

CEO Message



During the first half of 2018, PTG's next challenge was to move forward towards our goal of continually and sustainably adding value to the organization. We aim to expand our service station coverage across the country, we expect to have 1,900 service stations by 2018. Not only does the number of service stations rapidly grows every year, but the market share also increases. We forecasted that the retail market share will increase to around 15% of sales volume through the nation's service stations.

In addition to the oil business, we also focus on expanding our non-oil business to fulfill the customer service to be more integrated, and to strengthen the business firmly and sustainably. Furthermore, entering into the non-oil business will help to increase returns and diversify the risk of having only the oil business. We aim to achieve the non-oil gross profit portion 60% of the total gross profit by 2022.



In the first half of the year, we launched a new non-oil business which was a joint venture with Jitramas Catering Company Limited or "JTC". The purpose of the investment is to establish a central kitchen to support PTG's food and beverage business, which will support the needs of each customer and control the quality and taste of food and beverage products. Furthermore, PTG has another joint venture with Bangkok Aviation Fuel Services Public Company Limited or "BAFS" to establish BPTG Company Limited or "BPTG". This joint venture's objective is to build 3 service stations in front of the oil depot and pipeline of Fuel Pipeline Transportation Limited or "FPT", and also to increase the opportunity to strengthen PTG's oil business in the future. Hereafter, PTG not only will be PTG be the service station operator, but also a service provider to meet the needs of customers in every angle. The 3–5 year business plan is to create PTG Eco-system through PT Max Card membership, which the plan is divided into 3 main areas:



Expansion of oil business services: PTG targets to have service stations nationwide, and become the top of mind brand for the customers.



Expansion of non-oil businesses to fulfill the needs of customers in every angle: the new investment will be the selected to support company's future growth. By the end of 2022, PTG expects the portion of gross profit from non-oil business to increase to 60% of the total gross profit.



Expansion into renewable energy: PTG aims to create a sustainable energy business while benefits the community and society in supporting agricultural products that are the foundation of the country's economy.

The drivers that will support PTG to achieve its sustainable growth goals are:

- ⚙️ Growth in oil business both in number of service stations and the volume of oil sales.
- ⚙️ Growth in non-oil by joint venture with a wide range of businesses. This could help PTG to meet all the needs of customers in form of both products and services, and to widen the business of consumer goods and services on a daily life basis.
- ⚙️ Connecting oil business and non-oil business with PT Max Card to deliver customers the convenience and benefits of using the service.
- ⚙️ Creating brand loyalty with the focus of communicating the distinction of PTG to create a unique identity and image for both products and services.
- ⚙️ Managing supply chain efficiently using advanced technology in working procedure, processing data, and connecting system and information of the Company and its networks to the most accurate. The purpose of this is to maintain the delivery of the exceptional products and services, and to continually improve its quality.
- ⚙️ Creating good human resources and corporate culture to deliver good products and services to customers. Employees and executives at all levels are keys to drive the Company to reach its goals, and to align with its develop themselves at all times.

Significant Events During the First Half of 2018

Annual General Meeting of Shareholders



On April 20, 2018, PTG Energy Public Company Limited or "PTG" passed a resolution to the Annual General Meeting of Shareholders for the year 2018, with the following significant resolutions:

1. Approved the minutes of the Annual General Meeting of Shareholders for the year 2017
2. Acknowledged the Board's Report on the Company's Operating Results for the year 2017
3. Approved financial statements that have been audited by the Company's auditor for the fiscal year ended December 31, 2017
4. Approved the appropriation of net profit as legal reserve and dividend payment for the year 2017
5. Approved the election of directors to replace those who retired by rotation
6. Approved the remuneration of directors for the year 2018
7. Approved the appointment of auditors
8. Approved the issuance and offering of debentures in the amount not exceeding 2,000 million baht or in other currencies equivalent
9. Approved the amendment of the Company's regulation no. 28 about the agenda of Annual General Meeting of Shareholders





Investment in Food and Beverage Business with Jitramas Catering Company Limited

PTG recognizes the continued growth of food and beverage business. Therefore, the Company has approved Punthai Coffee Company Limited or "PUN", a subsidiary, to acquire shares in Jitramas Catering Company Limited or "JTC" totaling Baht 31.50 million, representing 70% of total shares. In addition, JTC is a manufacturer and service provider of food and beverage business with more than 40-year experience. Products of JTC are focused on quality, cleanness, freshness of ingredients, authentic Thai style taste, and standard process of Homemade Industrial Food.



PTG plans to place JTC as a central kitchen of food and beverage business to create a variety of menu including cooked fresh food, chilled food, frozen food, Thai desserts, bakery, and drinks.

With the intention to provide quality Thai foods at affordable prices for customers who demand convenient and fast services. In this regard, "Krua Phan Jit", a fast casual restaurant, is established under the management of Jitramas Catering Company Limited. The first branch of Krua Phan Jit is located at PT service station Bangkokpi 3rd branch started on May 14, 2018. The restaurant focuses on the quality of food from the selection of raw materials to the freshness of food, and the authentic taste of Thai food at the reasonable price.



Each of these product types will be more comprehensive for all consumer groups, for example food box and snack box for seminars and events, and catering. There is also a food chain restaurant available both inside and outside the PT service station. In addition, JTC plans to produce ready to eat Thai food, and seasoning ingredients to distribute domestically and internationally. The purpose is to raise the level of integrated services to wider range of customer apart from the customer in service stations.

JTC plans to expand 30 more branches in PT service station in Bangkok and vicinities by the year 2019 and aims to have at least 150 branches by 2022. Krua Phan Jit is open daily from 7:00 am to 7:00 pm and offers privileges offers privilege to customers by redeeming PT Max Card points for food discount.



Press Visitation at the Palm Complex



Palm Complex Project under PPP Green Complex Company Limited or "PPP", PTG holds 40% shares, is the first integrated biodiesel production plant in Thailand. The plant combines all production process including palm oil extraction, palm oil refinery, olein cooking oil production, biodiesel B100 production, as well as other products derived from the production process. In addition, in order to maximize the potential and benefits of using resources, the empty palm bunch and other wastes are used as a raw material to generate electricity from biomass and biogas power plant. In this first phase, biodiesel B100 production capacity is 450K liters per day and olein cooking oil capacity is 200K liters per day.



On May 12, 2018, Mr. Rangsan Puangprang (Executive Vice President of PTG Public Company Limited) and Mr. Chovalit Supanakorn (Chief Executive Officer of PPP Green Complex Company Limited) with project management team invited the press to visit Palm Complex production plant . Nowadays, the plant has been selling olein cooking oil and the biodiesel plant is expected to start commercial operations by fourth quarter of 2018.



The Joint Venture with Bangkok Aviation Fuel Services Public Company Limited

PTG was approved by the Board of Directors to enter into a joint venture with Bangkok Aviation Fuel Services Public Company Limited or "BAFS" to found a new subsidiary, BPTG Company Limited or "BPTG", with a registered capital of Baht 100 million which PTG holds 60% of the total shares. The objective of this joint venture is to operate service stations near the oil pipeline to the northern part of Thailand of Pipeline Transportation Limited or "FPT". The Initial plan is to develop land near the oil depot and oil pipeline in 3 areas, including Phichit, Lampang, and Kamphaeng Phet to be service stations and car rest areas. These service stations will provide varieties service such as Punthai Coffee, Max Mart, and Krua Phan Jit. The oil depot in Phichit province adjacent to the minor road, and has the potential to develop into a stop point for large trucks and tankers. This area will provide additional services include accommodation services, bathing place, rest areas, and good quality food at a reasonable price. The location of the oil booster pump station at Kamphaeng Phet is adjacent to the highway no. 1. So, there is a plan to develop the area into a facility location to serve passenger cars, general vehicles, and small trucks. These service stations are expected to be available by the year 2019. However, PTG will continue to expand its service station to provide services to customer in all areas. In addition, the opening of these service stations improves the efficiency and utilization of pipeline transportation in line with government policy to promote energy sustainability by reducing the amount of gasoline trucks on the road and carbon dioxide and carbon dioxide emission for society and environmental responsibility.



The Launch of the First Punthai Coffee Drive Thru

On June 1, 2018, Punthai Coffee has launched the first Drive Thru inside the PT service station at Bangkapi 3 branch, opening from 06.00 am to 08.00 pm. The Drive Thru is under the modern concept to meet with the hustle urban lifestyle with high traffic density during rush hours. However, the coffee taste remains Thai with "strong, distinctive, and genuine Thai style". In addition to providing the Drive Thru service that responds to the rush hour, there is also a sitting area with plenty of space to escape from the hustle to relax even in rush hours for those who are tired of the hectic lifestyle or heavy traffic. It is also suitable for meeting and working outside the office. Moreover, Punthai Coffee plans to open three additional Drive Thru branches by 2018 in the surrounding areas of Bangkok.

Analyst Visit at PT Service Station



Investor Relations, led by Ms. Sawitree Tuntra-Ampai (Investor Relations Manager), welcomed analysts from leading brokers and funds to visit the PT service station Bangkapi 3 branch on June 27, 2018. The station is full of varieties of services. In addition to the petrol and LPG service, there are also the first Punthai Coffee Drive Thru and the first Krua Phan Jit restaurant in the station.

Corporate Social Responsibility Generate Revenue for Disable People

PTG continues to promote the occupation creation for Thai people. Thus, we cooperate with the government (Ministry of Labour, and Ministry of Social Development and Human Security) to improve the quality of life of people with disabilities.



PTG promotes employment, hiring contractors, and practice courses for disabilities including garment course, tailor contract, Thai massage course, and other skill trainings. The purposes of these trainings are to develop professional skills, and to provide the opportunity for disabilities to enter the labor market and generate income for themselves. Also, it will enhance the ability of the disable people in operating sustainable profession.

PTG Supports Sam Ao Running Activity

PTG supports "Sam Ao Running", the charity run developed from Kaokonlakao Project, for Prachuap Khiri Khan Hospital. The activity aimed to raise fund to purchase the necessary medical equipment and to improve the potentiality and ability to assist patients. PTG donated 50,000 baht to Prachuap Khiri Khan Hospital and supports 10,000 bottles of drink water to facilitate people in this activity. This is because the Company is aware of its social responsibility. Therefore, PTG supports and promotes beneficial social activities to provide better quality of life for people in Thai society. Sam Ao running event was held on May 19-20, 2018 at Ao Manao Air Force Welfare Lodging Wing 5.



Pass the Love Forward Project



PTG supported the "Pass the Love Forward" program of PT Prachuap Football Club by providing drinking water, consumer goods, and scholarships for Pak Kret Boys Home in Nonthaburi on June 30, 2018.

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Up Coming IR Events

- November 07, 2018 3Q18 Operating Performance Results
- November 20, 2018 3Q18 SET Opportunity Day

Contact Investor Relations
Website: <http://investor.ptgenergy.co.th/th/home>
Tel: 0-2168-3377, 0-2168-3388 ext. 260 or 150
Email: ir@pt.co.th