and environmental responsibilities in all personnel at all levels. OR shall also associate with trade partners who share its concern for social and environmental responsibility. OR shall lead the efficient conservation of energy for the benefit of future generations.

9.5. OR shall use a portion of its profit to support appropriate social and environmental activities that actually benefit community, society and environment. In the case of donation, OR shall review recipient information and ensure that any donation it makes is for charity purposes, effectively and efficiently used and adequately documented.

10. Ethics for Treatment of Employees

Employees are the most important part of the business. OR shall recognize all employees without discrimination, regardless of unit or department. OR promotes unity, harmony and trust in its employees and encourages them to treat each other with politeness and respect. OR is committed to protecting its personnel from both internal and external security threats. OR shall provide a safe and satisfactory working environment and offer appropriate welfare and benefits to employees and use initiative and innovative technology to support their best efforts for OR's best benefit. All employees shall perform their duties with care; alacrity; diligence; conscientiousness; rationality; smartness; enthusiasm and composure, applying their best professional knowledge.

Good Practices

10.1. OR treats its personnel equally without discrimination, regardless of origin; ethnicity; gender; age; race; religion; disability; financial status; family; or educational background, or other status that is not directly related to their working performance.

10.2. OR shall provide all employees the opportunity to perform to their

best ability with reasonable compensation. OR shall motivate employees by determination of salaries, bonuses and operating expenses under the company's regulations. In addition, OR shall provide its employees with opportunities for university education as well as short-term and long-term training.

10.3. OR personnel shall perform their duties to the best of their ability and with integrity, fairness, morality and ethics and responsibility. OR personnel shall not assign any other person to complete their work, either directly or indirectly, except when necessary in specific circumstances or under time constraints when there is no concern over specific capability requirements.

10.4. OR personnel shall perform their duties within the chain of command, receiving orders from and being directly responsible to their supervisor. The chain of command should only be crossed if absolutely necessary. OR personnel shall refrain from making comments about their supervisors and colleagues that could have adverse effects on the person or OR and personnel shall be thoughtfully and reasonably open to the opinions of their subordinates and colleagues without prejudice.

10.5. OR personnel shall supervise and monitor the operations of their subordinates so as to prevent the possible failure to doing or refraining their duty. There by, OR personnel shall consider the merits of subordinates and impose any appropriate penalties for violations with no discrimination, in good faith and in compliance with rules and regulations.

10.6. OR personnel shall use all company resources, labourers, premises and other facilities to carry out their assignments. Their use for other purposes or beyond the benefit to which he or she is entitled is prohibited.

10.7. OR personnel shall be polite and well- dressed and behave in accordance with their roles and the local customs without damaging OR's image.

10.8. OR personnel may use their name and position for charity fund-raising that OR sponsors. However, the use of their position and the company name for personal fund-raising is prohibited under any circumstances.

10.9. OR personnel shall cooperate fully with OR activities organised to promote unity, harmony and cooperation, including those involving corporate social responsibilities.

10.10. OR personnel shall avoid the risks of sexual harassment by dressing properly, avoiding staying in unseen place or working privately with the supervisor / the unacquainted / opposite gender, or being accompanied by a trusted person when summoned or assigned to do the job out of office hours, etc.

10.11. OR personnel shall not cause trouble, annoyance, assault, or demean other OR personnel or outsiders. Prohibited behaviors include: sexual assault, insults, verbal or visual obscenity and sexual harassment. In case the practices are detected, they shall be reported to the relevant department.

10.12. OR supports employees' rights in accordance with the State Enterprise Labor Union Law. OR shall not interfere with labour union activities except those that are against the law, business ethics or that severely damage OR.

11. Ethics for Creditors

Good Practices

11.1. OR shall stringently, transparently and equally observe contracts / agreements with creditors both in terms of payment and other conditions.

11.2. OR shall consistently report the company's financial status with integrity, accuracy and timeliness to creditors.

11.3. If terms and conditions in the contracts / agreements cannot be observed, OR shall inform creditors in advance to jointly find solutions and

remedies.

12. Ethics for Internal Control and Internal Audit

OR recognizes that public companies necessarily require effective, accurate and reliable internal control and internal audit systems. OR will establish, maintain and monitor internal control systems to ensure that risks are managed at an acceptable level. Internal control systems will be regularly assessed through an efficient internal audit office monitored by the Audit Committee. Management and employees also recognize the importance of Internal Control and Internal Audits.

Good Practices

12.1. OR shall establish a good control environment with a positive attitude towards internal control and appropriate assessment of significant risks that may impact the company's objectives, goals and success. OR shall set up appropriate controls for all levels and functions of the entity and provide adequate, reliable and appropriate information technology and communication to both internal and external parties. OR shall create a monitoring and evaluation system to ensure that internal controls are being implemented appropriately, support the company goals and continually improve to reflect changing circumstances.

12.2. OR shall establish dedicated units directly responsible for risk assessment and risk management; internal control assessment and compliance reviews. Those units shall recommend improvements in internal controls to suit changing circumstances, business environments and risk factors. Senior and middle executives shall fully cooperate with the implementation of such recommendations for improvement.

12.3. The Audit Committee shall review the internal control system, risk management system and internal audit system. The Audit Committee shall report the results to the Board of Directors and shareholders.

12.4. OR shall establish an independent unit which directly reports to the Audit Committee. This independent unit shall perform efficient internal audits and shall be adequately resourced with qualified Internal Auditors and operate under the Code of Ethics for Internal Audit Professions.

12.5. OR shall educate personnel to understand and cooperate with internal control and audit systems. Transaction reports shall be regular, precise, accurate, consistent, up-to-date and appropriately reviewed to ensure that the process is strictly followed.

12.6. OR personnel shall support and provide accurate information to the Office of Internal Audit as well as the company's auditors. OR personnel are responsible for the accuracy of financial information and must report any mistakes or suspicious cases immediately

13. Ethics for Receiving and Offering Gifts, Assets or Other Benefits

OR conducts its business with adherence to good corporate governance principles while observing business ethics and transparency. OR treats all stakeholders equally and avoids any act that may lead to discrimination or may cause conflicts of interest. In this regard, OR sets no gifts or other benefits policy because the gifts or other benefits may bring about difficulty or effects on performance. The objective of this policy is to establish a higher standard for business practices in the hope of having all employees perform to the best of their ability without expecting benefits. OR personnel can learn further information in the announcement of PTT Oil and Retail Business Public Company Limited about Guidelines for Receiving and Offering Gifts, Hospitality, or Other Benefits under OR's Anti-Corruption Policy.

Good Practices

13.1. OR personnel must never receive or offer any gift/souvenir in the form

of cash, cheque, bond, share, gold, jewel, property, or equivalent objects for outsiders in any circumstances.

13.2. OR personnel must never receive any gifts, assets or other benefits in any circumstances. They are also required to inform outsiders about OR's No Gift Policy.

13.3. In the event that refusal to accept gifts, souvenirs or other benefits is not appropriate while such gifts, souvenirs, or other benefits cannot be returned to the giver, the recipients shall complete OR's Gifts, Assets or Other Benefits Acceptance Form and submit it along with the goods received to Office of President and Corporate Secretary. Exception is made for the following: Consumables with an expiry date of less than one month should be at the discretion of direct executive overseeing department receiving the goods.

13.4. The Office of President and Corporate Secretary is responsible for collecting all gifts, assets or other benefits, and donating them to persons or organizations outside OR for charity or for the common good. In case of consumables, the aforementioned practice must be conducted immediately.

13.5. The Office of President and Corporate Secretary shall report the receiving gifts, assets or other benefits to the President and Chief Executive Officer.

13.6. OR prohibits its personnel and their family members at all levels, under any circumstances, to solicit or receive gifts, assets or other benefits from contractors, sub-contractors, customers, trade partners or other related parties, which may lead to unfair judgments, impair decision-making or create conflicts of interest.

13.7. OR personnel shall not offer bribes or other similar benefits to other OR personnel or outsiders, especially government officials. When offering gifts, assets or other benefits to government officers in Thailand and other countries, it

must be ensured that such offerings are not against the local law and customs.

13.8. Expenses for providing business hospitality and other expenses directly relating to business operations are acceptable. However, the expenses must be paid in a reasonable manner.

14. Ethics for Safety, Health and Environment

OR emphasises the safety and health of its personnel and the surrounding community. OR is committed to a high-quality, safe and healthy environment as a part of its employees' daily lives and supports the efficient and conservative use of resources for the benefit of the entire community and society.

Good Practices

14.1. Safety is important to OR. It will establish rules, standards and handbooks for quality, safety, health and environmental protection, that are legal and meet international standards, and will require personnel to understand and strictly adhere to them. OR personnel shall be required to be trained in quality, safety, health and environmental courses according to OR's standards.

14.2. OR shall make every effort to avoid and prevent losses from accidents, fire, occupational illness and injury, loss or damage of assets, violation of safety measures, improper working practices and other errors. OR will maintain a safe working environment and regularly train its personnel on safety and security plans. It is the responsibility of executives and employees to report any accidents and incidents following the required procedures.

14.3. OR operates in the energy industry as a professional in petroleum management. OR shall establish emergency control and prevention plans for all areas in its operations, as well as emergency and crisis management plans to be prepared for any emergencies such as fire, or oil, gas, chemical or waste spills and leaks. OR shall also have a contingency plan for any other crisis that might interrupt

operations or damage the company's image and reputation.

14.4. OR shall have internal communications with employees, contractors' employees and relevant stakeholders to educate them on policies, regulations, procedures and precautions related to quality, safety, health and environment, and shall act accordingly to protect their health, assets and environment.

14.5. OR is committed to seriously and continuously demonstrating social responsibility by recognising the importance of quality, safety, health and environment and will maximise the benefits of natural resources for the well-being and safety of all stakeholders. OR will support social activities to protect the environment and enhance the quality of life in the community in accordance with the principles of sustainable development.

14.6. If OR discovers non-compliance with the rules and standards regarding quality, safety, health and environment, or if unsafe operations that severely affect the environment, are discovered, personnel will be required to temporarily cease such operations and notify colleagues, supervisors and related business units for further actions or plans for resolution. Continuing operations in these circumstances shall be strictly prohibited.

15. Ethics for Intellectual Properties and Use of Information Technology and Communication System

To facilitate smooth business operations and enhance education, as well as promote the company, OR supports its personnel in conducting research; writing books, manuals and articles to publish for OR and external parties; creating innovative media; and developing communications. OR personnel shall use OR information technology and communication channels to communicate with external parties with care and caution, respecting the rights of the owners of intellectual properties.

Good Practices

15.1. OR supports its personnel in writing and publishing books, textbooks and articles for various publications and in developing computer programmes and presentations for education, publication and expression of opinion. Any returns from such work, as well as associated legal rights would belong to the creator. However, OR shall hold the legal rights and returns from any work commissioned by OR and / or based on OR information or knowledge within the company.

15.2. OR supports its personnel in conducting research and the researcher shall own the related rights and returns from their studies. However, OR shall own the exclusive rights, patent submission rights, patent exclusive rights and any benefits, associated with any such research commissioned and undertaken by OR, based on OR information or knowledge within the company.

15.3. OR personnel shall protect the confidentiality and prevent any leak of the company's trade secrets, secret formulas and secret business methods.

15.4. OR encourages its personnel to use the Internet to support their work. OR personnel shall not perform any act that might interfere with or cause disruption to others on the computer and Internet system in the office. Personnel shall not use the OR's computer system to release inappropriate information that is against the law, morality, culture or tradition; e.g. causing damage to reputation or property, propagating pornography, sending spam email, disrupting mail forwarding, or advertising merchandise or businesses that are irrelevant to OR products and services.

15.5. OR personnel shall conduct their business using genuine software and, if they must use a computer or software that belongs to outside parties, they shall check for the copyrights and consult their supervisor. Installing and using illegal software in the office is strictly prohibited.

15.6. OR personnel shall safeguard their passwords and not disclose them to others to prevent unauthorized access to the computer system. Accessing unfamiliar websites should be avoided since it may cause damage to the OR's computer system.

15.7. If OR personnel request access to OR's information technology system for temporary employees or contractor's employees, they shall oversee such person's use of the computer and be held responsible for any consequent damages.

15.8. OR shall review, supervise, monitor, investigate and control the use of its information technology system by its personnel to ensure OR's information system security.

PTT Oil and Retail Business Public Company Limited (OR) is determined to adhere to honest, transparent and fair business practices according to good corporate governance principles, including related laws, rules and regulations, no matter where business transactions are located, both domestic and international. OR will not tolerate any direct and indirect corruption scheme in any form. The Anti-Fraud and corruption policy is thus formulated for our personnel to observe and apply with their operation.

Definition

“Fraud” means to do an act in order to procure, for himself or the other person, any advantage to which he is not entitled by law. This includes asset misappropriation, financial statement fraud, and corruption. Examples of corruption are providing, offering, promising or agreeing to provide, accepting or requesting money, assets or other benefits that are inappropriate to, from or for (i) government officers (ii) private officers or (iii) any relevant person in charge either directly or indirectly in order to do or refrain from their duty of which deliver or preserve inappropriate business affair or other business benefit.

“OR personnel” means director, executives and employees at any level.

Forms of Corruption

Any actions that can cause corruption risks i.e. expenses on political, philanthropy donation, support, gift, hospitality and others.

Scope of Implementation

This policy applies with OR Personnel.

Duty and Responsibility

1. Board of Directors

- Establishes and monitor efficient Anti-Fraud and Corruption system; ensures

the management team awareness and attention to the Anti-Corruption scheme; embeds organizational Anti-Corruption culture.

- Complies with the Anti-fraud and Corruption measures and punishes when non-compliance occurs.

2. Audit Committee

- Monitors internal control, financial reporting and other Anti-Fraud and Corruption related processes and ensures compliance.
- Reviews relevant measures and internal control to ensure efficient and effective Anti-fraud and Corruption measures.
- Reviews risk assessment process and advice risk mitigation measures to OR Board of Directors. The executive shall implement such advice.
- Regularly reports internal audit results on the Anti-Fraud and Corruption measures and provides relevant suggestions to the Board of Directors and executives.

3. Executive

- Establishes Anti-Fraud and Corruption risk assessment in risky work processes.
- Establishes encouragement and support for the Anti-Fraud and Corruption Policy and communication to employees and related parties.
- Implements the Anti-Fraud and Corruption Policy and framework continuously and entirely.
- Updates relevant systems and measures with changes in business practice, regulations, articles and legal requirements.

Suggested Practices

OR's Anti-Fraud and Corruption Policy

1. OR personnel shall not commit or involve in the Fraud and Corruption; in both directly and indirectly forms of providing and accepting; and comply with the Anti-Fraud and Corruption Policy, Corporate Governance, Ethical Standards and Code of Business Ethics Handbook, regulations and relevant articles.

2. OR personnel shall perform with care in receiving and providing gift, assets or other benefit including hospitality and other expenses. However, providing and receiving gifts and hospitality must have business or custom objective. The value of such gifts and hospitality must be appropriate and does not affect practical decision.

3. Philanthropy donations and supports by OR shall have review, approval and audit processes. Document evidences must be precise and comply with OR regulations. Such processes can ensure that the gifts and hospitality are not used to cover the Corruption.

4. OR shall establish frequent reviewing process in sales and marketing operational systems and procedures, including procurement and contract drafting works. The relevant Corruption risk shall be appropriately assessed and mitigated.

5. OR shall have human resource management system that reflects Anti-Corruption commitment. OR will not demote, punish or affect OR personnel who decline the Anti-Fraud and Corruption practices although such decline cause lost in business opportunities. OR shall have clear communication channel for such policy.

6. The internal control unit shall report control self-assessment result to internal audit unit for inspection. If any non-compliance to the Anti-Fraud and Corruption Policy is found, a notice to improve controlling measures shall be issued to the non-compliance unit.

7. OR shall establish documentation readiness and record keeping procedures for ensuring and auditing accuracy of the financial report and relevant

procedures that no account has been missed, unexplainable or false.

8. OR shall establish procedures to ensure that the internal controls of accounting and information storage have been internally audited. Such procedures shall ensure effectiveness of the Anti-Fraud and Corruption measures and the financial report has enough evidences for audit.

9. OR shall provide communication and training that genuinely educate OR personnel on the Anti-Fraud and Corruption measures, OR expectations and punishment for violation.

10. OR communicates the Anti- Corruption Policy and practice to subsidiaries, affiliates and other controlled companies; business partners and stakeholders including general public through various communication channels for notification and implementation of the Anti-Fraud and Corruption Policy.

11. OR personnel shall neither relinquish nor tolerate potential violation of the Anti-Fraud and Corruption measures. OR shall establish whistleblowing channel and protection for the whistleblower. Such channel shall provide suggestions on the Anti-Fraud and Corruption measures for personnel.

12. The Internal Audit Department can report urgent violation to the President and Chief Executive Officer, Audit Committee and the Board of Directors respectively.

Whistleblowing Policy and Whistleblower Protection

The Whistleblowing Policy and Whistleblower Protection shall conform with PTT Oil and Retail Business Public Company Limited Articles on Whistleblowing Policy.

Penalty

OR shall establish appropriate punishment system on non-compliance and direct or indirect violating personnel against the Anti-Corruption Policy. Disciplinary punishment including redundant if deems necessary and legal procedure shall be considered.

OR personnel shall understand and comply with the Anti-Corruption Policy in every operating procedure. Either genuine or false Corruption accusation may defame OR personnel and OR reputation. If any potential violation to this policy is found, please notify your direct executive or Office of President and Corporate Secretary.

Definition and Qualifications of OR's Independent Directors

1. An Independent Director holds no more than 0.5% of all shares with voting rights of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority. This is inclusive of shares held by anyone who is affiliated with them.

2. An Independent Director is a Director, who is not involved in the management, employees, staff, consultant with monthly salary or Entities with Controlling Authority over the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, either at the present time or within two years prior to his/ her appointment as an Independent Director. Such prohibited characteristics do not include the case that an Independent Directors who has been a Government Officer or consultant of the Government, which was a Major Shareholders or an Entity with Controlling Authority.

3. An Independent Director has no connection by blood or legal registration as father, mother, spouse, sibling, son/ daughter or spouse of son/daughter of another Director. Further, an Independent Director has no such connection with an Executive, a Major Shareholder, and an Entity with Controlling Authority or an Individual who will be nominated as Director, Executive or Entity with Controlling Authority over the Company or the Subsidiary.

4. An Independent Director has no connection by blood or legal registration as father, mother, spouse, sibling, son/ daughter or spouse of son/daughter of another Director. Further, an Independent Director has no such connection with an Executive, a Major Shareholder, and an Entity with Controlling Authority or an Individual who will be nominated as Director, Executive or Entity with Controlling Authority over the Company or the Subsidiary.

Such business relationship is inclusive of a trading transaction occurring on a conventional basis for the conduct of business; a rent or lease of property; a transaction involving assets or services; a provision or an acceptance of financial assistance through means of a loan, a guarantee, a use of an asset as collateral against debt; and, other similar actions which result in the Company or the party to the contract having a debt to be repaid to another party for the amount from 3% of net tangible assets (NTA) of the Company or from 20 Million Baht, whichever is lower. This amount is determined by the calculation of Related Transaction value as per the announcement of the Securities and Exchange Commission. It is inclusive of debt(s) arising within one year prior to the day of business relationship with the same party.

5. An Independent Director is not an auditor of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder, an Entity with Controlling Authority or a partner to the audit office with which the auditors of the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority are associated at the present time or have been within two years prior to his/her appointment as an Independent Director.

6. An Independent Director is not a person rendering any professional service or a legal or financial consultant who is paid more than Two Million Baht in service fee per year by the Company, the Parent Company, a Subsidiary, a Joint Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder or an Entity with Controlling Authority over the Company or a partner to such professional service provider at the present time or within two years prior to his/her appointment as an Independent Director.

7. An Independent Director is not a Director who is appointed to be a nominee of a Director of the Company, a Major Shareholder or a Shareholder who

is connected with a Major Shareholder.

8. An Independent Director does not engage in a business of the same nature as and which is significantly competitive to that of the Company, the Parent Company or a Subsidiary. An Independent Director is not a significant partner to a partnership or a Director with involvement in the management, employees, staff, consultant with monthly salary, or, who holds more than 1% of all shares with voting rights of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a Subsidiary

9. An Independent Director does not have any other characteristic which prevents him or her from opining freely on the operation of the Company. An Independent Director may be assigned by the Board of Directors to make collective decisions involving the business of the Company, the Parent Company, a Subsidiary, a Joint / Associated Company, a Subsidiary of Equal Level, a Major Shareholder or an Entity with Controlling Authority

In the case that an independent director holds the position as an independent director in the Parent Company, a Subsidiary or a Subsidiary of Equal Level must disclose information about such positions and the total remuneration that such independent director has received in Form 56-1 and Form 56-2

Roles and Responsibilities of the Independent Directors

1. Recommend essential and beneficial matters to OR and all its shareholders to the Board and / or the President and Chief Executive Officer.
2. Advocate roles and responsibility of the Board and provide views commonly expected of independent directors for the benefit of OR and all its shareholders.
3. Review matters to ensure OR's compliance with the law dealing with independent directors and revise the definition of independent directors for suitability and legal completeness.
4. Take other Board-assigned actions provided that these actions do not compromise their independence.
5. An independent director's term begins once he or she fulfills all the requirements under the definition for OR's corporate governance; it ends when he or she lacks qualifications or completes the OR term.
6. The independent directors must hold their own meeting at least once a year.

OR's Conflict of Interest Disclosure Form

In accordance with OR regulations and Principles of Good Corporate Governance, which instruct personnel how to carry out their duties according to the highest standards, personnel at all levels must disclose any transactions which represent a conflict of interest against OR.

This report is classified as (Please indicate X in ☐)

☐ Annual Report

☐ Incident Report

I have read PTT Oil and Retail Business Public Company Limited's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook. I fully understand the information in this disclosure form and will strictly follow. I acknowledge that violation or non-compliance with this code shall be subject to disciplinary action, based on the degree of potential impacts.

Therefore, I hereby would like to report as follows:

Information of relative working in OR and Subsidiary

(The information must be updated. Attachments are required in case of more than one relative.)

Name (Mr./Mrs./Ms.).....Surname.....Relationship.....

Employee ID :.....Division.....Company.....

(Please indicate X in ☐ and provide any necessary additional information.)

☐ I **Do Not** have any interests that might cause a conflict of interest against OR.

☐ I **Have** an interest or interests that might cause a conflict of interest against OR

with details below:

☐ Transaction with general trade agreement, as business partner or participation in procurement with OR and Subsidiary.

☐ Dispute that may affect the function of duty.

☐ Other subjects that may pose conflict of interest against OR with details below:

☐ Myself, under my own name

☐ Myself, under other names (please specify).....

☐ My relatives* or my agent

Name (Mr./Mrs./Ms.).....Surname.....Relationship.....

Appendix

Details of items that may or could pose conflict of interest against OR.

(Please attach additional documents, if any.)

.....
.....

Corrective actions taken, if any :

.....
.....

Signature : _____
(_____)

Employee ID : _____

Position : _____

Department : _____

Date : ____/____/____

Supervisor's opinion* :

☐ Acknowledged

☐ Others

.....
.....

Signature : _____
(_____)

Position : _____

Date : ____/____/____

Opinion of Office of President and Corporate Secretary:

☐ Acknowledged

☐ Others

.....
.....

Signature : _____

(_____)

Position : Office of President and Corporate Secretary

Date : _____ / _____ / _____

Remarks*:

* For **employee below division level**, the authorized supervisor is the vice president.

* For **employee below division level who does not report to any department**, the authorized supervisor is the person one level higher than the vice president.

* For **vice president and higher**, authorized person is the Executive Vice President or a supervisor one level higher in rank.

(If you have any enquiry, please contact extension #84 6245-6)

OR's Gifts, Assets or Other Benefits Acceptance Form

Date _____

To _____ (Supervisor)*

I (Mr. / Mrs. / Ms.) _____

Position _____ Section _____ Division _____

Department _____ Unit _____

received the gifts, assets or other benefits as below:

1. _____ from company / person _____ date _____

2. _____ from company / person _____ date _____

3. _____ from company / person _____ date _____

Please kindly be informed for consideration. The said gifts, assets or other benefits shall be sent to the Office of President and Corporate Secretary within the date _____

Signature : _____

(_____)

Date : _____ / _____ / _____

Supervisor's opinion*:

☐ Acknowledged

☐ Others _____

Supervisor's signature: _____

(_____)

Position : _____

Date : ____/____/____

Remarks* :

* The authorized supervisor is the division manager or higher in rank.

* For **employee below division level who does not report to any department**, the authorized supervisor is the person one level higher than the vice president.

* For **vice president and higher**, authorized person is the Executive Vice President or a supervisor one level higher in rank.

Dealing in OR Shares Notification Form

To Office of President and Corporate Secretary of PTT Oil and Retail Business Public Company Limited

I (Mr. / Mrs. / Ms. _____

Position _____ Section _____ Division _____

Department _____ Unit _____ would like to buy-sell the shares of OR in the next two working days with the following details:

1. ☐ Buy ☐ / Sell the shares of company _____
quantity _____ shares on the date _____
2. ☐ Buy ☐ / Sell the shares of company _____
quantity _____ shares on the date _____
3. ☐ Buy ☐ / Sell the shares of company _____
quantity _____ shares on the date _____
4. ☐ Buy ☐ / Sell the shares of company _____
quantity _____ shares on the date _____
5. ☐ Buy ☐ / Sell the shares of company _____
quantity _____ shares on the date _____

Please be kindly informed.

Signature _____

(_____)

Date : _____ / _____ / _____

Opinion of Office of President and Corporate Secretary:

☐ Acknowledged

☐ Others

Supervisor's signature: _____

(_____)

Position : _____

Date : ____/____/____

Remarks :

The Dealing in OR Shares Notification Form is intended for OR's directors, executives and employees with privilege of inside information and would like to buy-sell the shares of OR.

References

- Corporate Governance Code for Listed Companies 2017 of the Stock and Exchange Commission
- The Securities and Exchange Act B.E. 2535
- Public Company Limited Act B.E. 2535
- General Qualifications of Member and Official of State Enterprise Act B.E. 2518

Charter of the Board of Directors

PTT Oil and Retail Business Public Company Limited (OR)

The Board of Directors (the "Board") is responsible for overseeing the operation of OR's business in accordance with the laws, objectives, and articles of association, as well as the resolutions of the shareholders' meeting. Adhering to the Good Corporate Governance principles and guidelines for listed company directors, the Board shall perform its duties with a sense of responsibility, care, and honesty; and act in the best interest of OR as well as its shareholders.

1. Composition of the Board

- 1.1 The Board shall comprise at least five (5) directors but not exceeding fifteen (15) directors.
- 1.2 At least half of the Board shall reside in the Kingdom of Thailand.
- 1.3 At least one (1) of the directors in the Board shall be an expert in the area of accounting and finance.
- 1.4 At least one third (1/3) of the Board, but not less than three (3) directors, shall be independent directors. The Board shall comprise at least three (3) Audit Committee members.

The independent directors and the Audit Committee members shall possess qualifications as stipulated in notifications of Capital Market Supervisory Board, regulations under The Securities and Exchange Commission of Thailand (SEC) and The Stock Exchange of Thailand (SET). The duties and responsibilities of the independent directors and the Audit Committee members are as specified by the SET.

If the roles and responsibilities of the chairman and the President and Chief Executive Officer are not clearly separated, for instance, when the chairman and the President and Chief Executive Officer are the same person, the chairman is not an independent director, the chairman and the President and Chief Executive Officer are family members, or the chairman is a member of the management team or has been assigned a management role, the Board should ensure the balance of power and authority of the Board and between the Board and management by:

- (1) having the Board comprise a majority of independent directors, or
- (2) appointing a designated independent director to participate in setting the Board meeting agenda

2. Qualifications of Directors

- 2.1 OR's directors must be qualified and having none of the prohibited characteristics prescribed by the Public Limited Companies Act B.E. 2535 (1992) (including additional amendments) and the Securities and Exchange Act B.E. 2535 (1992) (including additional amendments), or other regulations stipulated by the SEC Board, and do not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing a business whose shares are held by public shareholders as specified in the notification of the SEC.
- 2.2 Being honest, trustworthy, having good business ethics and devotion for OR, as well as being knowledgeable, capable, and possess working experiences that are in line with OR business.
- 2.3 Being capable of devoting sufficient time for OR, being responsible, commit to the determination of OR's vision, missions, directions, and strategies, being resourceful as well as being active in meetings participation.
- 2.4 OR director shall not operate any business of the same nature as and is in competition with the business of OR and its subsidiaries or become a partner or a director of any other private company or public company operating business of the same nature as and is in competition with the business of OR and its subsidiaries, either for his or her benefit or for the benefit of other persons, unless he or she notifies the shareholder meeting prior to the resolution for his or her appointment.

3. Duties and Responsibilities of the Board

- 3.1 To comply with the laws, OR's objectives, articles of association, and resolutions of shareholders' meetings, as well as to perform its duties with a sense of responsibility, care, honesty, and acting in the best interest of OR.
- 3.2 Be responsible for the shareholders, acting in their best interest, ensuring OR's information disclosure to be accurate, standardized, and transparent.
- 3.3 To define Good Corporate Governance policies and a code of business conduct comprising appropriate guidelines and best practices for directors, management, and employees to foster a sense of professional responsibility and understanding, which are to be complied with strictly in conjunction with the rules and regulations of OR to ensure equity to all stakeholders.

In addition, OR will assess OR's performance under its Good Corporate Governance policies and code of business conduct at least once a year.

- 3.4 To review and approve OR and its subsidiaries' vision, missions, business strategies, directions, policies, targets, plans, and budget proposed by the management.
- 3.5 To effectively oversee and ensure that the management's operations are in line with OR's vision, missions, business strategies, directions, policies, targets, plans, and budget approved by the Board for the best interest of OR and its shareholders.
- 3.6 To ensure that OR and its subsidiaries establish reliable accounting systems, adequate and effective internal control and internal audit systems, as well as internal control adequacy monitoring systems.
- 3.7 To oversee the completion of OR's financial statements at the end of each accounting year to be proposed for approval at the annual general meeting of shareholders, and oversee annual and quarterly financial statements be audited by auditors and be timely submitted to the SET.
- 3.8 To consider the selection of auditors as well as determine the appropriateness of the remuneration submitted by the Audit Committee before proposing for approval at the annual general meeting of shareholders.
- 3.9 To attach significance to social and environmental responsibilities in OR's business operation for a better and sustainable quality of life in the society.
- 3.10 To consider and approve the appointment of qualified candidates with no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (including additional amendments) and the Securities and Exchange Act B.E. 2535 (1992) (including additional amendments), as well as laws, notifications, regulations, and/or other relevant rules as the seat of directors is vacated with other reasons besides term completion, as well as consider the appointment of directors to replace the directors retired by term completion and determine the appropriateness of the remuneration submitted by the Nomination and Remuneration Committee before proposing for approval at the shareholders' meeting.
- 3.11 To appoint sub-committees such as Audit Committee, Nomination and Remuneration Committee, or any other sub-committees and define their roles and responsibilities to assist and support the Board in their operations, as well as defining the sub-committees' remuneration before proposing for approval at the shareholders' meeting.

- 3.12 To appoint and determine the remuneration of OR's President and Chief Executive Officer and to grant a power-of-attorney to the President and Chief Executive Officer to appoint executives as defined by the SEC Board or the Capital Market Advisory Board.
- 3.13 To ensure an appropriate, transparent, and fair nomination process for the selection and appointment of key management positions at all levels.
- 3.14 To appoint a company secretary to support the Board's matters and define the company secretary's necessary qualifications and experience to perform duties, including disclosing the qualifications and experience of the company secretary in OR's annual report and on OR's website.
- 3.15 To approve expenditures for investments, operations, loaning or application for credits from financial institutions, and being a guarantor as part of OR and its subsidiaries' regular operations without budget limits in accordance with the rules and regulations of OR and laws and regulations stipulated by the SET and the Capital Market Supervisory Board.
- 3.16 To consider and approve connected transactions to be undertaken by OR, its subsidiaries, and associate companies as prescribed by the Securities and Exchange Act B.E. 2535 (1992) (including additional amendments) and related regulations under the SET and the Capital market Supervisory Board; and to provide the management clear operating guidelines under related laws and regulations, the Board shall define OR's ordinary business transactions which OR, its subsidiaries, and associate companies could enter with OR directors, executives, and their related persons.
- 3.17 To ensure that OR and its subsidiaries' operation are in line with OR policies, the securities and exchange law, and regulations under the Capital Market Supervisory Board, the SEC, and the SET, as well as ensuring OR's adequate internal control and internal audit systems.
- 3.18 To approve payment of interim dividend.
- 3.19 To determine and amend the list of authorized directors.
- 3.20 If necessary for critical decision makings, the Board may seek independent professional advice.
- 3.21 To oversee OR's operational effectiveness and to act for the best interest of OR's stakeholders.
- 3.22 To provide each shareholder group with appropriate communication channels and oversee that the information disclosure is complete, clear, transparent, reliable, and of highest standards.
- 3.23 To arrange an annual general meeting of shareholders within 4 months after the end of each accounting year, to oversee the effectiveness and transparency of the meeting, and to provide the shareholders an opportunity to exercise their rights. After the meeting, ensure that the meeting resolutions and minutes of meeting are timely prepared and disclosed.
- 3.24 To compile and disclose the annual report and financial statements of OR and its subsidiaries to be proposed for approval at annual general meetings of shareholders.
- 3.25 To perform self-assessment of the Board and the individual on an annual basis to serve as a framework for examining the performance of the Board. The evaluation results should be used to strengthen the effectiveness of the Board.

- 3.26 To consider potential risk factors, formulate comprehensive risk management guidelines, ensure that the management operates with efficient risk management systems and processes in place, and predict possible risks that may arise from new business opportunities.
- 3.27 To monitor and remedy issues related to potential conflicts of interest and connected transactions, prioritizing major transactions that will result in maximum benefits for shareholders and stakeholders.
- 3.28 The Board may authorize and/or designate individuals to perform specific tasks on its behalf. The grant of power of attorneys or sub-attorneys shall conform to the scope defined in the letter of authorization and/or in compliance with the rules, regulations, or orders prescribed by the Board of and/or OR. The authorization of the Board's roles and responsibilities shall not be in such a manner that enables the Board or the appointed attorneys, through the attorneys or sub-attorneys, to approve transactions that may benefit themselves or others who may have conflict of interest (as defined in the notifications of the SEC or the Capital Market Supervisory Board) in any manner or create conflicts of interest with OR or its subsidiaries, except transactions that are in accordance with the policies and criteria approved by shareholders' meetings or approved by the Board. The business-related approval shall be OR's ordinary business transactions as defined in the notifications of the SEC or the Capital Market Supervisory Board, and/or the SET, or other related institutions.
- 3.29 To review the Board charter once a year.
- 3.30 To encourage OR's directors and management to attend courses and seminars organized by the Thai Institute of Directors (IOD) or by other institutions that are relevant to their roles and responsibilities

4. Term of Directorship

- 4.1 At each annual general meeting, one-third (1/3) of the directors shall retire. If the number is not a multiple of three (3), then the number nearest to one-third (1/3) shall retire. A retiring director is eligible for re-election.
- 4.2 Apart from retirement upon expiration of the term of office, a director shall vacate office upon:
 - 1) death;
 - 2) resignation;
 - 3) lacking of qualifications or possession of prohibited characteristics under the law governing public limited companies and the securities and exchange law, and OR's Articles of Association;
 - 4) removal by a resolution of the shareholders meeting
 - 5) removal by a court order.

In the case of a vacancy on the Board for any reason other than the expiration of the director's term of office, the Board shall elect a person who is qualified and possesses no prohibited characteristics under the law governing public limited companies and the securities and exchange law as the substitute director at the following meeting of the Board, unless the remaining term of office of the vacating director is less than two (2) months. The substitute director shall hold office only for the remaining term of office of the director whom he or she replaces. The resolution of the Board under the first paragraph shall require a vote of no less than three-quarters (3/4) of the number of directors remaining.

5. Meeting of the Board

- 5.1 A meeting of the Board shall be held at least once (1) a month at the date and venue set in advance. If necessary, Ad-Hoc meetings can be held.

The Chairman may determine that the Board meeting be organized and held through electronic media. In such event, the Board meeting shall be proceeded in accordance with the criteria and methods specified by related laws and OR's Articles of Association.

- 5.2 To convene internal meetings between independent directors at least once a year.
- 5.3 Each director should attend not less than 75 percent of all Board meetings in any whole financial reporting year.
- 5.4 The meeting agenda must be set in advance for each Board meeting by the Chairman and a designated independent director, with support from the company secretary. Board meeting documents shall be submitted to each director at least seven (7) days prior to each meeting. In case of urgent matters, an Ad-Hoc meeting can be arranged which the meeting notice can be submitted in other forms.
- 5.5 In calling a meeting of the Board, the Chairman or the person delegated by the Chairman shall serve a notice calling for such meeting. In case of a request by two (2) or more directors, the Chairman or the person delegated by the Chairman shall convene the Board meeting within fourteen (14) days from the date of the request.
- 5.6 The directors shall be notified dates of the Board meeting for the upcoming year in advance to enable the directors to allocate their time for the meetings.
- 5.7 The Board meeting requires the attendance of not less than one-half (1/2) of the total number of directors to constitute a quorum.
- 5.8 A decision by the Board requires the majority of votes. A director who has a vested interest in any matter shall not be entitled to vote on such matter. In the case of a voting tie, the chairman of the meeting shall have a casting vote.

For Board meeting agenda concerning guideline to divide the scope of business operation between PTT Public Company Limited (PTT) and OR and its subsidiaries, directors who have a vested interest and is not entitled to vote on such matter shall include representative directors from PTT and Ministry of Finance.

6. Sub-Committees

The Board may appoint sub-committees, as deemed appropriate, to assist in reviewing critical matters, as well as nominate directors in each sub-committee, and approve a charter for each sub-committee to specify rules, composition, scope of duty and responsibility, and other related matters. The Board shall review sub-committee's charter once a year.

7. Remuneration

The Board, with a recommendation from the Nomination and Remuneration committee, shall determine its remuneration policy, both monetary and non-monetary, taking into consideration the appropriateness for their duty and responsibility as well as the standards for directors of companies in the same business nature. Directors' remuneration must be approved by the resolution of shareholders' meeting.

Charter of the Audit Committee

An extract from

PTT Oil and Retail Business Public Company Limited (OR)

Regulations Regarding the Audit Committee and Internal Audit Unit B.E. 2564 (2021)

--etc.--

Section 2 The Audit Committee

2.1 Composition, Qualification, Term of Office, and Vacation of Office

6. The Board of Directors are responsible for the appointment of the Audit Committee, which shall comprise one (1) Chairman of the Audit Committee and at least two (2) but not more than four (4) Audit Committee members, all of whom shall be an independent director. The Chief of Internal Audit shall be appointed as the Committee Secretary.

At least one (1) of the Auditee Committee members must possess professional expertise and working experiences in accounting and finance, and is capable of financial statements audit and review.

7. The Board of Directors shall report the appointment or change of the appointment of the Audit Committee to the company's affiliated ministry and the Ministry of Finance within 30 days from the date of appointment or change of appointment.
8. The company shall notify a resolution on the appointment of the Audit Committee, and prepare the Committee name list and their scope of work in the format prescribed by the Stock Exchange. The list shall be delivered to the stock exchange in accordance with the Stock Exchange regulations on reporting through electronic media. The certificate and biography of the Audit Committee members shall also be submitted to the Stock Exchange of Thailand within 3 business days from the date which the Board of Directors passes a resolution on the Audit Committee appointment.
9. In the event that the Audit Committee vacates office before the office term expiration, the company shall disclose information and reasons for the vacation of office of the said Audit Committee member to the Stock Exchange immediately.

In the event that the Audit Committee resigns or is removed before the term expiration, the company must submit the information to the Office of the Securities and Stock Exchange Commission. The Audit Committee may explain the reasons of resignation or removal to the company's affiliated ministry and the Ministry of Finance.

10. In the event of changes in duties of the Audit Committee, the company shall notify the resolution on change in duties and prepare a list of Audit Committee members and their changed scope of work in the format prescribed by the Stock Exchange. The list shall be delivered to the Stock Exchange within 3 business days from the date of such change, in accordance with the Stock Exchange and the Securities and Exchange Commission regulations.
11. The Chairman of the Audit Committee and the Audit Committee members shall possess the following qualifications:
- 11.1 Being an independent director of the company.
 - 11.2 Being able to devote their time time to perform their duties, express their opinions or report on the performance of the assigned duties with independence and fairness.
 - 11.3 Having qualifications as prescribed by relevant notifications, rules, regulations and laws, especially the Securities and Exchange law on Public Limited Companies and the criteria set by the Capital Market Supervisory Board and the Stock Exchange of Thailand.

12. The Chairman of the Audit Committee and the Audit Committee shall not have the following prohibited characteristics:

- 12.1 Must not be a permanent government official holding a position in OR's affiliated ministry.
- 12.2 Must not be a director who possesses policy/regulations making power or administrative decision-making power, and must not be an employee or an advisor who receives regular remuneration from the company with controlling power over OR, OR's parent company, subsidiary, associated company, same-level subsidiary, major shareholder's company or OR's controlling person's company. This applies to the Chairman of the Audit Committee and the Audit Committee currently in the office or within 2 years prior to the date of appointment.
- 12.3 Must not be a person with conflict of interest with OR. This applies to the Chairman of the Audit Committee or the Audit Committee currently in the office or within 1 year prior to the date of appointment.
- 12.4 Must not be a parent, descendant, sibling, or spouse of OR's Director, Chief Executive Officer, major shareholder, control person, persons to be nominated as future Directors, management, OR's and its subsidiary's control person, Chief of Internal Audit Unit, internal auditors of OR or of the company that OR has the power over decisions making on policies and operations.
- 12.5 Must not hold more than 0.5% of the total shares with voting rights of OR, its parent company, subsidiary, associated company, major shareholder, or OR's control person. This also applies to the shares held by related persons of such director.
- 12.6 Must not have or must never had a business relationship with OR, its parent company, subsidiary, associated company, major shareholder, or OR's control person in a manner that may impede one's independent exercise of judgment. He/she also must not be or having been a significant shareholder or control person of any party with a business relationship with OR, its parent company, subsidiary, associated company, major shareholder, or OR's control person. The exceptions are made for those who have been discharged from the aforementioned characteristics for at least 2 years before the date of his/her appointment as an independent director.

Such business relationship includes ordinary trade transactions for business operation, real estate rental or leasing transactions, assets or services related transactions, or financial assistance in the forms of receiving or lending, guaranteeing, placing assets as collateral for liabilities, or other similar activities. All of the aforementioned transactions result in an obligation for OR or the counterparty to pay at least 3% of the total tangible assets of OR, or at least 20 million baht (whichever is lower). The calculation of the aforementioned obligation shall be in accordance with the method connected transactions values calculation under the Notification of the Capital Market Supervisory Board regarding Rules on Connected Transactions mutatis mutandis. Such debt shall include the indebtedness incurred during 1 year prior to the date of business relationship with the said person.

- 12.7 Must not be or having been an auditor of OR, its parent company, subsidiary, associated company, major shareholder, or OR's control person. He/she also must not be a significant shareholder, control person or partner of the audit firm which works for OR, its parent company, subsidiary, associated company, major shareholder, or OR's control person. The exceptions are made for those who have been discharged from the aforementioned positions for at least 2 years prior to the date of appointment as an independent director.

- 12.8 Must not be or having been any professional service provider, including services as a legal or financial advisor who receives a service fee of more than 2 million baht per year from OR, its parent company, subsidiary, associated company, major shareholder, or OR's control person. He/she also must not be a significant shareholder, control person or partner of such professional service provider. The exceptions are made for those who have been discharged from the aforementioned positions for at least 2 years prior to the date of appointment as an independent director.
- 12.9 Must not be a director who has been appointed as a representative of OR's Board of Directors, major shareholders, or shareholders who are related to the major shareholders.
- 12.10 Must not operate a business with the same nature that is in significant competition with the OR's or its subsidiaries' businesses. He/she also must not be a significant partner in a partnership or must not be a director who takes part in management, an employee or advisor who receives regular salary, or must not hold more than 1% of the total shares with voting rights of other companies which operate similar business that are in significant competition with the OR or its subsidiaries' businesses.
- 12.11 Must not possess any other characteristics which may obstruct the expression of independent opinions on OR's operations. He/she also must not be a director who has been assigned by OR's Board of Directors to make operational decisions of OR, its parent company, subsidiary, associated company, same level subsidiary, major shareholder or OR's control person.
- 12.12 Must not be a director of OR's parent company, subsidiary or same level subsidiary which is a listed company.
- 13. The Audit Committee's office term is the same as his/her Board of Directors' term.
- 14. The vacation of office of the Audit Committee includes the vacation of office as OR's Board of Directors, expiration of the office term as specified, resignation, or removal.
- 15. In the event that the Audit Committee wishes to resign before the term of office expiration, the Audit Committee shall notify the Board of Directors in advance, no less than 1 month. The reasons for resignation shall be specified in order for the Board of Directors or the shareholders' meeting to consider and appoint another qualified person to replace the resigned Audit Committee member. OR must also notify and send a copy of the resignation letter to the Stock Exchange for acknowledgement.
- 16. In the event that a member of the Audit Committee has completed the term of office or there is any reasons the said member is unable to perform his/her duties until the term expiration which results in incompleteness of Audit Committees numbers as specified in (6), the Board of Directors or the shareholders' meeting shall appoint new members of the Audit Committee immediately or within 3 months as the latest from the date that the number of members is incomplete, to ensure continuity in the work of the Audit Committee.

2.2 Scope of Duties and Responsibilities

17. The Audit Committee has the scope of duties and responsibilities on the following matters:

- 17.1 Review and reassess the adequacy of the Audit Committee Charter annually in accordance with the company's strategic objectives. Final approval of the charter must reside with OR Board of Directors. The Charter should be carefully reviewed and disclosed to its shareholders via various channels at least once a year.
- 17.2 Review the effectiveness and efficiency of Corporate Governance, Risk Management and Internal Control Process.
- 17.3 Review and ensure the appropriation and credibility of OR financial statements in accordance with the accounting standards.
- 17.4 Review and ensure OR's business operations to comply with the Securities Law, the Stock Exchanges of Thailand regulations, policies, rules, ordinances, the Articles, the Cabinet Resolutions and any relevant laws applicable to the Company's business.
- 17.5 Review and ensure OR's Internal Control and Internal Audit Systems to be sufficient and appropriate, including the sufficiency of internal audit budget, resource, and the organizational independence of the internal audit activity.
- 17.6 Consider related parties transactions or any transactions that may lead to conflicts of interest or potential fraud that may affect the company's operations, according to the laws and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are suitable and are in the best interest of the company.
- 17.7 Give recommendations and suggestions to OR Board of Directors on the appointment, performance assessment, or removal of the company's Head of Internal Audit.
- 17.8 Consider, select and recommend on the appointment of independent external auditor for the company's audit, and propose auditor's remuneration fee to OR Board of Directors. This includes the participation in a meeting with external auditor without OR management in attendance at least once a year.
- 17.9 Coordinate with the external auditor in the review or assessment of any significant accounting and reporting issues for further problems solving and improvement. Suggest any agenda items that need careful consideration, including plans for electronic data processing review and control.
- 17.10 In the event that external auditor reports to the Audit Committee on issues regarding corruptions and compliance of the Board of Directors or Management, the Audit Committee shall consider conducting a preliminary examination and report such examination result to the Securities and Exchange Commission (SEC) and external auditor within 30 days from the date of receiving the notification from the auditor.
- 17.11 Report the Audit Committee's performance to OR Board of Directors at least once per quarter, within 60 days after each quarter ends. For the fourth quarter, the Audit Committee's Annual Performance Report, signed by the Chairman of Audit Committee, must be prepared and submitted to the affiliated Ministry and the Ministry of Finance within 90 days after the company's fiscal year ends.

Performance report as stated in above paragraph must contain information specified by the State Enterprise Policy Office, Ministry of Finance, and the Stock Exchange of Thailand.

- 17.12 Report the Audit Committee's performance on internal audit activity assessment to OR Board of Directors at least once a year. The report must include assessment result, problems, obstacles and improvement plans.
 - 17.13 Disclose the Audit Committee Annual Report and the external auditor annual remuneration in OR annual report.
 - 17.14 Either the Chairman or a member of the Audit Committee must attend the OR Annual General Meeting of Shareholders.
 - 17.15 Arrange and supervise the management to set up complaints receiving process and channels.
 - 17.16 Perform any other tasks designated by the laws or assigned by the Board of Directors. Nevertheless, the tasks must be under the Committee's scope of duties and responsibilities.
18. In the performance of duties under Article 17, the Audit Committee is directly responsible to the Board of Directors, while the Board of Directors remain responsible to the third parties
19. In the event that any internal audit activity or any other performance of the Audit Committee requires knowledge and competence from specialized experts, the Committee shall propose to the Board of Directors in hiring external specialized experts at the expense of the company. The hiring process shall be in accordance with the company's regulations, including the power to appoint a working group to support the Audit Committee.
- The provisions of Clause 12.3 and 12.4 shall apply to the prohibited characteristics of the specialized expert under the above paragraph.
20. When the Audit Committee receives an internal audit report with violations of laws, regulations, procedures, Cabinet Resolutions, announcements and orders related to the company's operations, the Committee must inform the top management to consider assigning responsible department to take corrective action to comply with laws, regulations, work practices, Cabinet Resolutions, announcements and orders related to the company's operations.

In the event that the Audit Committee receives an internal audit report with suspicious transactions or actions that may cause critical damage to the company, conflicts of interest, fraud, any unusual transactions or significant deficiencies in the internal control system, the Committee must report to the Board of Directors immediately for further actions of correction and improvement without delay.

The Board of Directors shall report on the Audit Committee's compliance with the recommendations to the affiliated Ministry and the Ministry of Finance at least once a year

2.3 The Audit Committee Meeting

21. The Audit Committee must hold a meeting at least once a quarter, with the agenda for each meeting clearly defined in advance. In case of necessity, the Chief Executive, executives or other persons may be invited to attend the meeting. Nevertheless, for each financial year, the Audit Committee must hold a meeting with external auditor without the participation of high-level management at least once a year.
22. The Audit Committee shall have a formal meeting with the management at least once a year.
23. The Chairman of the Audit Committee may issue an additional invitation to the Audit Committee meeting as deemed appropriate or as requested by the Audit Committee, internal auditors, external auditors or the Chairman of OR's Board of Directors.
24. Meeting of the Audit Committee must be attended by no less than two-thirds of the total Committee members to constitute a quorum. The chairman of the Audit Committee shall chair the meeting. If the Chairman of the Audit Committee does not attend the meeting, the Audit Committee members present at the meeting shall elect one of them to chair the meeting.
25. Resolution of the meeting shall be made by a majority vote. One member of the Audit Committee shall have one vote. If the votes are equal, the chairperson of the meeting shall have an additional casting vote. The Audit Committee Secretary shall refrain from voting.

The Audit Committee members who are interest persons in the agenda considered shall refrain from expressing opinions and voting on such matter.

26. The Audit Committee shall receive remuneration according to the resolution of the shareholders' meeting. And the secretary shall receive a monthly payment equal to half of the Audit Committee's compensation.

--etc.--

Charter of the Nomination and Remuneration Committee

PTT Oil and Retail Business Public Company Limited (OR)

The Nomination and Remuneration Committee (the "NRC") shall consistently review its charter and shall report the review results to the Board of Directors (the "Board").

1. Composition of the NRC

- 1.1 The NRC shall comprise at least three (3) directors, one of whom shall be an independent director.
- 1.2 The NRC chairman shall be an independent director.

2. Qualifications of the NRC

- 2.1 The Board shall appoint NRC members, considering their capabilities and working experiences that are in line with OR business, as well as their honesty, trustworthiness, and good business ethics.
- 2.2 The NRC shall appoint a capable person to serve as its secretary to be responsible for meeting arrangement and support other duties assigned by the NRC,

3. Duties and Responsibilities of the NRC

3.1 Duties and Responsibilities Regarding Director Nomination

- 3.1.1 To provide recommendations on the structure, composition, and qualifications for OR's directors and sub-committees' members.
- 3.1.2 To set criteria and processes for nomination of OR's directors and President and Chief Executive Officer as well as to select qualified candidates to be nominated as OR's directors, President and Chief Executive Officer, and other management positions when assigned by the Board, to replace vacant positions before proposing to the Board and/or shareholders' meeting (depending on the case) for approval.
- 3.1.3 To review and nominate qualified directors as sub-committee members before proposing to the Board for appointment as deemed appropriate.
- 3.1.4 To set performance assessment criteria for the President and Chief Executive Officer before proposing to the Board for approval.
- 3.1.5 To assess the performance of the President and Chief Executive Officer, and sub-committees in order to provide recommendations to the Board regarding the appropriate improvement of the performances or effective resolution of any problems.
- 3.1.6 To review the succession plan for the President and Chief Executive Officer and the list of candidates qualified for the succession every year.

3.2 Duties and Responsibilities Regarding Director Remuneration

- 3.2.1 To provide recommendations on appropriate remuneration policy, both monetary remuneration and non-monetary remuneration, including fixed rate compensation (such as retainer fee and meeting allowance) and non-fixed rate compensation (such as performance bonus and pension), taking into consideration related factors such as comparison with shareholders' return and motivation to create long-term value for OR, before proposing to the Board and shareholders' meetings for approval.

3.2.2 To comply with good corporate governance policy, the NRC shall set director remuneration to be in line with the Stock Exchange of Thailand's guideline by taking into consideration related factors such as compatibility with industry practice, experiences, obligations, scope of work, accountability and responsibilities, and contribution of each director. Directors who have additional roles and responsibilities, such as a member of a committee, should be entitled to additional remuneration.

3.2.3 To disclose the directors' remuneration policy that reflects the duties and responsibilities of each individual, including the pay components and level received by each director. The remuneration disclosed for each director should also include remuneration for what each individual receives from holding directorship at OR's subsidiaries.

3.3 To report the performance of the NRC to the Board and compile reports of the NRC, signed by the NRC Chairman, to be disclosed in OR's annual report.

3.4 Other duties as assigned by the Board.

4. Term of NRC Membership

4.1 Each NRC member's term of office is in accordance with his/her term of office in the Board. A retiring NRC member is eligible for re-election.

4.2 In case that the seat of NRC is vacated with other reasons besides term completion as stipulated in No. 4.1; upon death, vacating directorship position in the Board, resignation, or removal by a resolution of the Board; the Board shall appoint a qualified director to replace the vacant position within ninety (90) days from the date of incomplete composition of the NRC.

The NRC member who wishes to resign before completion of the term should inform the Board in advance.

5. Meeting of the NRC

5.1 The NRC meeting requires the attendance of not less than half of the total NRC members to constitute a quorum. If the NRC chairman does not attend the meeting or cannot perform his/her duty, the NRC members who attend the meeting shall elect one of themselves to be the chairman of the meeting.

5.2 In casting votes, each NRC member shall have one vote. A decision by the NRC meeting requires the majority of votes. A member who has a vested interest in any matter shall not be entitled to vote on such matter. In the case of a voting tie, the NRC chairman of the meeting shall have a casting vote.

5.3 A meeting of the NRC shall be held at least two (2) times a year

6. Remuneration

The NRC shall receive remunerations as approved by the shareholders' meeting.

Charter of the Enterprise Risk Management Committee

PTT Oil and Retail Business Public Company Limited (OR)

The Enterprise Risk Management Committee (the "ERMC") shall consistently review its charter and shall report the review results to the Board of Directors (the "Board").

1. Composition of ERMC

- 1.1 The ERMC shall comprise at least three (3) directors, one of whom shall be an independent director.
- 1.2 The ERMC chairman shall be an independent director.

2. Qualifications of the ERMC

- 2.1 The Board shall appoint ERMC members, considering their capabilities and working experiences that are in line with OR business, as well as their honesty, trustworthiness, and good business ethics.
- 2.2 The ERMC shall appoint a capable person to serve as its secretary to be responsible for meeting arrangement and support other duties assigned by the ERMC.

3. Duties and Responsibilities of the ERMC

- 3.1 Define and review Risk Management Policy, organizational risk management framework and the stakeholder management framework.
- 3.2 Supervise and support the implementation of Corporate Risk Management, as well as stakeholder management in accordance with OR's business strategies and business goals in the rapid-changing circumstances
- 3.3 Provide recommendations for monitoring and evaluation of risk management and stakeholder management to OR's Management Committee (OR MC) for further implementation.
- 3.4 Examine the corporate risk management reports, comment on the potential risks that might arise, suggest guidelines for determining control or mitigation measures (Mitigation Plan), and develop an effective corporate risk management system for OR MC.
- 3.5 Examine the stakeholder management report, provide comments on action plans to expand positive results or reduce/compensate the potential impact that might occur to the stakeholders, and develop a consistently efficient stakeholder management system for OR MC.
- 3.6 Report Enterprise Risk Management and stakeholder management results to the Board of Directors for acknowledgment. In case of any factors or important events which could have significant impact on the company or stakeholders, the ERMC must report to the Board immediately for urgent consideration and decision making.
- 3.7 Consider, scrutinize and comment on agendas with long-term-commitments, business complexity, and potential risk that may affect the company or have a significant impact on the stakeholders before presenting the agendas to the Board.
- 3.8 Other duties as assigned by the Board.

4. Term of ERM Council Membership

- 4.1 Each ERM Council member's term of office is in accordance with his/her term of office in the Board. A retiring ERM Council member is eligible for re-election.
- 4.2 In case that the seat of ERM Council is vacated with other reasons besides term completion as stipulated in No. 4.1; upon death, vacating directorship position in the Board, resignation, or removal by a resolution of the Board; the Board shall appoint a qualified director to replace the vacant position within ninety (90) days from the date of incomplete composition of the ERM Council.

The ERM Council member who wishes to resign before completion of the term should inform the Board in advance.

5. Meeting of the ERM Council

- 5.1 The ERM Council meeting requires the attendance of not less than half of the total ERM Council members to constitute a quorum. If the ERM Council chairman does not attend the meeting or cannot perform his/her duty, the ERM Council members who attend the meeting shall elect one of themselves to be the chairman of the meeting.
- 5.2 In casting votes, each ERM Council member shall have one vote. A decision by the ERM Council meeting requires the majority of votes. A member who has a vested interest in any matter shall not be entitled to vote on such matter. In the case of a tie vote, the ERM Council chairman of the meeting shall have a casting vote.
- 5.3 A meeting of the ERM Council shall be held at least once (1) a quarter

6. Remuneration

The ERM Council shall receive remunerations as approved by the shareholders' meeting.

Charter of the Corporate Governance Committee

PTT Oil and Retail Business Public Company Limited (OR)

The Corporate Governance Committee (the "CGC") is tasked to support OR's Board of Directors in formulating corporate governance policy and business operations directions to adhere to good corporate governance principles of listed companies on an international par, as well as concurrently encouraging OR's employees to comply with the Company's corporate governance principles and business ethics. The Company's sustainable growth is accordingly driven through righteous and transparent business operations with social and environmental commitments, thereby building trust among shareholders, stakeholders and related sectors.

1. Composition of the CGC

- 1.1 The CGC shall comprise at least three (3) directors, one of whom shall be an independent director.
- 1.2 The CGC chairman shall be an independent director.

2. Qualifications of the CGC

- 2.1 The Board shall appoint CGC members, considering their capabilities and working experiences that are beneficial to OR business, as well as their integrity, trustworthiness and business ethics.
- 2.2 The CGC shall appoint a capable person to serve as its secretary to be responsible for meeting arrangement and supporting other duties assigned by the CGC.

3. Duties and Responsibilities of the CGC

- 3.1 To define Corporate Governance Policy and code of business conduct and ethics, and anti-fraud and anti-corruption policy according to the corporate governance system, and propose to the Board of Directors to set as the Company's rules and regulations, in alignment with principles, standards and requirements of various institutions or regulators governing listed companies, such as the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) to support OR's strategy and goals.
- 3.2 To advise and recommend the Board of Directors to ensure the operations is conforming to good corporate governance principles and business ethics.
- 3.3 To approve OR's corporate governance objectives, goals, strategies, management framework, policy and approaches as well as regularly reviewing OR's corporate governance directions to be in line with the Company's goals and strategies.
- 3.4 To regulate, support and monitor the implementation of corporate governance and report to the Board of Directors to ensure the alignment of the Company's operations with the established policies and guidelines for continuous development and enhancement of OR's corporate governance. In case of any important factor or event with potential and significant impact on the Company, the CGC must immediately report to the Board of Directors for urgent consideration and decision making.
- 3.5 To annually review the suitability of the Corporate Governance Committee Charter. The revised Charter must be submitted for approval of the Board of Directors.
- 3.6 To define policy, establish governance frameworks, support and monitor handling of complaints, fraud and non-compliance reports.
- 3.7 To encourage and cultivate good corporate governance culture among executives and employees at all levels for more understanding and practical adoption in both OR and OR's subsidiaries.
- 3.8 To perform other duties assigned by the Board of Directors.

4. Term of CGC Membership

- 4.1 Each CGC member's term of office is in accordance with his/her term of office in the Board. A retiring CGC member is eligible for re-election.
- 4.2 In case the seat of CGC is vacated by other reasons other than term completion as stipulated in No. 4.1, namely upon death, vacating directorship in the Board, resignation, or removal by a resolution of the Board, the Board shall appoint a qualified director to replace the vacant position within ninety (90) days from the date of incomplete composition of the CGC.

The CGC member who wishes to resign before the term completion should inform the Board in advance.

5. Meeting of the CGC

- 5.1 The CGC meeting requires the attendance of not less than half of the total CGC members to constitute a quorum. If the CGC Chairman does not attend the meeting or cannot perform his/her duty, the attending CGC members shall elect one of the present members as Chairman of the meeting.
- 5.2 In casting votes, each CGC member shall have one vote. A decision by the CGC meeting requires the majority of votes. A member who has a vested interest in any matter shall not be entitled to vote on such matter. In case of a tie vote, the CGC Chairman of the meeting shall have a casting vote.
- 5.3 A meeting of the CGC shall be held at least two (2) times a year.

6. Remuneration

The CGC shall receive remunerations as approved by the Shareholders' Meeting.

Attachment 6

Report of the Audit Committee

The Report of the Audit Committee is disclosed in
OR's Annual Report 2020 (56-1 One Report) page 34-35