



PTG Energy Company Limited
Management Discussion and Analysis
Quarter 1/2021

Executive Summary

PTG's oil sales volume continues to grow.

The COVID-19 outbreak of late 2020 to early 2021 had an impact on the economy. This resulted in a 0.6% drop YoY and a 4.5% drop QoQ in overall oil consumption. However, the oil sales volume of PTG continued to grow to 1,336 million liters, reflecting an increase of 9.7% YoY and 2.4% QoQ. The main sales channel still came from service station throughout the country, with a sales proportion of 94.4%. In addition to the continued expansion of service stations, delivering good service, and building brand awareness, the same-store sales continued to grow at 3.8% YoY. Plus, there is still strong growth of oil sales volume in Q2/2021 as in PTG's oil sales volume has grown at 15.2% YoY in April 2021, despite the third wave of the COVID-19 outbreak. As a result, PTG has been able to maintain a second largest market share in the country through all channels and the service station.

Focus on expanding non-oil business and renewable energy business.

During the beginning of the year, PTG changed the vision from being “The nation's leading full-service energy provider” to “Enriching the quality of life, well-being and contentedness of the people we serve”. The non-oil business will be the driver of PTG's future growth. The non-oil business includes LPG business both auto LPG and household LPG businesses that have just begun to serve. In this quarter, PTG recorded a 50.9% YoY growth in total LPG sales volume and a 7.6% growth QoQ. Meanwhile, the food and beverage business, Punthai Coffee, in which we focus on promoting the community by using community products as ingredients in food and beverage recipe, which resulting in a same store sales growth of 13.9% YoY in 1Q/2021. In addition, Punthai Coffee is still committed to develop new products and services along with linking to the PT Max Card membership to deliver a better experience and increase customers' satisfaction. Thus, PTG launched the PT Max Card Plus membership, the first annual fuel membership card in Thailand. In addition, PTG recently invested in renewable energy projects, such as the electric vehicle charging stations in collaboration with EGAT and other clean energy projects that are currently being studied and developed.

Net profit grew 159.9% YoY due to higher sales volumes, marketing margin at a normal level, and strict cost control and investment policies.

Sales and service income for this quarter was 32,264 million baht, an increase of 10.8% YoY and a 16.4% QoQ due to higher sales volumes. Meanwhile, PTG posted a 26.8% increase in gross profit YoY but fell 2.6% QoQ, owing to the market margin returning to the normal level at 1.8- 1.9 baht per liter. However, PTG still maintained the cost control policy. At the same time, PTG's share of profits from associates was 78 million baht, down 52.5% YoY, which was mainly due to the higher average cost of goods sold in Palm Complex project. As a result, PTG had EBITDA

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growth of 37.5% YoY, but a drop of 8.0% QoQ. PTG posted a net profit of 531 million baht, an increase of 159.9% YoY but a down of 21.4% QoQ. Nevertheless, PTG continued to maintain financial liquidity sufficient for its operations and investments to prepare for the economic recovery.

Maintain operational targets for the year 2021

PTG continues to expand the number of branches in potential areas with the growth opportunity according to the target including 100 - 150 oil and LPG stations, 120 non-oil business branches, with the investment budget of 4,000-4,500 million baht, to meet the total target of 3,160 touchpoints by 2021. The Company target touchpoints can be divided into 2,030 oil stations, 260 LPG standalone and mixed stations, and 870 branches of non-oil business. From the continuous growth of oil and LPG sales volume, therefore, PTG maintains the growth of oil sales volume at 8 – 12% YoY and LPG sales volume at more than 100% as PTG started to enter LPG household and industrial business in 2020. With respect to the Palm Complex business, PTG expects the profit sharing target of 240 - 260 million baht per year. From all mentioned above, PTG maintains the forecasted EBITDA growth of 10-15%.

Performance Overview

PTG Energy Public Company Limited (“PTG”) in the 4th decade has maintained its dedication and commitment; not only to serve in the energy business, but PTG also continues to develop products and services to meet the needs of our customers and to be a part of our customers' daily life. PTG began a new era in the year 2021 by changing the vision from “The nation’s leading full-service energy provider” to “Enriching the quality of life, well-being and contentedness of the people we serve”, with the mission to “Create growth opportunities with partners and communities everywhere in the energy business and expand into a full range of services to fulfill happiness and quality of life for everyone”.

Thailand’s overall economy faced another challenge from the new outbreak of COVID-19 in late 2020 to beginning of 2021, causing the government to strictly control the cross provincial transport during the new year season, causing a decline of 9.5% YoY of oil consumption through all channel during January 2021. However, the situation resolved quickly. As a result, oil consumption in Q1/2021 dropped slightly at 0.6% YoY and 4.5% QoQ.

Overall national oil consumption through the country’s service stations accounted for 77.9% of total consumption, a 3.8% growth YoY, but down 5.1% QoQ. The main causes were lower travel and economic activity resulting from the COVID-19 outbreak in early January, during the tourism season. However, the situation quickly restored, causing oil consumption through the service stations to continue to grow compared to the same period of 2020, when oil consumption was affected by a lockdown in late March 2020 to reduce the spread of the virus. Meanwhile, domestic LPG consumption was also affected, similar to the oil consumption, which was mainly due to a significant decrease in both domestic and international tourist travelers and lower economic activity. In addition, LPG consumption

through service stations or auto LPG, which accounts for 19.4% of total LPG consumption, dropped 18.5% YoY. On the other hand, household LPG sales, which accounted for 60.9% of total LPG consumption, grew 0.3%YoY. As a result, the total LPG consumption dropped 4.6% YoY due to the COVID-19 epidemic that caused the economic slowdown and people's way of living.

In 1Q/2021, PTG had a total oil sales volume through all channels of 1,336 million liters, increased by 9.7% YoY and 2.4% QoQ. This was a result of 1) The country's overall oil sales volume grew well, in which 94.4% of PTG oil sales volume came from service station channel, and another 5.6% came from sales through industry channel. 2) The continuous expansion of the number of service stations. 3) The growth of same-store sales of existing service stations has been steadily growing in this quarter. Thus, PTG retained the second-largest in oil market share across all channels with its share of 15.5%.

In this quarter, PTG had oil sales volume through the service station, which was the main channel, of 1,265 million liters, an increase of 10.2% YoY and 0.5% QoQ, resulting from the continuous expansion of the number of service stations. The expansion was based on selecting quality service stations in order to provide our customers with a full range of services. The same-store sales also increased by 3.8% YoY which was a result of standardized service provided, integrated services of the non-oil businesses in the service stations, and an increase in brand awareness. Hence, PTG could maintain to be the second-largest in oil market share through service station with 18.4%.

Oil Sales Volume (Million Liters)	1Q/2021	4Q/2020	1Q/2020	%QoQ	%YoY
Sales by Channel					
Retail Channel	1,265	1,259	1,148	0.5%	10.2%
Wholesales Channel	71	45	69	55.4%	2.4%
Total	1,336	1,304	1,217	2.4%	9.7%
Proportion of Sales by Channel					
Retail Channel	94.7%	96.5%	94.3%		
Wholesales Channel	5.3%	3.5%	5.7%		
Total	100.0%	100.0%	100.0%		

Apart from the continuous rise in oil sales volume, the sales volume of LPG also increased. Wherewith, PTG had the LPG sales volume in 1Q/2021 of 62 million liters, rose 56.9% YoY and 7.6% QoQ. A new wave of COVID-19 outbreaks resulted in a 10.6% drop YoY in overall country's LPG consumption in January. This was mainly due to the decrease in the consumption of LPG through service stations and industry channels. However, PTG still sees potential and growth opportunities in auto LPG business which PTG had auto LPG sales volume of 49 million liters, a growth of 25.5% YoY but a slightly drop of 3.2% QoQ. As a result, PTG ranked fourth in LPG market share through service stations with 16.0% in 1Q/2021.

In addition, the Company is committed to expand its service in the LPG business continuously, both in auto LPG and household LPG as well as industrial LPG. PTG is also committed to maintain the standard and enhance the service of PT brand to make it more recognizable. PTG sales of household and industrial LPG were 13 million liters, a growth of 5644.8% YoY and 90.8% QoQ, which was due to the entry into the market of household and industrial LPG in early 2020. As of 1Q/2021, the Company had expanded the number of gas shop to 99 branches and 1 gas filling plant to support the distribution of LPG for household and industrial plants. Plus, PTG's main focus included differentiation in marketing strategy and service efficiency in order to expand the service to be comprehensive and meet the highest needs. Currently, the Company ranked fifth in the market through all channels, with a market share of 3.9%.

Oil Sales Volume (Million Liters)	1Q/2021	4Q/2020	1Q/2020	%QoQ	%YoY
Sales by Channel					
Auto LPG	49	51	39	-3.2%	25.5%
Household and Industrial LPG	13	7	0	90.8%	5644.8%
Total	62	57	39	7.6%	56.9%
Proportion of Sales by Channel					
Auto LPG	79.6%	88.5%	99.4%		
Household and Industrial LPG	20.4%	11.5%	0.6%		
Total	100.0%	100.0%	100.0%		

In terms of food and beverage businesses under Punthai Coffee and Coffee World, the Company has planned to differentiate its strategies in delivering a good customer experience and develop a strong brand identity by organizing promotional activities through the off-line and online channels. Moreover, it plans to launch new products that integrated local community ingredients to support and promote income distribution for people in the society. Recently, the Company had launched products that involved with local communities, such as coconut sugar coffee, kumquat coffee, and palm sugar coffee. During this quarter, PTG also launched food and beverage menu containing cannabis leaves. These menus from community help enhance its same store sales in 1Q/2021 to grow at 13.9% YoY. In addition, PTG planned to expand 50 branches of Punthai Coffee this year.

For Max Mart convenience store, the Company aims to increase sales by improving business models to reach more customers and by adding more variety of products to meet customers' needs. In this regard, PTG planned to expand 50 branches of Max Mart this year. As for Autobacs, car maintenance service center, PTG intends to extend its service coverage to meet the comprehensive needs of car users. In the last quarter, we had a total of 17 Autobacs branches, and we aim to expand 20 more branches this year.

Meanwhile, PTG aims to expand services to serve a broader need of customers, both in oil and non-oil business. In 1Q/2021, PTG had a total of 771 non-oil business branches, details of the number of service stations and non-oil business branches are as follows:

Business Unit	No. of Branch	Business Unit	No. of Branch
Oil Station	1,895	LPG Household Shop	99
LPG Station	210	Autobacs (Passenger Car Maintenance and Repair Service Center)	17
EV Charging Station	5	Protruck (Commercial Car Maintenance and Repair Service Center)	9
Punthai Coffee	281	Maxnitron Lube Change (Oil Lubricant Change Center)	39
Coffee World (Domestic and international)	60	Max camp (Rest Area)	31
Max Mart (Convenience Store)	230		

Important Events in 1Q/2021

PTG, in cooperation with EGAT, officially launched EleX by EGAT EV charging station in PTG service stations.

Through a collaboration between two leading Thai energy business leaders, PTG and EGAT have installed an EV charging station inside 5 PT service stations and planned to expand the charging stations along the main roads and major tourist attractions to cover more than 13 provinces nationwide by 2021. Users can download the 'Elexa' application for both IOS and Android to find the locations, pay for service, check the status of the charging station, and receive special privileges from various loyalty programs. This project targeted to ensure confidence and provide convenience to electric vehicle users both in the city and suburb, and to meet the growing trend of electric vehicle customers. In this regard, PTG strives to be a part in creating "well-being" for every stage of customers' lives.

First time launching cannabis-containing food and beverages

PTG continues to develop and expand growth opportunities in food and beverage business. The Company had launched cannabis food and beverages in 6 Punthai Coffee branches and 4 Coffee World branches. PTG sees an opportunity to bring cannabis products further into the Company's business, with a standardized manufacturing process and raw materials taken from legally licensed cannabis producers. Recently, we planned to expand our cannabis products, both upstream, midstream, and downstream. We could be confident that if the regulations are clear, we are poised to be the leaders in the creation and manufacture of cannabis products.

First time providing an annual fuel membership card in Thailand.

PTG launched PT Max Card Plus membership, under Max Solution Service Co., Ltd., which is the service enhancement and creating new experience to truly fulfill all lifestyles and ready to move towards a strong business eco-system. The card provides 2 movie tickets, a discount on fuel price 0.5 baht per liter (200 liters per month), 50% off coffee at Punthai Coffee and Coffee World (10 glasses per month), a free emergency fuel delivery service from Max Service 1 time per card period, 60% discount on the purchase of PT Maxnitron lubricants, 10-15% discount on tire change service, mileage check or purchase of car accessories at Autobacs, and many discounts and benefits from partner stores. Benefits from PT MAX Card Plus worth more than 9,000 baht, with an annual membership card fee of 599 baht, which can be purchased at any PT service stations nationwide or through online channels at www.ptmaxcard.com.

1Q/2021 Financial Result Summary

Financial Summary (Baht Million, unless stated)	1Q/2021	4Q/2020	1Q/2020	%QoQ	%YoY
Revenue from sales and services	32,264	27,730	29,121	16.4%	10.8%
Cost of sales and services	(29,435)	(24,826)	(26,890)	18.6%	9.5%
Gross profit	2,829	2,903	2,231	-2.6%	26.8%
SG&A	(2,057)	(2,102)	(1,944)	-2.2%	5.8%
Selling expenses	(1,702)	(1,754)	(1,746)	-3.0%	-2.6%
Administrative expenses	(355)	(348)	(198)	1.9%	79.7%
Finance costs	(274)	(284)	(272)	-3.5%	0.6%
EBITDA	1,663	1,806	1,209	-8.0%	37.5%
Net profit	531	676	204	-21.4%	159.9%
Gross profit margin	8.8%	10.5%	7.7%		
SG&A as a % of revenue	6.4%	7.6%	6.7%		
% Selling expenses	5.3%	6.3%	6.0%		
% Administrative expenses	1.1%	1.3%	0.7%		
Operating profit margin	2.9%	3.9%	1.8%		
EBITDA margin	5.2%	6.5%	4.2%		
Net profit margin	1.6%	2.4%	0.7%		
Earnings per share (Baht)	0.32	0.40	0.12		
Return on Equity	27.5%	36.8%	12.6%		
Return on Total Assets	5.2%	8.4%	2.6%		
IBD to equity ratio (x)	3.21	3.71	3.99		

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- **Revenue from sales and services** was 32,264 million baht, reflecting an increase of 10.8% YoY, an increase of 16.4% QoQ, due to the following factors: 1) The increase in oil sales volume to 1,336 million liters or a rise of 9.7% YoY, which in line with the target growth of 8 – 12%, and an increase of 2.4% QoQ where revenue from oil business accounted for 96.2% of total revenue from sales and services 2) Oil retail price rose 0.8% YoY and increased 14.3% QoQ aligned with the crude oil price adjustment 3) The continuous growth of non-oil business that the Company has been pushing for and emphasizing in providing comprehensive customer service. Currently, there were 771 non-oil branches, a 23.4% growth YoY and 2.0% growth QoQ. Meanwhile, revenue from non-oil business in this quarter was 1,251 million baht, growing 16.0% YoY, but slightly down 0.5% QoQ. Revenue from sales and services from the non-oil business accounted for 3.8% of the total revenue from sales and services.
- **Cost of sales and services** was 29,435 million baht, an increase of 9.5% YoY and an increase of 18.6% QoQ, which mainly from 1) the rise in sales volume as mentioned earlier and, 2) An increase of cost per liter due to WTI price in 1Q/2021 stood at a \$58.7 per barrel increased 25.6% YoY and 16.4% QoQ. However, the oil retail price adjusted in line with the cost, bringing the marketing margin back to an appropriate level at 1.8 – 1.9 baht per liters. This was different from the situation in the same period in 2020 where the market margin was lower than usual because the price adjustment that did not correspond to the cost. Therefore, PTG recorded a gross profit of 2,829 million baht this quarter, an increase of 26.8% YoY, but a slightly drop of 2.6% QoQ from the lower marketing margin compare to the previous quarter. The gross profit from the oil business and non-oil business accounted for 86.9% and 13.1%, respectively. The gross profit from non-oil business can be divided into LPG business 5.6%, food and beverage businesses 2.8%, and Max Mart convenience stores and other businesses 4.7%.
- **SG&A expenses** was 2,057 million baht, an increase of 5.8% YoY, the growing in the expense was mainly to support the expansion of the oil and non-oil businesses. However, this cost is likely to grow at a reduced rate in accordance with the cost control policy. As a result, the expense decreased 2.2% QoQ due to the lower marketing expense and cost control policy to dealing with the COVID-19 outbreak. The main expenses were still from employee-related expenses and depreciation expenses.
 - **Employee-related expenses** was 816 million baht, an increase of 5.3% YoY, but a decrease of 2.3% QoQ. The growth was from the branch expansion of oil and non-oil businesses. Recently, PTG had a number of branches in the oil and non-oil businesses that PTG owned and operated of 2,581 branches nationwide, which focused on providing services to deliver the best experience to customers.
 - **Depreciation expenses** was 702 million baht, reflecting an increase of 4.7% YoY, but a decrease of 1.4% QoQ. The growth was from the continuous branch expansion into the key strategic areas along the Bangkok and vicinity areas, and main cities with an aim to expand services to serve a broader

need of our customers. In addition, PTG opened 8 Company Owned Company Operated (COCO) service stations in this quarter.

- **Finance costs** was 274 million baht, an increase of 0.6% YoY, which was due to the continuous branch expansion as motioned above, but decrease of 3.5% QoQ. The finance cost can be divided into the financial cost from report financial cost instead of the rental expense, and financial cost from loans from financial institutions. The latter tends to decrease with to the guidelines of the capital structure management to suit the Company in reducing the financial cost.
- **EBITDA and Net Profit**, EBITDA was 1,663 million baht, an increase of 37.5% YoY, resulting from the higher level of marketing margin compare to the same period of the previous year. In addition, PTG continues to drive of the non-oil business by expanding new touchpoints to connect with people by providing the services that meet the needs of customer, and the regular implement of cost control policy during the COVID-19 pandemic. However, EBITDA dropped 8.0% QoQ due to the slightly reduce in marketing margin compared to the previous quarter and the decrease in revenue from non-oil business effected by COVID-19 impact in the beginning of the year 2021. Furthermore, the decline in profit sharing from was Palm Complex, due to the rising average cost of goods sold. As a result, PTG had a net profit of 531 million baht, an increase of 159.9% YoY, but a decrease of 21.4% QoQ, and earnings per share of 0.32 baht, increased from 0.12 baht in same period last year, but decrease from 0.40 baht in last quarter.

Statement of Financial Position as of March 31, 2021

Summary of Financial Position (Baht million)	1Q/2021	%	2020	%	Amount changes	% changes
Cash and cash equivalents	1,243	2.9%	942	2.2%	301	32.0%
Trade, other receivables, short-term lending	863	2.0%	829	2.0%	34	4.1%
Inventories	1,812	4.3%	2,088	5.0%	(276)	-13.2%
Total current assets	3,918	9.3%	3,858	9.2%	60	1.5%
Investment properties	379	0.9%	384	0.9%	(5)	-1.3%
Property, plant, and equipment	10,863	25.7%	10,853	25.8%	10	0.1%
Right-of-use assets	23,648	56.0%	23,662	56.3%	(14)	-0.1%
Investment in a joint venture	1,087	2.6%	1,009	2.4%	78	7.7%
Investment in associate	817	1.9%	801	1.9%	16	2.0%
Financial assets measured at fair value through other comprehensive income (General investment)	725	1.7%	734	1.7%	(10)	-1.3%
Intangible assets	243	0.6%	229	0.5%	14	6.1%
Goodwill	53	0.1%	53	0.1%	0	0.0%
Other non-current assets	499	1.2%	453	1.1%	45	10.0%
Total assets	42,231	100.0%	42,037	100.0%	194	0.5%
Trade and other payables	5,620	13.3%	3,920	9.3%	1,700	43.4%
Short-term loans & loans due within 1 year	3,486	8.3%	4,330	10.3%	(844)	-19.5%
Other current liabilities	378	0.9%	236	0.6%	142	60.1%
Total current liabilities	9,484	22.5%	8,486	20.2%	998	11.8%
Financial lease liabilities	18,881	44.7%	18,947	45.1%	(66)	-0.3%
Long-term loans	4,984	11.8%	6,294	15.0%	(1,310)	-20.8%
Deferred tax liabilities	56	0.1%	56	0.1%	0	0.5%
Other non-current liabilities	308	0.7%	275	0.7%	33	11.9%
Total liabilities	33,712	79.8%	34,057	81.0%	(345)	-1.0%
Retained earnings	5,435	12.9%	4,904	11.7%	531	10.8%
Others	3,085	7.3%	3,076	7.3%	10	0.3%
Total equity	8,519	20.2%	7,980	19.0%	539	6.8%
Total liabilities and equity	42,231	100.0%	42,037	100.0%	194	0.5%

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At the end of 1Q/2021, PTG had the total assets of 42,231 million baht, reflecting an increase of 194 million baht or 0.5% growth from the year end 2020. The main increase was due to a rise in cash and cash equivalents, 32.0% growth or 301 million baht from 4Q/2020, resulting from an increase in operating cash and trade payable settlement period. However, inventories decreased by 276 million baht or 13.2% from 4Q/2020, due to the proper inventory management according to the changing situation.

Meanwhile, PTG had total liabilities of 33,712 million baht, a decrease of 345 million baht or 1.0% from the year end 2020, caused by the repayment according to payment term of overdrafts and short-term loans from financial institutions of 2,283 million baht. On the other hand, trade and other payables increased by 1,700 million baht, due to higher oil cost. In addition, PTG had shareholders' equity of 8,521 million baht, an increase of 539 million baht or 6.8% from the year 2020 as a result of the higher retained earnings.

Sources and Uses of Funds Statement for 3 months 2021 (Baht million)			
Sources of Funds		Uses of Funds	
Cash from operations	3,357	Investment in leasehold rights, PP&E, and intangible assets	586
Cash received from payment of loans from subsidiaries, joint ventures and associates	129	Payment of interest and tax, net	225
Cash received from borrowings	500	Payment of loans, net	2,679
		Payment to creditors under the financial lease agreement	195
		Cash increase	301
Total	3,986	Total	3,986

For 1Q/2021, PTG had net cash flow from operations of 3,132 million Baht (after interest and tax payment of 225 million Baht), rose 257.8% YoY. This was mainly due to an increase of trade payables and other payables by 2,253 million baht, or an increase of 368.8% since the payment had not been made according to the payment term as mentioned earlier. PTG's net cash payment in investing activities was 457 million baht, down 34.5% YoY, in line with the investment reduction policy in dealing with the impact of the COVID-19 outbreak that caused the overall economy to slow down. Meanwhile, PTG posted net cash payment in financing activities of 2,374 million baht, an increase of 212.4% YoY, as a result of the payment of short-term and long-term loans from financial institutions. However, the Company still aims to obtain sufficient cash management for operations. As a result, PTG had net cash of 1,243 million baht, a growth of 301 million baht from the end of last year.

Accreditation	
Credit rating (Tris)	BBB+
CG score	Excellent: 5 Stars
CAC	Certified CAC
ESG Index	THSI

Long-term Liabilities and Outstanding Debentures (Baht million)				
Year	Debentures	Maturity	Loans	Maturity
Apr – Dec 21			500	1,188
2022		2,100		1,041
2023		2,000		932
2024				509
2025				93

Executive View and Business Direction for 2021

2021's operational target

- ✓ Number of Touchpoints 3,160 touchpoints
 - Oil Station 2,030 stations
 - LPG and Mix Station 260 stations
 - Non-oil (F&B, CVS, Services) 870 branches
- ✓ Oil Sales Volume Growth 8 – 12%
- ✓ LPG Sales Volume Growth more than 100%
- ✓ EBITDA Growth 10 – 15%
- ✓ Investment Budget 4,000 – 4,500 million baht

The oil sales volume continues to grow. The overall economy faced a third wave of COVID-19 epidemic since early April 2021, affecting people's lives and reducing economic activities. However, Thailand has started to vaccinate people aiming for vaccination to cover half of the population by 2021. This will help travel industry, economic activity, and oil consumption to recover and grow again. Regardless of the third wave of the virus, PTG's oil sales continued to grow at 15.2% YoY in April 2021. Therefore, PTG expects the country's overall oil consumption to continue to grow and forecasts that its oil sales volume in Q2/2021 and in full-year 2021 will grow according to the target of 8-12% from the previous year. Nevertheless, PTG still maintains the cost control and strict investment policy since the outbreak of COVID-19 in the first wave to ensure that the Company has sufficient cash flow for operations. For this reason, PTG maintains EBITDA growth target of 10 - 15% from last year.

The expansion with an investment of 4,000 - 4,500 million baht can be divided to 100 - 150 oil and LPG service stations and 120 non-oil business branches

PTG still drives and enhances growth opportunities for the non-oil business, which was aimed to be the business driver for the Company future growth. This year, the Company continues to focus on increasing the proportion of the non-oil business in order to reduce the volatility of the oil business, namely the LPG business, the food and beverage business, Max Mart convenience store, automobile repair and maintenance business, and renewable energy business.

1) Regarding LPG business, we started expanding the LPG distribution, both household and industrial sectors during the past year. At the present, we have expanded 99 LPG gas shops and 1 LPG filling plant. In this year, PTG sees opportunities for growth in LPG business, both in auto LPG, household LPG and industrial LPG. PTG strategy is to focus on differentiation in marketing strategy and service efficiency. Future growth targets will be mainly focusing on the expansion of the household and industrial LPG businesses. In addition, PTG sees an opportunity to provide comprehensive service, and to facilitate customers through the loyalty program, PT Max Card and Max Rewards, in order to link customers to the most satisfactory service.

2) For food and beverage business and Max Mart convenience store business, PTG had organized marketing activities that help establish understanding and accessibility for consumers through off-line and online channels. The Company had devised strategies to differentiate and improve customer experiences as well as develop a strong brand identity along with the launch of new products that contribute to the local community in the country.

3) For automotive repair and maintenance business under the brand "Autobacs", the Company plans to expand service in the future for our customer's well-being. In the past quarter, we opened more Autobacs station to cover a broader area, resulting in a total of 17 branches and aim to expand more 20 branches this year.

4) The renewable energy under Palm Complex project, which operates a comprehensive business of production and distribution of palm oil products that PTG holds a 40 % stake, was able to generate an excellent performance in the past year. The Company plans to expand into the industry that has potential future growth, such as the oleo-chemical industry, to meet a broader range of our customers. PTG has also set a target for recognizing net profit sharing from this business of 240 - 260 million baht per year, We expect that Palm Complex will be one of the key drivers for PTG's sustainable growth.

Looking for businesses with potential growth for long term future expansion. Earlier this year, PTG changed its vision from "The nation's leading full-service energy provider" to "Enriching the quality of life, well-being and contentedness of the people we serve". The Company plans to transform itself into a service provider in various fields apart from energy. With this purpose, PTG collaborated with EGAT, a leader in electrical technology for a long time, to open the EV charging station in 5 PT service stations which will help promote potential development and enhance the electric vehicle industry in Thailand to support a rising trend of electric vehicle in the future. PTG anticipates this project as an opportunity to prepare for emerging technologies as well as to increase the opportunity

to expand the business together in the future. The Company plans to expand the EV charging stations along the main roads and major tourist attractions to ensure confidence and provide convenience to electric vehicle users.

Apart from the EV charging station project, the Company also has a project to generate and distribute electricity from renewable energy including electricity generation from waste to reduce community problems and electricity generation from solar power according to government policy. PTG sees opportunities for development and investment in businesses related to clean energy, which is a business with high growth potential with low operational risk, as well as being able to generate steady and continuous income for the Company in the long term. The clearer direction of this project is expected to be seen in this year.