

**AUDITOR'S INTERIM FINANCIAL INFORMATION REVIEW REPORT  
AND FINANCIAL STATEMENTS  
OF  
PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017**

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017**  
**(UNAUDITED BUT REVIEWED)**

<b>NOTES</b>	<b>CONTENTS</b>
1	General Information
2	Basis of Interim Financial Statements Preparation
3	Accounting Policies
4	Cash and Cash Equivalents
5	Trade Accounts Receivable
6	Other Accounts Receivable
7	Lending Loans
8	Related Party Transactions
9	Inventories
10	The Shareholder Restructuring of the Group
11	Available-for-sale Investments
12	Investments in Subsidiaries, Joint Ventures and Associates
13	Other Long-term Investments
14	Investment Properties
15	Property, Plant and Equipment
16	Goodwill
17	Intangible Assets
18	Exploration and Evaluation Assets
19	Other Non-current Assets
20	Long-term Loans
21	Provisions for Employee Benefit
22	Long-term Provision for Decommissioning Costs
23	Other Non-current Liabilities
24	Basic Earnings per Share
25	Other Income
26	Expenses by Nature
27	Operating Segments
28	Fair Value Measurement of Financial Instruments
29	Subordinated Capital Debentures
30	Dividend Payment
31	Proceeding regarding the Central Administrative Court's Ordering the Temporary Suspension of Projects in the Map Ta Phut Area
32	Commitments and Contingent Liabilities
33	Other Events
34	Events after the Reporting Period

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017**  
**(UNAUDITED BUT REVIEWED)**

**1. General Information**

PTT Public Company Limited (the Company) is incorporated as a public limited company in Thailand, and is listed on the Stock Exchange of Thailand. The address of its incorporated and registered office is as follows:

The Head Office of the Company is located at 555 Vibhavadi-Rangsit Road, Chatuchak, Bangkok, Thailand.

The Company's principal activity is the operation of its petroleum business. The Company has invested in subsidiaries, joint arrangements and associates (the Group), which are engaged in upstream petroleum and natural gas, downstream petroleum, coal and other related businesses as described in Note 27 Operating Segments.

**2. Basis of Interim Financial Statements Preparation**

**2.1 Purpose of the Interim Financial Statements**

These interim financial statements are prepared in order to provide additional information other than that included in the latest annual financial statements. Accordingly, these interim financial statements focus on the reporting of new activities, events and circumstances so as not to repeat information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

**2.2 Basis of Interim Financial Statement Preparation**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) "Interim Financial Reporting", and with generally accepted accounting principles under the Accounting Act, B.E. 2543. These are Thai Financial Reporting Standards under the Accounting Profession Act, B.E. 2547, including interpretations and guidelines promulgated by the Federation of Accounting Profession, and applicable rules and regulations of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535. The content of the interim financial statements comprises the statements of financial position, statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows in the same format as that used for the annual financial statements and condensed notes.

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.

### 3. Accounting Policies

- 3.1 Revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations which are published in the Government Gazette

#### **Effective for accounting periods on or after January 1, 2018**

◆Thai Accounting Standard No. 1 (revised 2017)	Presentation of Financial Statements
◆Thai Accounting Standard No. 2 (revised 2017)	Inventories
◆Thai Accounting Standard No. 7 (revised 2017)	Statement of Cash Flows
◆Thai Accounting Standard No. 8 (revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
◆Thai Accounting Standard No. 10 (revised 2017)	Events after the Reporting Period
◆Thai Accounting Standard No. 11 (revised 2017)	Construction Contracts
◆Thai Accounting Standard No. 12 (revised 2017)	Income Taxes
◆Thai Accounting Standard No. 16 (revised 2017)	Property, Plant and Equipment
◆Thai Accounting Standard No. 17 (revised 2017)	Leases
◆Thai Accounting Standard No. 18 (revised 2017)	Revenue
◆Thai Accounting Standard No. 19 (revised 2017)	Employee Benefits
◆Thai Accounting Standard No. 20 (revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
◆Thai Accounting Standard No. 21 (revised 2017)	The Effects of Changes in Foreign Exchange Rates
◆Thai Accounting Standard No. 23 (revised 2017)	Borrowing Costs
◆Thai Accounting Standard No. 24 (revised 2017)	Related Party Disclosures
◆Thai Accounting Standard No. 26 (revised 2017)	Accounting and Reporting by Retirement Benefit Plans
◆Thai Accounting Standard No. 27 (revised 2017)	Separate Financial Statements
◆Thai Accounting Standard No. 28 (revised 2017)	Investments in Associates and Joint Ventures
◆Thai Accounting Standard No. 29 (revised 2017)	Financial Reporting in Hyperinflationary Economies
◆Thai Accounting Standard No. 33 (revised 2017)	Earnings per Share
◆Thai Accounting Standard No. 34 (revised 2017)	Interim Financial Reporting
◆Thai Accounting Standard No. 36 (revised 2017)	Impairment of Assets
◆Thai Accounting Standard No. 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
◆Thai Accounting Standard No. 38 (revised 2017)	Intangible Assets
◆Thai Accounting Standard No. 40 (revised 2017)	Investment Property
◆Thai Accounting Standard No. 41 (revised 2017)	Agriculture
◆Thai Financial Reporting Standard No. 2 (revised 2017)	Share-based Payment
◆Thai Financial Reporting Standard No. 3 (revised 2017)	Business Combinations
◆Thai Financial Reporting Standard No. 4 (revised 2017)	Insurance Contracts

### 3. Accounting Policies (Continued)

#### 3.1 Revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations which are published in the Government Gazette (Continued)

##### Effective for accounting periods on or after January 1, 2018 (Continued)

◆Thai Financial Reporting Standard No. 5 (revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
◆Thai Financial Reporting Standard No. 6 (revised 2017)	Exploration for and Evaluation of Mineral Resources
◆Thai Financial Reporting Standard No. 8 (revised 2017)	Operating Segments
◆Thai Financial Reporting Standard No. 10 (revised 2017)	Consolidated Financial Statements
◆Thai Financial Reporting Standard No. 11 (revised 2017)	Joint Arrangements
◆Thai Financial Reporting Standard No. 12 (revised 2017)	Disclosure of Interests in Other Entities
◆Thai Financial Reporting Standard No. 13 (revised 2017)	Fair Value Measurement
◆Thai Standing Interpretation No. 10 (revised 2017)	Government Assistance - No Specific Relation to Operating Activities
◆Thai Standing Interpretation No. 15 (revised 2017)	Operating Leases - Incentives
◆Thai Standing Interpretation No. 25 (revised 2017)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
◆Thai Standing Interpretation No. 27 (revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
◆Thai Standing Interpretation No. 29 (revised 2017)	Service Concession Arrangements: Disclosures
◆Thai Standing Interpretation No. 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
◆Thai Standing Interpretation No. 32 (revised 2017)	Intangible Assets - Web Site Costs
◆Thai Financial Reporting Interpretation No. 1 (revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
◆Thai Financial Reporting Interpretation No. 4 (revised 2017)	Determining Whether an Arrangement Contains a Lease
◆Thai Financial Reporting Interpretation No. 5 (revised 2017)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
◆Thai Financial Reporting Interpretation No. 7 (revised 2017)	Applying the Restatement Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economies
◆Thai Financial Reporting Interpretation No. 10 (revised 2017)	Interim Financial Reporting and Impairment
◆Thai Financial Reporting Interpretation No. 12 (revised 2017)	Service Concession Arrangements

### 3. Accounting Policies (Continued)

#### 3.1 Revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations which are published in the Government Gazette (Continued)

##### Effective for accounting periods on or after January 1, 2018 (Continued)

◆Thai Financial Reporting Interpretation No. 13 (revised 2017)	Customer Loyalty Programmes
◆Thai Financial Reporting Interpretation No. 14 (revised 2017)	TAS 19 (revised 2017) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
◆Thai Financial Reporting Interpretation No. 15 (revised 2017)	Agreements for the Construction of Real Estate
◆Thai Financial Reporting Interpretation No. 17 (revised 2017)	Distributions of Non-cash Assets to Owners
◆Thai Financial Reporting Interpretation No. 18 (revised 2017)	Transfers of Assets from Customers
◆Thai Financial Reporting Interpretation No. 20 (revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
◆Thai Financial Reporting Interpretation No. 21 (revised 2017)	Levies

Federation of Accounting Professions (FAP) has issued a number of revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations, which are effective for accounting periods beginning on or after January 1, 2018. The management of the Group has assessed the effects of the standards and interpretations and believes that their adoption will not have any significant impact on the consolidated and the separate financial statements. The Group does not plan to early adopt these standards and interpretations.

#### 3.2 Accounting Policies

In preparing the interim financial statements, the same accounting policies and computation methods used in the financial statements for the year ended December 31, 2016 are applied, except the revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standard Interpretations and Thai Financial Reporting Interpretations, which are effective for accounting periods beginning on or after January 1, 2017. Such application has no any significant impact on the consolidated and the separate financial statements.

### 3. Accounting Policies (Continued)

#### 3.3 Reclassification

##### Reclassifications in accordance with Department of Business Development Announcement

On October 11, 2016 the Department of Business Development issued its notification regarding the minimum content requirements for the financial statements (No. 2) B.E. 2559. The notification is effective for accounting periods beginning on or after January 1, 2017. The Group has reclassified the items related to the exploration and evaluation assets, deficit from the change in the ownership interests in subsidiaries in the statement of financial position as at December 31, 2016, items related to selling and distribution expenses in the comparative statement of income for the three-month and nine-month periods ended September 30, 2016 to comply with the aforementioned notification. These reclassifications had no effect to the Group's net profit as previous reported.

The Group has reclassify the comparative financial information. The impact on the consolidated financial information is as follows:

Unit : Million Baht

	Consolidated financial statements		
	Previously reported	Reclassified increase (decrease)	Restated
<b>Statement of financial position</b>			
Current assets	741,490.62	93.05	741,583.67
Non-current assets	1,490,840.46	(93.05)	1,490,747.41

##### Divestment of PTTEP Oman Company Limited and Discontinued Operations

During the year 2016, PTTEP Offshore Investment Company Limited (PTTEPO) sold an investment in PTTEP Oman Company Limited (PTTEP OM), which is a subsidiary of the Group. As a result, the relevant part of the petroleum exploration and production business is classified as a discontinued segment. The Group presented the operating results of the discontinued segment separately from normal operating profits, and present it as profit (loss) from discontinued operations, net of tax in the consolidated statement of income, and other comprehensive income (loss) from discontinued operations, net of taxes in the consolidated statement of comprehensive income. The Group has reclassified the transactions of this segment in 2016 for the purpose of comparison with the current period financial information.

### 3. Accounting Policies (Continued)

#### 3.3 Reclassification (Continued)

##### Divestment of PTTEP Oman Company Limited and Discontinued Operations (Continued)

The operating results of the discontinued operations in the consolidated financial information for the three-month period ended September 30, 2016 are as follows:

	<u>Unit : Million Baht</u>
<b>The consolidated statements of income</b>	
Revenues	248.51
Expenses	<u>(229.66)</u>
Profit before income taxes from discontinued operations	18.85
Income taxes	<u>(9.58)</u>
Net profit from discontinued operations	<u><u>9.27</u></u>
	<u>Unit : Baht</u>
Basic earnings per share from discontinued operations	-
	<u>Unit : Million Baht</u>
<b>The consolidated statements of comprehensive income</b>	
Item that will be reclassified subsequently to profit or loss	
Currency translation differences	(4.59)



### 3. Accounting Policies (Continued)

#### 3.3 Reclassification (Continued)

##### Divestment of PTTEP Oman Company Limited and Discontinued Operations (Continued)

The operating results of the discontinued operations in the consolidated financial information for the nine-month period ended September 30, 2016 are as follows:

	<u>Unit : Million Baht</u>
<b>The consolidated statements of income</b>	
Revenues	819.25
Expenses	<u>(687.24)</u>
Profit before income taxes from discontinued operations	132.01
Income taxes	<u>(36.50)</u>
Net profit from discontinued operations	<u><u>95.51</u></u>

	<u>Unit : Baht</u>
Basic earnings per share from discontinued operations	0.02

	<u>Unit : Million Baht</u>
<b>The consolidated statements of comprehensive income</b>	
Item that will be reclassified subsequently to profit or loss	
Currency translation differences	(12.58)

Detail of cash flows for the nine-month period ended September 30, 2016 are as follows:

	<u>Unit : Million Baht</u>
<u>Cash flow provided by discontinued operations</u>	
Net cash provided by operating activities	12.44
Net cash used in investing activities	(0.20)
Net cash provided by financing activities	<u>-</u>
Net cash provided by discontinued operations	<u><u>12.24</u></u>

#### 4. Cash and Cash Equivalents

Cash and cash equivalents as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Cash on hand	137.56	202.76	66.34	47.59
Call deposits held at banks	107,283.62	106,286.14	25,712.54	37,489.76
Fixed deposits	65,787.10	79,397.13	1,002.61	17,064.79
Treasury bills	8,737.11	16,583.42	-	-
Promissory notes	1,880.76	4,691.57	1,498.76	-
Bank of Thailand bonds	10,693.21	8,046.15	10,693.21	8,046.15
Restricted bank deposits within 3 months	933.75	359.24	-	-
<b>Total</b>	<b>195,453.11</b>	<b>215,566.41</b>	<b>38,973.46</b>	<b>62,648.29</b>

Call deposits held at banks, fixed deposits, treasury bills, promissory notes, Bank of Thailand bonds, and restricted bank deposits within 3 months as at September 30, 2017 bear the interest at rates ranging from 0.01% - 12.09% per annum (December 31, 2016: interest rates range from 0.12% - 13.05% per annum).

## 5. Trade Accounts Receivable

Trade accounts receivable as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Trade accounts receivable - others	147,375.12	140,502.28	69,790.49	71,335.20
<u>Less</u> Allowance for doubtful accounts	(3,205.60)	(3,409.99)	(2,051.22)	(2,076.63)
Trade accounts receivable - others - net	144,169.52	137,092.29	67,739.27	69,258.57
Trade accounts receivable - related parties - net (Note 8.1)	7,773.87	6,098.77	58,409.15	55,303.90
<b>Total</b>	<b>151,943.39</b>	<b>143,191.06</b>	<b>126,148.42</b>	<b>124,562.47</b>

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Within credit terms	150,403.22	138,347.50	125,438.42	122,382.46
Overdue				
- Within 3 months	1,342.29	3,618.05	682.63	1,297.60
- Over 3 - 6 months	68.56	442.28	-	299.41
- Over 6 - 12 months	108.67	746.85	51.84	627.93
- Over 12 months	3,480.24	3,702.97	2,280.74	2,288.30
	155,402.98	146,857.65	128,453.63	126,895.70
<u>Less</u> Allowance for doubtful accounts	(3,459.59)	(3,666.59)	(2,305.21)	(2,333.23)
<b>Total</b>	<b>151,943.39</b>	<b>143,191.06</b>	<b>126,148.42</b>	<b>124,562.47</b>

Trade accounts receivable - others as at September 30, 2017 include receivables from government agencies and state enterprises in the consolidated financial statements amounting to Baht 16,599.40 million (December 31, 2016: Baht 11,589.18 million), and in the separate financial statements amounting to Baht 15,061.60 million (December 31, 2016: Baht 10,927.55 million).

## 6. Other Accounts Receivable

Other accounts receivable as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Other accounts receivable	12,693.75	12,480.98	2,097.31	2,095.11
<u>Less</u> Allowance for doubtful accounts	(362.21)	(319.09)	(266.21)	(252.47)
Other accounts receivable	12,331.54	12,161.89	1,831.10	1,842.64
Advance payments	20,591.43	21,811.33	520.58	415.44
Refund receivable from the Oil Stabilization Fund	8,787.64	6,081.06	8,060.07	5,916.93
Current tax assets	5,446.37	6,814.26	248.41	1,094.63
Other accounts receivable - others - net	47,156.98	46,868.54	10,660.16	9,269.64
Other accounts receivable - related parties - net (Note 8.2)	789.72	1,786.77	1,543.07	1,587.97
Advance payments - related parties (Note 8.2)	27.11	516.11	49.03	372.21
<b>Total</b>	<b>47,973.81</b>	<b>49,171.42</b>	<b>12,252.26</b>	<b>11,229.82</b>

The refund receivable from the Oil Stabilization Fund mostly comprises compensation for locally manufactured oil and liquefied petroleum gas (LPG), or imported LPG for local uses, as well as compensation for Natural Gas for Vehicles (NGV) prices. The compensation rates are determined by the Committee of Energy Policy Administration.

## 7. Lending Loans

7.1 Short-term lending loans as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Current portion of financial lease receivable - others	561.28	436.71	-	-
Current portion of financial lease receivable - related parties (Note 8.2)	3.77	3.66	-	-
Short-term lending loans - others	942.34	-	-	-
Short-term lending loans - related parties	459.67	503.00	7,485.08	8,160.73
<u>Less</u> Allowance for doubtful accounts	<u>(449.49)</u>	<u>(413.00)</u>	<u>-</u>	<u>-</u>
Short-term lending loans - related parties - net (Note 8.2)	<u>10.18</u>	<u>90.00</u>	<u>7,485.08</u>	<u>8,160.73</u>
Total	<u>1,517.57</u>	<u>530.37</u>	<u>7,485.08</u>	<u>8,160.73</u>

7.2 Long-term lending loans as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Long-term financial lease receivable - others	5,513.54	5,959.37	-	-
Long-term financial lease receivable - related parties (Note 8.3)	57.62	60.47	-	-
Long-term lending loans - others	6,187.72	734.69	-	-
Long-term lending loans - related parties	10,519.77	8,263.29	46,728.34	80,994.63
<u>Less</u> Allowance for doubtful accounts	<u>-</u>	<u>-</u>	<u>(22,589.74)</u>	<u>(53,412.42)</u>
Long-term lending loans - related parties - net (Note 8.3)	<u>10,519.77</u>	<u>8,263.29</u>	<u>24,138.60</u>	<u>27,582.21</u>
Total	<u>22,278.65</u>	<u>15,017.82</u>	<u>24,138.60</u>	<u>27,582.21</u>

## 8. Related Party Transactions

Significant transactions carried out with related parties are as follows:

### 8.1 Trade accounts receivable - related parties as at September 30, 2017 and December 31, 2016

	Unit: Million Baht			
	Consolidated		Separate	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Subsidiaries	-	-	53,464.12	51,470.79
Joint ventures	2,971.50	2,927.52	1,376.54	1,390.73
Associates	2,007.73	1,149.42	774.03	420.56
Other related parties	3,048.63	2,278.43	3,048.45	2,278.42
	8,027.86	6,355.37	58,663.14	55,560.50
<u>Less Allowance for doubtful accounts</u>	<u>(253.99)</u>	<u>(256.60)</u>	<u>(253.99)</u>	<u>(256.60)</u>
Total (Note 5)	<u>7,773.87</u>	<u>6,098.77</u>	<u>58,409.15</u>	<u>55,303.90</u>

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Within credit terms	7,756.72	6,064.67	58,192.90	55,134.14
Overdue				
- Within 3 months	15.67	15.72	215.13	154.27
- Over 3 - 6 months	-	1.95	-	-
- Over 6 - 12 months	-	0.93	-	-
- Over 12 months	255.47	272.10	255.11	272.09
	8,027.86	6,355.37	58,663.14	55,560.50
<u>Less Allowance for doubtful accounts</u>	<u>(253.99)</u>	<u>(256.60)</u>	<u>(253.99)</u>	<u>(256.60)</u>
Total (Note 5)	<u>7,773.87</u>	<u>6,098.77</u>	<u>58,409.15</u>	<u>55,303.90</u>

## 8. Related Party Transactions (Continued)

8.2 Other accounts receivable, advance payments, current portion of financial lease receivable and short-term lending loans - related parties as at September 30, 2017 and December 31, 2016

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<u>Other accounts receivable</u>				
Subsidiaries	-	-	1,547.90	5,136.41
Joint ventures	258.34	177.05	20.85	26.26
Associates	232.59	212.86	6.60	6.37
Other related parties	350.06	1,505.30	0.34	-
	840.99	1,895.21	1,575.69	5,169.04
<u>Less Allowance for doubtful accounts</u>	(51.27)	(108.44)	(32.62)	(3,581.07)
Total (Note 6)	789.72	1,786.77	1,543.07	1,587.97
<u>Advance payments</u>				
Subsidiaries	-	-	42.94	62.46
Joint ventures	7.82	11.49	-	-
Associates	1.68	-	0.61	-
Other related parties	17.61	504.62	5.48	309.75
Total (Note 6)	27.11	516.11	49.03	372.21

## 8. Related Party Transactions (Continued)

### 8.2 Other accounts receivable, advance payments, current portion of financial lease receivable and short-term lending loans - related parties as at September 30, 2017 and December 31, 2016(Continued)

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<u>Current portion of financial lease receivable</u>				
Joint ventures (Note 7.1)	3.77	3.66	-	-
<u>Short-term lending loans</u>				
Subsidiaries	-	-	7,485.08	8,160.73
Joint ventures	459.67	503.00	-	-
	459.67	503.00	7,485.08	8,160.73
<u>Less Allowance for doubtful accounts</u>	(449.49)	(413.00)	-	-
Total (Note 7.1)	10.18	90.00	7,485.08	8,160.73

Movements in short-term lending loans - related parties are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Balance as at January 1	90.00	438.89	941.84	861.84
- Payment for loans granted	76.95	41.11	327.28	297.70
- Receipt from loans granted	-	-	(252.79)	(235.37)
- Loss on exchange rate	-	-	(32.38)	(18.45)
- Reclassification	(90.00)	-	-	-
- Currency translation differences	(0.27)	(14.08)	-	-
- Allowance for doubtful accounts	(66.50)	-	-	-
Balance as at September 30	10.18	465.92	983.95	905.72
<u>Add Current portion (Note 8.3)</u>	-	-	6,501.13	6,002.65
Balance as at September 30 - net	10.18	465.92	7,485.08	6,908.37

Short-term lending loans - related parties as at September 30, 2017 in the consolidated financial statements bear the interest at rates ranging from 3.50% - 6.50% per annum (December 31, 2016: interest at rates range from 0.25% - 4.20% per annum), and in the separate financial statements bear the interest at rates ranging from 2.53% - 3.31% per annum (December 31, 2016: interest at rates range from 2.53% - 3.27% per annum).



## 8. Related Party Transactions (Continued)

### 8.3 Long-term financial lease receivable and long-term lending loans - related parties as at September 30, 2017 and December 31, 2016

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<u>Long-term financial lease receivable</u>				
Joint ventures (Note 7.2)	57.62	60.47	-	-
<u>Long-term lending loans</u>				
Subsidiaries	-	-	46,728.34	75,240.86
Joint ventures	8,002.99	5,753.77	-	5,753.77
Associates	2,516.78	2,509.52	-	-
	10,519.77	8,263.29	46,728.34	80,994.63
<u>Less Allowance for doubtful accounts*</u>	-	-	(22,589.74)	(53,412.42)
Total (Note 7.2)	10,519.77	8,263.29	24,138.60	27,582.21

\* The Company recorded allowance for doubtful accounts as at September 30, 2017 amounting to Baht 22,589.74 million (December 31, 2016: Baht 53,412.42 million) for a long-term lending loan to a subsidiary. The subsidiary used this loan to invest in its foreign subsidiary and associate; both of which encountered operational problems. The Company therefore recognized allowance for doubtful accounts based on assessment of the recoverable amount of such lending loan.

## 8. Related Party Transactions (Continued)

### 8.3 Long-term financial lease receivable and long-term lending loans - related parties as at September 30, 2017 and December 31, 2016 (Continued)

Details of finance lease receivable - related parties as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Financial lease receivable				
- Within 1 year	6.00	6.00	-	-
- Over 1 year but not over 5 years	24.00	24.00	-	-
- Over 5 years	47.50	52.00	-	-
Future finance income	(16.11)	(17.87)	-	-
Total	<u>61.39</u>	<u>64.13</u>	<u>-</u>	<u>-</u>

Movements in long-term lending loans - related parties are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Balance as at January 1	8,263.29	3,343.97	34,801.10	38,649.97
- Payment for loans granted	2,875.77	4,563.36	8,591.23	6,164.56
- Receipt from loans granted	-	-	(37,399.64)	(3,505.62)
- Loss on exchange rate	(615.83)	(183.02)	(6,175.64)	(2,519.89)
- Currency translation differences	174.01	(1.39)	-	-
- Reversal (recognition) of allowance for doubtful accounts	(177.47)	-	30,822.68	1,937.18
Balance as at September 30	<u>10,519.77</u>	<u>7,722.92</u>	<u>30,639.73</u>	<u>40,726.20</u>
Less Current portion (Note 8.2)	<u>-</u>	<u>-</u>	<u>(6,501.13)</u>	<u>(6,002.65)</u>
Balance as at September 30 - net	<u>10,519.77</u>	<u>7,722.92</u>	<u>24,138.60</u>	<u>34,723.55</u>

Long-term loans - related parties as at September 30, 2017 in the consolidated financial statements bear the interest at rates ranging from 3.42% - 6.56% per annum (December 31, 2016: interest at rates ranging from 1.00% - 6.56% per annum), and in the separate financial statements bear the interest at rates ranging from 2.63% - 4.22% per annum (December 31, 2016: interest at rates ranging from 2.55% - 4.50% per annum).

## 8. Related Party Transactions (Continued)

### 8.4 Trade accounts payable - related parties as at September 30, 2017 and December 31, 2016

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Subsidiaries	-	-	42,638.31	41,175.35
Joint ventures	897.17	957.78	267.73	292.06
Associates	270.45	500.03	203.54	446.57
Other related parties	-	1.90	-	-
<b>Total</b>	<b>1,167.62</b>	<b>1,459.71</b>	<b>43,109.58</b>	<b>41,913.98</b>

### 8.5 Other accounts payable, current portion of financial lease liability and short-term loans - related parties as at September 30, 2017 and December 31, 2016

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<u>Other accounts payable</u>				
Subsidiaries	-	-	3,257.61	4,495.18
Joint ventures	13.15	17.85	5.41	3.32
Associates	10.29	21.43	2.24	3.71
Other related parties	75.15	69.39	46.57	44.78
<b>Total</b>	<b>98.59</b>	<b>108.67</b>	<b>3,311.83</b>	<b>4,546.99</b>

#### Current portion of financial lease liability

Joint venture	406.97	437.63	406.97	437.63
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#### Short-term loans\*

Subsidiaries	-	-	4,559.49	2,117.07
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\* The Company has liquidity management policies within the Group include the use of the cash pooling method. Inter-company loans were used for short-term financial management of cash surpluses or deficits of each affiliate. The interests on these were calculated by using market interest rates.

## 8. Related Party Transactions (Continued)

### 8.6 Long-term finance lease liability - related parties as at September 30, 2017 and December 31, 2016

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Joint venture	4,472.53	5,155.97	4,472.53	5,155.97

Details of finance lease liability - related parties as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Finance lease liability				
- Within 1 year	466.30	500.65	466.30	500.65
- Over 1 year but not over 5 years	1,866.49	2,003.98	1,866.49	2,003.98
- Over 5 years	2,917.91	3,507.31	2,917.91	3,507.31
Future finance charges	(371.20)	(418.34)	(371.20)	(418.34)
Total	<u>4,879.50</u>	<u>5,593.60</u>	<u>4,879.50</u>	<u>5,593.60</u>

## 8. Related Party Transactions (Continued)

### 8.7 Revenue and expense transactions carried out with related parties

For the three-month periods ended September 30, 2017 and 2016

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Revenues</b>				
<u>Sales and service income</u>				
Subsidiaries	-	-	134,901.78	121,192.34
Joint ventures	5,786.88	8,102.19	2,689.14	3,673.63
Associates	3,711.75	1,749.84	780.00	1,206.07
Other related parties	4,194.03	3,965.44	4,192.90	3,969.87
<u>Interest income</u>				
Subsidiaries	-	-	488.09	613.08
Joint ventures	77.91	53.51	1.51	37.13
Associates	40.36	26.64	-	-
<u>Dividend income</u>				
Subsidiaries	-	-	9,501.59	6,008.29
Joint ventures	-	-	-	537.18
Associates	-	-	-	-
Other related parties	180.00	284.11	30.00	30.00
<u>Other income</u>				
Subsidiaries	-	-	192.17	1,852.15
Joint ventures	38.80	33.77	22.16	14.35
Associates	7.31	8.80	4.11	4.16
Other related parties	61.73	1,165.13	1.05	9.29
<b>Expenses</b>				
<u>Cost of goods purchased and services</u>				
Subsidiaries	-	-	122,873.29	116,459.97
Joint ventures	2,294.12	3,406.02	393.21	409.25
Associates	784.57	1,095.00	581.50	809.37
Other related parties	386.70	599.60	68.51	112.72
<u>Interest expenses</u>				
Subsidiaries	-	-	30.40	6.35
Joint ventures	15.88	17.07	15.88	17.07
<u>Other expenses</u>				
Subsidiaries	-	-	1,695.43	714.60
Joint ventures	33.88	3.36	0.03	-
Associates	14.02	14.20	2.12	2.13
Other related parties	80.83	84.31	50.46	44.83

## 8. Related Party Transactions (Continued)

### 8.7 Revenue and expense transactions carried out with related parties (Continued)

For the nine-month periods ended September 30, 2017 and 2016

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Revenues</b>				
<u>Sales and service income</u>				
Subsidiaries	-	-	403,664.56	351,115.19
Joint ventures	18,511.89	17,487.18	9,577.57	9,185.73
Associates	10,092.87	6,719.53	1,796.52	1,364.67
Other related parties	11,232.52	11,213.15	11,225.54	11,212.37
<u>Interest income</u>				
Subsidiaries	-	-	1,642.72	1,876.01
Joint ventures	182.84	114.08	92.32	96.45
Associates	120.39	28.52	-	-
<u>Dividend income</u>				
Subsidiaries	-	-	26,828.75	19,267.83
Joint ventures	-	-	435.70	1,482.43
Associates	-	-	699.28	1,095.44
Other related parties	380.00	544.11	110.00	110.00
<u>Other income</u>				
Subsidiaries	-	-	2,784.60	4,008.61
Joint ventures	122.85	124.09	73.40	74.26
Associates	24.55	30.72	14.80	19.00
Other related parties	280.52	1,205.24	10.76	36.84
<b>Expenses</b>				
<u>Cost of goods purchased and services</u>				
Subsidiaries	-	-	379,106.97	328,579.06
Joint ventures	6,923.33	7,163.28	1,216.61	1,278.30
Associates	2,622.38	3,089.02	2,095.64	2,757.46
Other related parties	1,139.71	1,687.87	203.90	338.14
<u>Interest expenses</u>				
Subsidiaries	-	-	50.50	21.35
Joint ventures	47.13	50.83	47.13	50.83
<u>Other expenses</u>				
Subsidiaries	-	-	1,243.73	2,303.66
Joint ventures	93.18	8.47	6.85	0.07
Associates	62.38	59.37	4.59	4.62
Other related parties	217.55	263.38	118.42	125.49

## 8. Related Party Transactions (Continued)

### 8.7 Revenue and expense transactions carried out with related parties (Continued)

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. Goods purchased from subsidiaries are charged at the normal prices determined by the subsidiaries with reference to global market prices.

### 8.8 Details of commitments to subsidiaries, joint ventures, associates and other related parties are stated in Note 32.1.

### 8.9 Crude oil and refined product purchase and sale transactions carried out with related parties without physical delivery, with the objective of maintaining crude oil and refined product reserves and inventory management, were reversed in the financial statements.

Details of these transactions for the three-month periods ended September 30, 2017 and 2016 are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2017	2016	financial statements	
			2017	2016
<u>Sales</u>				
Subsidiaries	-	-	3,073.31	489.47
<u>Purchases</u>				
Subsidiaries	-	-	3,215.23	506.86

Details of these transactions for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2017	2016	financial statements	
			2017	2016
<u>Sales</u>				
Subsidiaries	-	-	4,109.32	1,824.11
<u>Purchases</u>				
Subsidiaries	-	-	4,292.97	1,898.75

## 8. Related Party Transactions (Continued)

### 8.10 Executive remunerations

Details of executive remunerations for the three-month periods ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Directors remunerations</u>				
Meeting remuneration and bonuses	55.52	76.47	16.41	15.73
<u>Managements remunerations</u>				
Salaries, bonuses, and other employee benefits	134.46	84.22	18.93	16.70
Post-employment benefits	1.43	2.07	0.69	0.26
Total (Note 26)	191.41	162.76	36.03	32.69

Details of executive remunerations for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Directors remunerations</u>				
Meeting remuneration and bonuses	247.76	276.60	57.93	37.54
<u>Managements remunerations</u>				
Salaries, bonuses, and other employee benefits	586.94	625.06	56.46	51.55
Post-employment benefits	20.64	4.92	2.09	0.76
Total (Note 26)	855.34	906.58	116.48	89.85

Managements are those persons who have authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.



## 9. Inventories

Inventories as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Inventories	86,994.58	93,983.51	17,815.34	17,179.27
Inventories - legal reserves	23,674.75	22,900.03	5,684.65	5,808.71
Total	110,669.33	116,883.54	23,499.99	22,987.98

## **10. The Shareholder Restructuring of the Group**

On December 16, 2016, at the Board of Directors Meeting No. 12/2016 of the Company, the Board passed a resolution to approve the transfer of all shares, which the Company held, in the petrochemical businesses in propane and bioplastic business chains, including service businesses which are related to each other, comprising HMC Polymers Co., Ltd. (HMC), PTT Asahi Chemicals Co., Ltd. (PTTAC), PTT MCC Biochem Co., Ltd. (PTTMCC), PTT Polymer Marketing Co., Ltd. (PTTPM), PTT Polymer Logistics Co., Ltd. (PTTPL), and PTT Maintenance & Engineering Co., Ltd. (PTTME), together with lending loan contracts to PTTAC, to PTT Global Chemical Public Co., Ltd. (PTTGC). In addition, the Board passed a resolution to approve the transfer by PTT Global Management Co., Ltd. (PTTGM) (formerly PTT PMMA Co., Ltd. (PTTPMMA)), in which the Company held 100% of shares, of rights to operate all of the PMMA Projects and any other relevant assets (collectively, the “Target Entities’ Assets”) to PTTGC as agreed.

The transfer of Target Entities’ Assets to PTTGC will be conducted in accordance with the shareholder restructuring of the Group by means of positioning PTTGC as the petrochemical flagship company of the Group. In the purpose of this event will not only enhance efficiency in the supply chain management and increase the competitiveness, but also enhance business and industrial opportunities, including increase variety of products, especially expand in high value-added products, which lead to create business strength and sustainable growth.

On April 5, 2017, at the 2017 Annual General Meeting of PTTGC, the shareholders approved these transactions.

On July 3, 2017, the Company sold investments in subsidiaries, joint ventures, and transferred the lending loan amounting to Baht 25,049.35 million. PTTGM also transferred the rights to operate all of the PMMA Projects amounting to Baht 11.77 million to PTTGC.

This transfer of the Target Entities’ Assets is treated as the business combination under common control. Consequently, there is no impact on the consolidated financial statements.

## 11. Available-for-sale Investments

### 11.1 Details of available-for-sale investments

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<b><u>Available-for-sale Investments of the Company</u></b>				
<b><u>Available-for-sale Investments in Equity Securities</u></b>				
Dhipaya Insurance Public Co., Ltd. (TIP)	Thailand	Insurance	13.33	13.33
Bangkok Aviation Fuel Services Public Co., Ltd. (BAFS)	Thailand	Aircraft refuelling services	7.06	7.06
Star Petroleum Refining Public Co., Ltd. (SPRC)	Thailand	Refining	5.41	5.41
<b><u>Available-for-sale Investments in Mutual Funds</u></b>				
Core Flexible Fund (CORE)	Thailand	Mutual fund	-	32.57
CIMB - PRINCIPAL Energy and Petrochemical Index Fund (CIMB - PRINCIPAL EPIF)	Thailand	Mutual fund		
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
Corporate Venture Capital Fund (CVC)*	United States of America	Mutual fund		
<b><u>Available-for-sale Investments of Subsidiaries</u></b>				
<b><u>Available-for-sale Investments in Equity Securities</u></b>				
<i>PTTEP Group</i>				
Wentworth Resources Limited (WRL)	Canada	Oil and natural gas exploration	1.18	1.18
<i>IRPC Group</i>				
Bangkok Union Insurance Public Co., Ltd. (BUI)	Thailand	Insurance	0.35	0.35
TPI Polene Public Co., Ltd. (TPIPL)	Thailand	Property, construction and petrochemicals	0.14	-
<i>PTTER Group</i>				
Xanadu Mines Ltd. (XML)**	Mongolia	Mineral exploration	-	4.82
<i>PTTGM Group</i>				
Xanadu Mines Ltd. (XML)**	Mongolia	Mineral exploration	4.81	-

\* Comprised Energy Impact Fund Limited Partnership, G2VP I, Limited Liability Company and Congruent Ventures I, Limited Partnership

\*\* On June 1, 2017, PTTER sold all shares in XML to PTTGM.

## 11. Available-for-sale Investments (Continued)

### 11.1 Details of available-for-sale investments (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<b><u>Available-for-sale Investments of Subsidiaries</u></b> (Continued)				
<u>Available-for-sale Investments in Debt Securities</u>				
<i>PTTGC Group</i>				
Debt Securities Available for Sale (in Private fund) (DSAFS)	Thailand	Private fund		
<i>TOP Group</i>				
Debt Securities Available for Sale (in Private fund) (DSAFS)	Thailand	Private fund		
<u>Available-for-sale Investments in Mutual Funds</u>				
<i>PTTGC Group</i>				
CIMB - PRINCIPAL Energy and Petrochemical Index Fund (CIMB - PRINCIPAL EPIF)	Thailand	Mutual fund		
<i>TOP Group</i>				
Core Flexible Fund (CORE)	Thailand	Mutual fund	-	16.29
CIMB - PRINCIPAL Energy and Petrochemical Index Fund (CIMB - PRINCIPAL EPIF)	Thailand	Mutual fund		

## 11. Available-for-sale Investments (Continued)

11.2 Details of available-for-sale investments as at September 30, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

Company	Ownership interest (%)		Consolidated financial statements		Separate financial statements		Dividend incomes for the nine-month periods ended September 30	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	2017	2016
<u>Available-for-sale investments in Equity Securities</u>								
1. TIP	13.33	13.33	312.00	312.00	312.00	312.00	110.00	110.00
2. BAFS	7.06	7.06	24.00	24.00	24.00	24.00	54.90	60.75
3. SPRC	5.41	5.41	1,876.50	1,876.50	1,623.17	1,623.17	259.59	188.02
4. WRL	1.18	1.18	38.07	37.43	-	-	-	-
5. BUI	0.35	0.35	2.35	2.35	-	-	-	0.07
6. TPIPL	0.14	-	64.86	-	-	-	-	-
7. XML	4.81	4.82	244.87	262.94	-	-	-	-
Total			2,562.65	2,515.22	1,959.17	1,959.17		
<u>Available-for-sale investments in Debt Securities</u>								
8. DSAFS			8,883.79	5,430.65	-	-	-	-
Total			8,883.79	5,430.65	-	-		
<u>Available-for-sale investments in Mutual Funds</u>								
9. CORE	-	48.86	-	674.74	-	449.83	-	-
10. CIMB - PRINCIPAL EPIF			854.03	6,300.00	254.03	6,300.00	4,309.71	-
11. VAYU1			15.14	15.24	10.00	10.00	-	-
12. CVC			152.60	-	152.60	-	-	-
Total			1,021.77	6,989.98	416.63	6,759.83		
Total available-for-sale investments before changes in value of investments			12,468.21	14,935.85	2,375.80	8,719.00		
Allowance for changes in value			6,067.35	8,946.03	6,254.95	9,397.25		
Less Allowance for impairment			(39.43)	(42.34)	-	-		
Total			18,496.13	23,839.54	8,630.75	18,116.25	4,734.20	358.84

## 12. Investments in Subsidiaries, Joint Ventures and Associates

### 12.1 Details of subsidiaries, joint ventures and associates of the Company

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<u>Subsidiaries</u>				
PTT Exploration and Production Public Co., Ltd. (PTTEP)	Thailand	Petroleum exploration and production	65.29	65.29
PTT LNG Co., Ltd. (PTTLNG)	Thailand	Natural gas	100.00	100.00
PTT Natural Gas Distribution Co., Ltd. (PTTNGD)	Thailand	Natural gas	58.00	58.00
PTT Global LNG Co., Ltd. (PTTGL) (The Group holds 100% shareholding)	Thailand	Investing in LNG business	50.00	-
Energy Complex Co., Ltd. (EnCo) (The Group holds 100% shareholding)	Thailand	Real estate development for rent	50.00	50.00
PTT Energy Solutions Co., Ltd. (PTTES) (The Group holds 100% shareholding)	Thailand	Technical and operational services	40.00	40.00
PTT Maintenance & Engineering Co., Ltd. (PTTME)* (The Group holds 100% shareholding)	Thailand	Factory maintenance and engineering services	-	40.00
Global Power Synergy Public Co., Ltd. (GPSC) (The Group holds 75% shareholding)	Thailand	Generation and supply of electricity, steam and water for industries	22.58	22.58
PTT (Cambodia) Limited (PTTCL)	Cambodia	Oil marketing	100.00	100.00
PTT Oil Myanmar Co., Ltd. (PTTOM)	Myanmar	Business services	100.00	100.00
PTT Oil and Retail Business Co., Ltd. (PTTOR)	Thailand	Management services and oil marketing	100.00	100.00
PTT Tank Terminal Co., Ltd. (PTT TANK)	Thailand	Terminal and warehouse	100.00	100.00
Thai Lube Blending Co., Ltd. (TLBC) (The Group holds 100% shareholding)	Thailand	Blending and bottling of lube oil	48.95	48.95
PTT International Trading Pte. Ltd. (PTTT)	Singapore	International oil trading	100.00	100.00
PTT International Trading London Limited (PTTT LDN)	England	International oil trading	100.00	100.00
PTT Polymer Logistics Co., Ltd. (PTTPL)* (The Group holds 100% shareholding)	Thailand	Logistics services	-	50.00
PTT Polymer Marketing Co., Ltd. (PTTPM)* (The Group holds 100% shareholding)	Thailand	Petrochemicals marketing	-	50.00
PTT Global Chemical Public Co., Ltd. (PTTGC)	Thailand	Petrochemicals and refining	49.16	49.42
Thai Oil Public Co., Ltd. (TOP) (The Group holds 49.72% shareholding)	Thailand	Oil refining	49.10	49.10

\* On July 3, 2017, the Company sold all shares in PTTME, PTTPL and PTTPM to PTTGC.

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

### 12.1 Details of subsidiaries, joint ventures and associates of the Company (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<u>Subsidiaries</u> (Continued)				
IRPC Public Co., Ltd. (IRPC)	Thailand	Petrochemicals and refining	38.51	38.51
Thai Oil Power Co., Ltd. (TP) (The Group holds 100% shareholding)	Thailand	Generation and supply of electricity and steam	26.00	26.00
PTT Energy Resources Co., Ltd. (PTTER)	Thailand	International investment	100.00	100.00
PTT Global Management Co., Ltd. (PTTGM) (Former : PTT PMMA Co., Ltd. (PTTPMMA))	Thailand	Domestic and international investment	100.00	100.00
PTT Green Energy Pte. Ltd. (PTTGE)	Singapore	Investing in palm oil business	100.00	100.00
PTT Regional Treasury Center Pte. Ltd. (PTTRTC)	Singapore	Treasury services	100.00	100.00
Business Services Alliance Co., Ltd. (BSA)	Thailand	Management services	100.00	100.00
PTT Digital Solutions Co., Ltd. (PTT DIGITAL) (The Group holds 100% shareholding) (Former : PTT ICT Solutions Co., Ltd. (PTTICT))	Thailand	Information technology and communication services	20.00	20.00
<u>Joint Ventures</u>				
Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM(T))	Thailand	Natural gas	50.00	50.00
Trans Thai-Malaysia (Malaysia) Sdn. Bhd. (TTM(M))	Malaysia	Natural gas	50.00	50.00
District Cooling System and Power Plant Co., Ltd. (DCAP)	Thailand	Generation and supply of electricity and chilled water	35.00	35.00
PTT MCC Biochem Co., Ltd. (PTTMCC)*	Thailand	Petrochemicals	-	50.00
PTT Asahi Chemicals Co., Ltd. (PTTAC)*	Thailand	Petrochemicals	-	50.00
HMC Polymers Co., Ltd. (HMC)*	Thailand	Petrochemicals	-	41.44
<u>Associates</u>				
Thai Petroleum Pipeline Co., Ltd. (THAPPLINE) (The Group holds 49.59% shareholding)	Thailand	Oil transmission pipelines	40.40	40.40
KELOIL-PTT LPG Sdn. Bhd. (KPL)	Malaysia	Bottling and sale of LPG	40.00	40.00
Petro Asia (Thailand) Co., Ltd. (PAT)	Thailand	Oil marketing	35.00	35.00

\* On July 3, 2017, the Company sold all shares in PTTMCC, PTTAC and HMC to PTTGC.

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

### 12.2 Details of joint ventures and associates of subsidiaries

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<u>Joint Ventures</u>				
<i>PTTEP Group</i>				
Erawan 2 FSO Bahamas Limited (Erawan 2)	Bahamas	FSO rental services	13.11	13.11
<i>GPSC Group</i>				
Thai Solar Renewable Co., Ltd. (TSR)	Thailand	Investing in other companies	40.00	40.00
Nam Lik1 Power Company Limited (NLIPC)	Laos	Generating and supply of electricity	40.00	40.00
Nava Nakorn Electricity Generating Co., Ltd. (NNEG)	Thailand	Generating and supply of electricity	30.00	30.00
<i>PTTOR Group</i>				
OGP Energy Solutions Company Limited (OGPS)*	Thailand	Supply of ready-to-use energy	-	40.00
<i>PTTGC Group</i>				
Thai Ethoxylate Co., Ltd. (TEX)	Thailand	Manufacturing and sales of petrochemical products	50.00	50.00
Emery Oleochemical (M) Sdn. Bhd. (EOM)	Malaysia	Manufacturing and sales of biochemical products	50.00	50.00
Emery Specialty Chemical Sdn. Bhd. (ESC)	Malaysia	Manufacturing and sales of chemical specialties	50.00	50.00
NatureWorks LLC (NTR)	United States of America	Manufacturing and sales of bioplastic products	50.00	50.00
PTT MCC Biochem Co., Ltd. (PTTMCC)**	Thailand	Petrochemicals	50.00	-
PTT Asahi Chemicals Co., Ltd. (PTTAC)**	Thailand	Petrochemicals	50.00	-
HMC Polymers Co., Ltd. (HMC)**	Thailand	Petrochemicals	41.44	-
<i>TOP Group</i>				
TOP-NTL Pte. Ltd. (TOP-NTL)	Singapore	Fund management services	50.00	50.00
TOP-NTL Shipping Trust (TOP-NTL(BT))	Singapore	Investing in other companies	50.00	50.00
TOP-NYK MarineOne Pte. Ltd. (TOP-NYK)	Singapore	Marine transportation services	50.00	50.00
TOP Nautical Star Co., Ltd. (TOP-NS)	Thailand	Storage and marine transportation services	35.00	35.00
<i>IRPC Group</i>				
IRPC PCC Co., Ltd. (IRPC PCC)	Thailand	Sales of petrochemical products	49.99	49.99

\* On June 26, 2017, PTTOR sold all shares in OGPS to PTTGM.

\*\* On July 3, 2017, the Company sold all shares in PTTMCC, PTTAC and HMC to PTTGC.



## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

### 12.2 Details of joint ventures and associates of subsidiaries (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<u>Joint Ventures</u> (Continued)				
<i>PTTER Group</i>				
FEE (Bru) Pte. Ltd. (FEEBRU)*	Singapore	Coal mines	-	35.00
<i>PTTGM Group</i>				
OGP Energy Solutions Company Limited (OGPS)**	Thailand	Supply of ready-to-use energy	40.00	-
FEE (Bru) Pte. Ltd. (FEEBRU)*	Singapore	Coal mines	35.00	-
<i>PTTGE Group</i>				
Chancellor Oil Pte. Ltd. (Chancellor)	Singapore	Investing in other companies	77.56	77.56
<u>Associates</u>				
<i>PTTEP Group</i>				
PTTEP AP Group's associates***	Australia	Airbase services	50.00	50.00
<i>GPSC Group</i>				
Bangpa-in Cogeneration Co., Ltd. (BIC)	Thailand	Generation and supply of electricity and steam	25.00	25.00
Xayaburi Power Company Limited (XPCL)	Laos	Hydroelectric power plant	25.00	25.00
<i>PTTOR Group</i>				
FST Aviation Services Limited (FST)	Hong Kong	Aircraft refuelling services	25.00	25.00
<i>PTTGC Group</i>				
PT Indo Thai Trading (ITT)	Indonesia	Petrochemicals	49.00	49.00
Vinythai Public Co., Ltd. (VNT)	Thailand	Petrochemicals	24.98	24.98
Eastern Fluid Transport Co., Ltd. (EFT)	Thailand	Infrastructure	22.65	22.65
Thai Eastern Topseeds Oil Co., Ltd. (TETSO)	Thailand	Petrochemicals	30.00	30.00
S.P. Petpack Inter Group Co., Ltd. (SPPETPACK)	Thailand	Petrochemicals	25.00	-

\* On June 1, 2017, PTTER sold all shares in FEEBRU to PTTGM.

\*\* On June 26, 2017, PTTOR sold all shares in OGPS to PTTGM.

\*\*\* Associates of PTTEP AP Group consist of Mungalalu Truscott Airbase Pty Ltd. and Troughton Island Pty Ltd.

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

### 12.2 Details of joint ventures and associates of subsidiaries (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<i>Associates</i> (Continued)				
<i>TOP Group</i>				
T.I.M Ship Management Co., Ltd. (TIM)	Thailand	Marine transportation services	33.33	33.33
Maesod Clean Energy Co., Ltd. (MCE)*	Thailand	Manufacturing and distributing of Ethanol	-	30.00
Ubon Bio Ethanol Co., Ltd. (UBE)	Thailand	Manufacturing and distributing of Ethanol	21.28	21.28
<i>IRPC Group</i>				
UBE Chemicals (Asia) Public Co., Ltd. (UCHA)	Thailand	Manufacturing and sales of petrochemical products	25.00	25.00
<i>PITTER Group</i>				
East Mediterranean Gas Company S.A.E. (EMG)	Egypt	Natural gas transmission pipelines	25.00	25.00

\* On February 16, 2017, Thairoil Ethanol Co., Ltd., a subsidiary of TOP, disposed its entire investment in MCE.

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

### 12.3 Investments in joint ventures in the consolidated financial statements as at September 30, 2017 and December 31, 2016

Unit: Million Baht

Company	Ownership interest (%)		September 30, 2017		December 31, 2016		Dividends income for the nine-month periods ended September 30	
	September 30, 2017	December 31, 2016	Cost method	Equity method	Cost method	Equity method	2017	2016
1. TTM(T)	50.00	50.00	4,341.80	4,896.55	4,341.80	4,724.49	-	473.85
2. TTM(M)	50.00	50.00	1,001.31	1,394.97	1,001.31	1,294.15	-	164.32
3. DCAP	35.00	35.00	584.50	861.36	584.50	804.56	21.35	15.40
4. PTTMCC	50.00	50.00	930.12	505.69	930.12	551.43	-	-
5. PTTAC	50.00	50.00	6,909.41	5,807.75	6,909.41	4,310.62	-	-
6. HMC	41.44	41.44	9,117.12	13,813.02	9,117.12	12,315.37	414.35	828.86
7. Erawan 2	13.11	13.11	555.58	601.79	610.66	717.37	122.58	93.83
8. TSR	40.00	40.00	1,697.00	1,721.63	1,697.00	1,713.58	221.67	239.17
9. NLIPC	40.00	40.00	318.65	286.11	318.65	291.89	-	-
10. NNEG	30.00	30.00	480.90	552.95	480.90	466.58	-	-
11. TEX	50.00	50.00	210.00	685.78	210.00	688.24	71.40	70.88
12. EOM	50.00	50.00	4,965.77	4,752.32	4,965.77	5,101.78	-	-
13. ESC	50.00	50.00	407.04	-	407.04	81.61	-	-
14. NTR	50.00	50.00	4,793.33	3,402.79	4,793.33	3,236.20	-	-
15. TOP-NTL	50.00	50.00	0.25	12.39	0.25	10.08	-	-
16. TOP-NTL(BT)	50.00	50.00	24.05	37.40	24.05	27.86	-	-
17. TOP-NYK	50.00	50.00	273.88	406.22	273.88	440.83	34.00	26.48
18. TOP-NS	35.00	35.00	52.50	52.16	52.50	21.82	-	-
19. IRPC PCC	49.99	49.99	5.00	5.68	5.00	11.02	5.50	-
20. OGPS	40.00	40.00	39.03	30.41	40.00	34.33	-	-
21. FEEBRU	35.00	35.00	219.36	138.03	235.55	148.21	-	-
22. Chancellor	77.56	77.56	3,033.50	1,325.03	3,257.34	1,422.81	-	-
			39,960.37	41,290.03	40,256.18	38,414.83		
Less Allowance for impairment			(3,252.85)	(1,463.06)	(3,492.89)	(1,571.02)		
Total			36,707.52	39,826.97	36,763.29	36,843.81	890.85	1,912.79

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

### 12.4 Investments in associates in the consolidated financial statements as at September 30, 2017 and December 31, 2016

Unit: Million Baht

Company	Ownership interest (%)		September 30, 2017		December 31, 2016		Dividends income for the nine-month periods ended September 30	
	September 30, 2017	December 31, 2016	Cost method	Equity method	Cost method	Equity method	2017	2016
1. THAPPLINE	49.59	49.59	3,952.72	4,840.41	3,952.72	4,986.78	849.59	1,342.78
2. KPL	40.00	40.00	21.49	-	21.49	-	-	-
3. PAT	35.00	35.00	131.25	-	131.25	-	-	-
4. PTTEP AP Group's associates	50.00	50.00	49.97	232.18	53.66	249.98	-	3.99
5. BIC	25.00	25.00	923.75	772.93	673.44	492.02	20.29	40.58
6. XPCL	25.00	25.00	5,547.76	4,956.53	4,404.43	3,801.87	-	-
7. FST	25.00	25.00	0.77	1.46	0.85	1.56	-	-
8. ITT	49.00	49.00	125.28	186.58	125.28	148.22	-	-
9. VNT	24.98	24.98	3,297.39	4,478.41	3,297.39	4,210.33	133.22	118.42
10. EFT	22.65	22.65	2.27	21.71	2.27	15.64	3.85	3.85
11. TETSO	30.00	30.00	46.69	44.99	16.65	16.20	-	-
12. SPPEPACK	25.00	-	50.00	47.15	-	-	-	-
13. TIM	33.33	33.33	1.00	-	1.00	-	-	-
14. MCE	-	30.00	-	-	202.50	3.10	-	-
15. UBE	21.28	21.28	769.55	826.60	769.55	801.90	21.28	-
16. UCHA	25.00	25.00	5,299.82	4,834.39	5,299.82	4,701.98	-	-
17. EMG	25.00	25.00	16,313.20	13,129.19	17,516.97	14,098.01	-	-
			36,532.91	34,372.53	36,469.27	33,527.59		
Less Allowance for impairment			(16,465.94)	(13,129.19)	(17,669.71)	(14,098.01)		
Total			20,066.97	21,243.34	18,799.56	19,429.58	1,028.23	1,509.62

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.5 Investments in subsidiaries, joint ventures and associates in the separate financial statements as at September 30, 2017 and December 31, 2016

Unit: Million Baht

Company	Ownership interest (%)		Cost method		Dividends income for the nine-month periods ended September 30	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	2017	2016
<u>Subsidiaries</u>						
1. PTTEP	65.29	65.29	71,390.42	71,390.42	10,367.45	7,127.62
2. PTTLNG	100.00	100.00	15,212.52	10,958.44	910.43	861.38
3. PTTNGD	58.00	58.00	418.14	418.14	348.00	-
4. PTTGL	50.00	-	5,210.72	-	-	-
5. EnCo	50.00	50.00	900.00	900.00	41.77	72.32
6. PTTES	40.00	40.00	62.50	62.50	-	-
7. PTTME	-	40.00	-	66.40	-	-
8. GPSC	22.58	22.58	4,949.93	4,949.93	389.01	355.18
9. PTTCL	100.00	100.00	103.49	103.49	-	-
10. PTTOM	100.00	100.00	16.15	16.15	-	-
11. PTTOR	100.00	100.00	8,621.67	8,621.67	-	-
12. PTT TANK	100.00	100.00	2,500.37	2,500.37	133.00	90.00
13. TLBC	48.95	48.95	140.00	140.00	3.50	8.68
14. PTTT	100.00	100.00	2.50	2.50	41.90	-
15. PTTT LDN	100.00	100.00	347.75	18.16	-	-
16. PTTPL	-	50.00	-	600.00	-	-
17. PTTPM	-	50.00	-	20.00	125.00	250.00
18. PTTGC	49.16	49.42	48,121.52	48,121.52	7,825.33	5,180.15
19. TOP	49.10	49.10	11,380.83	11,380.83	4,507.41	3,305.44
20. IRPC	38.51	38.51	28,467.24	28,467.24	1,810.03	1,731.33
21. TP	26.00	26.00	2,304.76	2,304.76	270.32	255.71
22. PTTTER	100.00	100.00	33,702.67	33,702.67	-	-
23. PTTGM	100.00	100.00	33,007.14	217.14	-	-
24. PTTGE	100.00	100.00	11,750.64	11,750.64	-	-
25. PTTRTC	100.00	100.00	31.40	31.40	-	-
26. BSA	100.00	100.00	0.50	0.50	40.00	17.02
27. PTT DIGITAL	20.00	20.00	30.00	30.00	15.60	13.00
Investments in subsidiaries			278,672.86	236,774.87		
<u>Less Allowance for impairment</u>			(59,364.15)	(26,414.37)		
Total			219,308.71	210,360.50	26,828.75	19,267.83

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.5 Investments in subsidiaries, joint ventures and associates in the separate financial statements as at September 30, 2017 and December 31, 2016 (Continued)

Unit: Million Baht

Company	Ownership interest (%)		Cost method		Dividends income for the nine-month periods ended September 30	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	2017	2016
<u>Joint Ventures</u>						
28. TTM(T)	50.00	50.00	4,341.80	4,341.80	-	473.85
29. TTM(M)	50.00	50.00	1,001.31	1,001.31	-	164.32
30. DCAP	35.00	35.00	584.50	584.50	21.35	15.40
31. PTTMCC	-	50.00	-	930.13	-	-
32. PTTAC	-	50.00	-	6,909.41	-	-
33. HMC	-	41.44	-	9,117.12	414.35	828.86
Total			5,927.61	22,884.27	435.70	1,482.43
<u>Associates</u>						
34. THAPPLINE	40.40	40.40	3,173.23	3,173.23	699.28	1,095.44
35. KPL	40.00	40.00	21.49	21.49	-	-
36. PAT	35.00	35.00	131.25	131.25	-	-
Investments in associates			3,325.97	3,325.97		
Less Allowance for impairment			(152.74)	(152.74)		
Total			3,173.23	3,173.23	699.28	1,095.44
Total			228,409.55	236,418.00	27,963.73	21,845.70

## **12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)**

### **12.6 Significant events during the period ended September 30, 2017**

#### **PTTLNG**

On February 24, 2017, at the Board of Directors Meeting of PTT LNG Company Limited (PTTLNG) No. 2/2017, the Board passed a resolution to approve the call up of additional share capital of Baht 1,864.56 million. The Company made the additional payment on March 31, 2017.

On April 24, 2017, at the Annual General Meeting of PTTLNG, the shareholders passed a resolution to increase the authorized its share capital Baht 10 per share in respect of 428 million shares, amounting to Baht 4,280 Million. PTTLNG called up share payments amounting to Baht 1,479.60 million and Baht 909.92 million. The Company made these payment on July 12, 2017 and August 21, 2017, respectively.

#### **PTTGM/ PTTER**

On December 16, 2016, at the Board of Directors Meeting No. 12/2016 of the Company, the Board passed a resolution to approve a restructuring of the shareholding and financing of PTT Energy Resources Co., Ltd. (PTTER). Accordingly, PTT Global Management Company Limited (PTTGM) purchased all shares of companies held by PTTER, except for East Mediterranean Gas Company S.A.E. (EMG). PTTGM called up share payments amounting to Baht 40 million, Baht 22,750 million and Baht 10,000 million, and the Company made these payment on June 26, 2017, June 28, 2017 and September 13, 2017, respectively. PTTER also made loan and accrued interest repayments to the Company totaling USD 950.75 million or equivalent to Baht 31,773.44 million.

Following this restructuring of the shareholding and financing, the Company estimated the recoverable amount of the investments in PTTGM and PTTER using the discounted future cash flow method. As a result of the restructuring, as of September 30, 2017, the Company recorded loss on impairment of the investments in PTTGM amounting to Baht 13,507.55 million and PTTER amounting to Baht 19,442.23 million totaling Baht 32,949.78 million, and reversed allowance for doubtful accounts of PTTER amounting to Baht 32,699.20 million in the separate financial statements.

#### **PTTGL**

On May 19, 2017, at the Board of Directors Meeting No. 5/2017 of the Company, the Board passed a resolution to establish PTT Global LNG Company Limited (PTTGL) as a joint venture company with PTTEP Business Center Company Limited (PTTEP BC), to carry out business related to Liquefied Natural Gas (LNG). PTTGL is held by PTT and PTTEP BC with each having equal shareholding of 50%.

PTTGL has a registered capital of Baht 8 million, consisting of 8,000 ordinary shares of Baht 1,000. The Company made payment for the shares amounting to Baht 4 million on June 22, 2017. On August 15, 2017, PTTGL called up share payment amounting to Baht 5,206.72 million. The Company made the payment on August 23, 2017.

## 12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

### 12.6 Significant events during the period ended September 30, 2017 (Continued)

#### **PTTT LDN**

On July 21, 2017, at the Board of Directors Meeting No. 7/2017 of the Company, the Board passed a resolution to increase the authorized share capital of PTT International Trading London Ltd (PTTT LDN). On August 31, 2017, PTTT LDN called up for the payment of 10 million additional shares at USD 1 per share amounting to USD 10 million or equivalent to Baht 329.59 million. The Company made the share payment on September 15, 2017.

### 12.7 Additional information in respect of associates

The Company has not recognized its share of profit (loss) from some associates for the three-month period ended September 30, 2017 amounting to Baht 0.27 million (2016: Baht (20.46) million) and for the nine-month period ended September 30, 2017 amounting to Baht 0.47 million (2016: Baht (19.99) million) because, as at September 30, 2017, the Company had an unrealized allowance for its share of loss from these associates amounting to Baht 101.67 million (December 31, 2016: Baht 102.97 million).



### 13. Other Long-term Investments

#### 13.1 Details of other long-term investments

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<b><u>Other Long-term Investments of the Company</u></b>				
<b><u>Long-term Investments in Equity Securities</u></b>				
Petro Asia (Sanshui) Co., Ltd. (PA (Sanshui))	China	Oil marketing	25.00	25.00
Petro Asia (Maoming) Co., Ltd. (PA (Maoming))	China	Oil marketing	20.00	20.00
Sarn Palung Social Enterprise Co., Ltd. (PTTSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	20.00	-
Intoplane Services Co., Ltd. (IPS)	Thailand	Aircraft refuelling services	16.67	16.67
Colour Vision International Co., Ltd. (Corpus)	Thailand	Finished yarn production	0.48	0.48
Fuel Pipeline Transportation Co., Ltd. (FPT)*	Thailand	Oil transmission pipelines	-	-
<b><u>Long-term Investments in Debt Securities</u></b>				
Berli Jucker Public Co., Ltd. (BJC)	Thailand	Consumer products manufacturing and service		
Bangkok Dusit Medical Services Public Co., Ltd. (BDMS)	Thailand	Health care services		
Bangkok Mass Transit System Public Co., Ltd. (BTS)	Thailand	Transportation & logistics		
Indorama Ventures Public Co., Ltd. (IVL)	Thailand	Petrochemicals & chemicals		
The Commercial Bank (P.S.Q.C.) (CBQ)	Qatar	Banking		
Bank of Ayudhya Public Co., Ltd. (BAY)	Thailand	Banking		
Emirates NBD (ENBD)	United Arab Emirates	Banking		

\* As at September 30, 2017 and December 31, 2016 the Company holds 0.0000090% of ownership interest.

### 13. Other Long-term Investments (Continued)

#### 13.1 Details of other long-term investments (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<b><u>Other Long-term Investments of Subsidiaries</u></b>				
<b><u>Long-term Investments in Equity Securities</u></b>				
<i>PTTEP Group</i>				
Sarn Palung Social Enterprise Co., Ltd. (PTTSE)	Thailand	Social enterprise	15.00	-
<i>PTTGL Group</i>				
Petronas LNG 9 Sdn. Bhd. (PL9SB)	Malaysia	LNG liquefaction	10.00	-
<i>GPSC Group</i>				
24M Technologies, Inc. (24M)	United States of America	Research and development of battery	18.00	19.00
Ratchaburi Power Co., Ltd. (RPCL)	Thailand	Electricity generation	15.00	15.00
Sarn Palung Social Enterprise Co., Ltd. (PTTSE)	Thailand	Social enterprise	10.00	-
<i>PTTOR Group</i>				
Sarn Palung Social Enterprise Co., Ltd. (PTTSE)	Thailand	Social enterprise	10.00	-
<i>PTTT Group</i>				
KIC Oil Terminal Sdn. Bhd. (KOT)	Malaysia	Logistics services	10.00	10.00
Kadriah Integrated Facilities Sdn. Bhd. (KIF)	Malaysia	Logistics services	10.00	10.00
Kadriah I Ltd. (K I)	Malaysia	Logistics services	10.00	10.00
Kadriah II Ltd. (K II)	Malaysia	Logistics services	10.00	10.00
<i>PTTGC Group</i>				
Alliance Petrochemical Investment (Singapore) Pte. Ltd. (API)	Singapore	Investment in other companies	15.34	15.34
Exeltium SAS (EXS)	France	Electricity business	4.00	4.00
Sarn Palung Social Enterprise Co., Ltd. (PTTSE)	Thailand	Social enterprise	15.00	-
<i>TOP Group</i>				
Sarn Palung Social Enterprise Co., Ltd. (PTTSE)	Thailand	Social enterprise	15.00	-

### 13. Other Long-term Investments (Continued)

#### 13.1 Details of other long-term investments (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			September 30, 2017	December 31, 2016
<b>Other Long-term Investments of Subsidiaries (Continued)</b>				
<u>Long-term Investments in Equity Securities (Continued)</u>				
<i>IRPC Group</i>				
TPI EOEG Co., Ltd. (TPIE)	Thailand	Finance service	36.31	36.31
TPI Holding Co., Ltd. (TPIH)	Thailand	Investment in other companies	35.01	35.01
Pornchai Enterprises Co., Ltd. (PEC)	Thailand	Real estate for rent	23.65	23.65
Thai Special Steel Industries Public Co.,Ltd. (TSSI)	Thailand	Steel wire manufacturing	16.24	16.24
Rayong Acetylene Co., Ltd. (RAC)	Thailand	Industrial gas manufacturing	13.04	13.04
DIA Polyacrylate Co., Ltd. (DIA)	Thailand	Plastic resin manufacturing	3.65	3.65
Sarn Palung Social Enterprise Co., Ltd. (PTTSE)	Thailand	Social enterprise	15.00	-

### 13. Other Long-term Investments (Continued)

13.2 Details of other long-term investments as at September 30, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

Company	Ownership interest (%)		Cost/ Cost amortized				Dividends income for the nine-month period ended September 30	
			Consolidated financial statements		Separate financial statements		2017	2016
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016		
<u>Long-term investments in Equity Securities</u>								
1. PA (Sanshui)	25.00	25.00	6.06	6.06	6.06	6.06	-	-
2. PA (Maoming)	20.00	20.00	14.83	14.83	14.83	14.83	-	-
3. PTTSE	100.00	-	2.50	-	0.50	-	-	-
4. IPS	16.67	16.67	0.02	0.02	0.02	0.02	-	-
5. Corpus	0.48	0.48	0.60	0.60	0.60	0.60	-	-
6. FPT*	-	-	0.02	0.02	0.02	0.02	-	-
7. PL9SB	10.00	-	10,313.07	-	-	-	-	-
8. 24M	18.00	19.00	715.62	715.62	-	-	-	-
9. RPCL	15.00	15.00	888.75	888.75	-	-	270.00	420.00
10. KOT	10.00	10.00	117.25	125.90	-	-	-	-
11. KIF	10.00	10.00	48.59	52.17	-	-	-	-
12. K I	10.00	10.00	244.21	262.24	-	-	-	-
13. K II	10.00	10.00	65.28	70.10	-	-	-	-
14. API	15.34	15.34	290.24	290.24	-	-	-	14.11
15. EXS	4.00	4.00	282.88	282.88	-	-	-	-
16. TPIE	36.31	36.31	828.94	828.94	-	-	-	-
17. TPIH	35.01	35.01	1,415.90	1,415.90	-	-	-	-
18. PEC	23.65	23.65	1,117.06	1,118.95	-	-	-	-
19. TSSI	16.24	16.24	673.35	673.35	-	-	-	-
20. RAC	13.04	13.04	15.00	15.00	-	-	-	-
21. DIA	3.65	3.65	8.50	8.50	-	-	1.91	2.55
22. Other	-	-	2.00	0.50	-	-	-	-
Total			17,050.67	6,770.57	22.03	21.53		

\* As at September 30, 2017 and December 31, 2016, the Company holds 0.0000090% of ownership interest, totaling 66 shares, amounting to Baht 22,220.00.

### 13. Other Long-term Investments (Continued)

13.2 Details of other long-term investments as at September 30, 2017 and December 31, 2016 are as follows: (Continued)

Unit: Million Baht

Company	Ownership interest (%)		Cost/ Cost amortized				Dividends income for the nine-month period ended September 30	
			Consolidated financial statements		Separate financial statements		2017	2016
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016		
<u>Long-term investments in Debt Securities</u>								
23. BJC			2,500.00	-	2,500.00	-	-	-
24. BDMS			420.79	-	420.79	-	-	-
25. BTS			451.24	-	451.24	-	-	-
26. IVL			500.00	-	500.00	-	-	-
27. CBQ			6,640.86	-	6,640.86	-	-	-
28. BAY			2,509.04	-	2,509.04	-	-	-
29. ENBD			2,324.30	-	2,324.30	-	-	-
Total			15,346.23	-	15,346.23	-	-	-
Total other long-term investments before allowance for impairment			32,396.90	6,770.57	15,368.26	21.53		
<u>Less Allowance for impairment</u>			(4,527.72)	(4,564.69)	(14.14)	(14.14)		
Total			27,869.18	2,205.88	15,354.12	7.39	271.91	436.66

#### 13.3 Significant events during the period ended September 30, 2017

##### **PTTSE**

At the Board of Directors Meeting No. 6/2017 of the Company on June 16, 2017, the Board passed a resolution to approve the establishment of Sarn Palung Social Enterprise Co., Ltd. (PTTSE), which is the joint venture of PTT Public Co., Ltd., PTT Exploration and Production Public Co., Ltd., PTT Global Chemical Public Co., Ltd., IRPC Public Co., Ltd., Thai Oil Public Co., Ltd., Global Power Synergy Public Co., Ltd. and PTT Oil and Retail Business Co., Ltd. to support execution of social enterprise.

PTTSE has an initial registered share capital of Baht 10 million and the Company made the payment for the shares amounting to Baht 0.50 million on September 5, 2017.

## 14. Investment Properties

Details of investment properties are as follows:

	Unit: Million Baht		
	Consolidated financial statements		
	Land	Buildings and building improvements	Total
Cost			
As at January 1, 2017	5,212.02	2,343.68	7,555.70
- Additions	-	6.31	6.31
- Reclassifications	(6.22)	13.38	7.16
- Disposals	(15.80)	(6.52)	(22.32)
As at September 30, 2017	5,190.00	2,356.85	7,546.85
Accumulated depreciation			
As at January 1, 2017	-	(973.80)	(973.80)
- Depreciation for the period	-	(84.98)	(84.98)
- Reclassifications	-	0.01	0.01
- Disposals	-	4.58	4.58
As at September 30, 2017	-	(1,054.19)	(1,054.19)
Allowance for impairment			
As at January 1, 2017	(354.35)	-	(354.35)
- Reversal of loss on impairment	87.40	-	87.40
As at September 30, 2017	(266.95)	-	(266.95)
Net book value			
As at December 31, 2016	4,857.67	1,369.88	6,227.55
As at September 30, 2017	4,923.05	1,302.66	6,225.71

#### 14. Investment Properties (Continued)

Details of investment properties are as follows: (Continued)

Unit: Million Baht

	Separate financial statements		
	Land	Buildings and building improvements	Total
Cost			
As at January 1, 2017	3,574.41	480.29	4,054.70
- Additions	-	2.22	2.22
- Reclassifications	-	13.37	13.37
- Disposals	-	(6.52)	(6.52)
As at September 30, 2017	3,574.41	489.36	4,063.77
Accumulated depreciation			
As at January 1, 2017	-	(215.14)	(215.14)
- Depreciation for the period	-	(13.65)	(13.65)
- Reclassifications	-	0.02	0.02
- Disposals	-	4.58	4.58
As at September 30, 2017	-	(224.19)	(224.19)
Net book value			
As at December 31, 2016	3,574.41	265.15	3,839.56
As at September 30, 2017	3,574.41	265.17	3,839.58

## 15. Property, Plant and Equipment

Detail of property, plant and equipment are as follows:

Unit: Million Baht

	Consolidated financial statements							Total
	Land	Buildings and building improvements	Machinery and equipment	Petroleum exploration and production properties	Mining properties	Other Assets	Construction in progress	
<b>Cost</b>								
As at January 1, 2017	35,790.82	276,184.68	890,494.80	924,941.92	62,309.54	23,030.01	104,973.41	2,317,725.18
- Additions	3,357.20	2,480.05	10,829.40	30,512.18	821.43	533.76	32,188.77	80,722.79
- Borrowing costs	-	-	-	-	-	-	1,088.72	1,088.72
- Reclassifications	354.95	5,837.36	46,907.66	391.56	7.61	260.21	(53,366.79)	392.56
- Disposals	(1,745.72)	(535.46)	(7,095.66)	(508.79)	-	(413.08)	(14.65)	(10,313.36)
- Currency translation differences	(36.64)	(428.28)	(630.53)	(64,344.01)	(4,303.39)	(49.74)	(571.52)	(70,364.11)
As at September 30, 2017	37,720.61	283,538.35	940,505.67	890,992.86	58,835.19	23,361.16	84,297.94	2,319,125.78
<b>Accumulated depreciation</b>								
As at January 1, 2017	-	(140,015.22)	(375,016.81)	(579,593.92)	(29,739.50)	(14,153.24)	-	(1,138,518.69)
- Depreciation for the period	-	(8,474.34)	(30,466.89)	(40,378.27)	(1,197.51)	(1,628.13)	-	(82,145.14)
- Reclassifications	-	66.97	(192.53)	-	-	121.68	-	(3.88)
- Disposals	-	455.91	6,462.60	176.43	-	369.88	-	7,464.82
- Currency translation differences	-	185.04	557.95	40,900.56	2,074.70	35.13	-	43,753.38
As at September 30, 2017	-	(147,781.64)	(398,655.68)	(578,895.20)	(28,862.31)	(15,254.68)	-	(1,169,449.51)



## 15. Property, Plant and Equipment (Continued)

Detail of property, plant and equipment are as follows: (Continued)

Unit: Million Baht

	Consolidated financial statements							Total
	Land	Buildings and building improvements	Machinery and equipment	Petroleum exploration and production properties	Mining properties	Other assets	Construction in progress	
Allowance for impairment of assets								
As at January 1, 2017	(209.68)	(196.39)	(1,658.96)	(43,989.11)	(14,630.44)	-	(2,352.35)	(63,036.93)
- Reversal of loss on impairment	110.03	52.31	137.43	-	-	-	-	299.77
- Reclassifications	-	-	-	(4.29)	-	-	-	(4.29)
- Currency translation differences	-	3.45	22.72	3,022.99	1,005.42	-	133.94	4,188.52
As at September 30, 2017	(99.65)	(140.63)	(1,498.81)	(40,970.41)	(13,625.02)	-	(2,218.41)	(58,552.93)
Net book value								
As at December 31, 2016	35,581.14	135,973.07	513,819.03	301,358.89	17,939.60	8,876.77	102,621.06	1,116,169.56
As at September 30, 2017	37,620.96	135,616.08	540,351.18	271,127.25	16,347.86	8,106.48	82,079.53	1,091,249.34

As at September 30, 2017, the Group had pledged assets amounting to Baht 24,457.27 million (December 31, 2016: Baht 45,363.19 million).

**15. Property, Plant and Equipment (Continued)**

Details of property, plant and equipment are as follows: (Continued)

Unit: Million Baht

	Separate financial statements					Total
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	
<b>Cost</b>						
As at January 1, 2017	11,473.01	41,570.53	348,960.01	14,496.95	41,010.64	457,511.14
- Additions	158.07	286.25	773.51	205.71	12,754.19	14,177.73
- Borrowing costs	-	-	-	-	467.84	467.84
- Reclassifications	320.49	1,372.26	19,739.25	10.09	(21,771.41)	(329.32)
- Disposals	(1,745.72)	(179.13)	(588.98)	(108.21)	-	(2,622.04)
As at September 30, 2017	10,205.85	43,049.91	368,883.79	14,604.54	32,461.26	469,205.35
<b>Accumulated depreciation</b>						
As at January 1, 2017	-	(17,504.68)	(144,926.69)	(10,053.07)	-	(172,484.44)
- Depreciation for the period	-	(1,345.20)	(11,160.88)	(1,042.20)	-	(13,548.28)
- Reclassifications	-	0.81	(27.32)	23.39	-	(3.12)
- Disposals	-	150.22	568.41	76.19	-	794.82
As at September 30, 2017	-	(18,698.85)	(155,546.48)	(10,995.69)	-	(185,241.02)
<b>Allowance for impairment of assets</b>						
As at January 1, 2017	(17.37)	(0.16)	(7.59)	-	-	(25.12)
- Reversal of loss on impairment	17.37	0.16	7.59	-	-	25.12
As at September 30, 2017	-	-	-	-	-	-
<b>Net book value</b>						
As at December 31, 2016	11,455.64	24,065.69	204,025.73	4,443.88	41,010.64	285,001.58
As at September 30, 2017	10,205.85	24,351.06	213,337.31	3,608.85	32,461.26	283,964.33

Borrowing costs were capitalized as a part of costs of property, plant and equipment. As at September 30, 2017, the Group used capitalization rates ranging from 1.50% - 5.00% per annum (December 31, 2016: 1.50% - 5.75% per annum).

**15. Property, Plant and Equipment (Continued)**

As at September 30, 2017 and December 31, 2016, details of other assets include vehicles and natural gas pipeline acquired under finance leases which were recorded as machinery and equipment are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Cost	10,707.94	10,780.35	10,030.16	10,007.25
<u>Less Accumulated depreciation</u>	<u>(4,474.92)</u>	<u>(4,109.59)</u>	<u>(4,128.79)</u>	<u>(3,719.78)</u>
Net book value	<u>6,233.02</u>	<u>6,670.76</u>	<u>5,901.37</u>	<u>6,287.47</u>

**16. Goodwill**

Movements of goodwill are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2017	2016
Net book value as at January 1	50,778.17	51,408.13
- Business acquisition	-	(15.98)
- Currency translation differences	<u>(2,598.60)</u>	<u>(1,457.12)</u>
Net book value as at September 30	<u>48,179.57</u>	<u>49,935.03</u>

**17. Intangible Assets**

Details of intangible assets are as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	Computer software	Right of use	Other Intangible assets	Total
<b>Cost</b>				
As at January 1, 2017	18,423.81	32,387.97	9,345.33	60,157.11
- Additions	399.02	67.20	579.88	1,046.10
- Reclassifications	236.50	71.70	(560.65)	(252.45)
- Disposals	(7.20)	(3.94)	(5.79)	(16.93)
- Currency translation differences	(419.42)	(47.03)	(270.94)	(737.39)
As at September 30, 2017	18,632.71	32,475.90	9,087.83	60,196.44
<b>Accumulated amortization</b>				
As at January 1, 2017	(9,310.66)	(12,535.85)	(4,400.44)	(26,246.95)
- Amortization for the period	(1,333.76)	(809.25)	(323.36)	(2,466.37)
- Reclassifications	2.97	-	446.36	449.33
- Disposals	5.99	3.28	5.27	14.54
- Currency translation differences	181.12	8.97	74.75	264.84
As at September 30, 2017	(10,454.34)	(13,332.85)	(4,197.42)	(27,984.61)
<b>Allowance for impairment of assets</b>				
As at January 1, 2017	-	(409.83)	-	(409.83)
- Disposals	-	0.66	-	0.66
- Currency translation differences	-	18.77	-	18.77
As at September 30, 2017	-	(390.40)	-	(390.40)
<b>Net book value</b>				
As at December 31, 2016	9,113.15	19,442.29	4,944.89	33,500.33
As at September 30, 2017	8,178.37	18,752.65	4,890.41	31,821.43

**17. Intangible Assets (Continued)**

Details of intangible assets are as follows: (Continued)

Unit: Million Baht

	Separate financial statements			Total
	Computer software	Right of use	Other Intangible assets	
Cost				
As at January 1, 2017	5,324.86	19,952.02	67.50	25,344.38
- Additions	68.80	5.55	-	74.35
- Reclassifications	107.23	5.77	-	113.00
- Disposals	(1.20)	-	-	(1.20)
As at September 30, 2017	5,499.69	19,963.34	67.50	25,530.53
Accumulated amortization				
As at January 1, 2017	(3,187.58)	(7,803.22)	(5.51)	(10,996.31)
- Amortization for the period	(547.20)	(391.39)	(3.08)	(941.67)
- Disposals	1.01	-	-	1.01
As at September 30, 2017	(3,733.77)	(8,194.61)	(8.59)	(11,936.97)
Net book value				
As at December 31, 2016	2,137.28	12,148.80	61.99	14,348.07
As at September 30, 2017	1,765.92	11,768.73	58.91	13,593.56

**18. Exploration and evaluation assets**

Details of exploration and evaluation assets are as follows:

	Unit: Million Baht		
	Consolidated financial statements		
	Petroleum exploration and evaluation assets	Mining properties	Total
<b>Cost</b>			
As at January 1, 2017	169,017.10	918.13	169,935.23
- Additions	284.80	5.10	289.90
- Reclassifications	(391.56)	-	(391.56)
- Disposals	(50.25)	-	(50.25)
- Currency translation differences	(7,285.15)	(50.28)	(7,335.43)
As at September 30, 2017	161,574.94	872.95	162,447.89
<b>Allowance for impairment of assets</b>			
As at January 1, 2017	(41,773.34)	(178.82)	(41,952.16)
- Loss on impairment	(18,504.89)	-	(18,504.89)
- Reclassifications	4.29	-	4.29
- Currency translation differences	109.33	12.28	121.61
As at September 30, 2017	(60,164.61)	(166.54)	(60,331.15)
<b>Net book value</b>			
As at December 31, 2016	127,243.76	739.31	127,983.07
As at September 30, 2017	101,410.33	706.41	102,116.74

The Group performs impairment tests on assets whenever events or circumstances indicate that the carrying amounts of the assets may exceed its recoverable amounts. During 2017, the Group decided to revise development plans, including postponement of the Final Investment Decision on PTTEP's Mariana Oil Sands project by considering the project's commercial cost-benefit analysis. This is a significant indicator requiring asset impairment testing to be performed. The Group estimated the recoverable amount using fair value less cost of disposal, based on the information regarding probable reserves. The calculation also relies on key estimates and assumptions such as forward price curve and long-term oil price estimates based on oil demand and supply in the world market. Other relevant assumptions include foreign exchange rates, discount rates, and project management team estimates in respect of capital expenditure and operating expenditure as well as consideration of past industry performance and consistency of the information when compared with external sources. The Group recognized loss on impairment of assets amounting to Baht 18,504.89 million in the consolidated financial statements.

**19. Other Non-current Assets**

Other non-current assets as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016*	September 30, 2017	December 31, 2016*
Long-term other accounts receivable	3,601.67	5,087.19	2,266.76	2,772.04
Advance payments and deferred charge	24,246.31	29,943.86	5,043.31	5,993.48
Advance payments for gas purchases	396.23	1,529.68	458.27	1,777.46
Decommissioning fund	3,934.86	4,151.82	-	-
Others	7,045.78	7,211.49	153.43	135.94
<b>Total</b>	<b>39,224.85</b>	<b>47,924.04</b>	<b>7,921.77</b>	<b>10,678.92</b>

The Company made advance payments for some gas that cannot take-up as the minimum volumes committed in the Gas Sales Agreements (Take-or-Pay). The Company has the right to take those volumes of prepaid gas (Make-up Right) in subsequent years, with no maturity period.

As at September 30, 2017, advance payments for gas purchases comprised the balance of advance payments made for gas purchases, from the Yadana gas fields in Myanmar, for the untaken-up gas volumes in 2000.

\*The Company has regrouped the financial information to be comparable with the current financial statement presentation.

**20. Long-term Loans**

Details of long-term loans as at September 30, 2017 and December 31, 2016 are as follows:

Current portion of long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Loans - Baht currency	17,558.42	17,970.11	4,214.51	4,143.52
Loans - foreign currencies	15,393.23	2,561.11	10,395.04	-
Debentures - Baht currency	15,799.96	22,820.12	5,500.00	8,136.00
Debentures - foreign currencies	27,517.61	19,775.03	16,735.33	11,208.06
Liabilities under finance leases	945.01	929.32	707.67	652.23
<b>Total</b>	<b>77,214.23</b>	<b>64,055.69</b>	<b>37,552.55</b>	<b>24,139.81</b>

Long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Loans - Baht currency	79,926.04	78,668.68	4,600.00	7,014.51
Loans - foreign currencies	37,309.84	51,583.34	6,902.92	18,321.48
Debentures - Baht currency	213,516.68	206,065.19	128,264.67	128,297.47
Debentures - foreign currencies	134,731.75	177,048.98	28,742.82	51,715.68
Liabilities under finance leases	5,022.24	5,900.71	4,717.39	5,554.54
<b>Total</b>	<b>470,506.55</b>	<b>519,266.90</b>	<b>173,227.80</b>	<b>210,903.68</b>

As at September 30, 2017, Baht 1,000.00 million (December 31, 2016: Baht 1,000.00 million) of the Company's loans are secured by the Ministry of Finance.



**20. Long-term Loans (Continued)**

## 20.1 Loans

Movements of loans in Baht currency and foreign currencies for the nine-month period ended September 30, 2017 are as follows:

Unit: Million

	Consolidated financial statements				Total in Baht equivalent
	Currency				
	Baht	USD	EURO	JPY	
Balance as at January 1, 2017	96,638.79	1,149.51	126.32	26,160.94	150,783.24
- Additions	23,928.06	100.00	50.49	4,038.12	30,613.24
- Repayments	(23,046.36)	(141.21)	(9.77)	-	(28,307.46)
- Gain on exchange rates	-	-	-	-	(1,624.86)
- Currency translation differences	-	-	-	-	(1,333.34)
- Others	(36.03)	1.91	-	9.35	56.71
Balance as at September 30, 2017	97,484.46	1,110.21	167.04	30,208.41	150,187.53
- Current portion	(17,558.42)	(444.80)	(10.69)	(206.68)	(32,951.65)
Long-term loans	<u>79,926.04</u>	<u>665.41</u>	<u>156.35</u>	<u>30,001.73</u>	<u>117,235.88</u>

Unit: Million

	Separate financial statements			Total in Baht equivalent
	Currency			
	Baht	USD	JPY	
Balance as at January 1, 2017	11,158.03	310.00	23,000.00	29,479.51
- Additions	-	100.00	-	3,552.86
- Repayments	(2,343.52)	(100.00)	-	(5,943.77)
- Gain on exchange rates	-	-	-	(976.13)
Balance as at September 30, 2017	8,814.51	310.00	23,000.00	26,112.47
- Current portion	(4,214.51)	(310.00)	-	(14,609.55)
Long-term loans	<u>4,600.00</u>	<u>-</u>	<u>23,000.00</u>	<u>11,502.92</u>

**20. Long-term Loans (Continued)**

## 20.2 Debentures

Movements of debentures in Baht currency and foreign currencies for the nine-month period ended September 30, 2017 are as follows:

Unit: Million

	Consolidated financial statements			
	Currency			Total in Baht equivalent
	Baht	USD	JPY	
Balance as at January 1, 2017	228,885.35	5,162.18	36,000.00	425,709.32
- Additions	15,000.00	-	-	15,000.00
- Repayments	(14,554.80)	(319.15)	(36,000.00)	(36,913.46)
- Gain on exchange rates	-	-	-	(6,711.92)
- Currency translation differences	-	-	-	(5,637.92)
- Others	(13.91)	2.61	-	119.98
Balance as at September 30, 2017	229,316.64	4,845.64	-	391,566.00
- Current portion	(15,799.96)	(822.21)	-	(43,317.57)
Long-term debentures	<u>213,516.68</u>	<u>4,023.43</u>	<u>-</u>	<u>348,248.43</u>

Unit: Million

	Separate financial statements			
	Currency			Total in Baht equivalent
	Baht	USD	JPY	
Balance as at January 1, 2017	136,433.47	1,436.45	36,000.00	199,357.21
- Repayments	(2,668.80)	(81.15)	(36,000.00)	(16,764.58)
- Gain on exchange rates	-	-	-	(3,415.02)
- Others	-	0.94	-	65.21
Balance as at September 30, 2017	133,764.67	1,356.24	-	179,242.82
- Current portion	(5,500.00)	(499.07)	-	(22,235.33)
Long-term debentures	<u>128,264.67</u>	<u>857.17</u>	<u>-</u>	<u>157,007.49</u>

**20. Long-term Loans (Continued)**

## 20.3 Liabilities under finance leases

Details of liabilities under finance leases as at September 30, 2017 and December 31, 2016 are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Liabilities under finance leases				
- Within 1 year	1,040.14	1,030.98	784.70	735.85
- Over 1 year but not over 5 years	2,445.49	2,780.07	2,121.76	2,417.06
- Over 5 years	2,917.92	3,507.32	2,917.91	3,507.31
Future finance charges	(436.30)	(488.34)	(399.31)	(453.45)
Present value of liabilities under finance leases	<u>5,967.25</u>	<u>6,830.03</u>	<u>5,425.06</u>	<u>6,206.77</u>
Present value of liabilities under finance leases				
- Current liabilities	945.01	929.32	707.67	652.23
- Non-current liabilities	<u>5,022.24</u>	<u>5,900.71</u>	<u>4,717.39</u>	<u>5,554.54</u>
Total	<u>5,967.25</u>	<u>6,830.03</u>	<u>5,425.06</u>	<u>6,206.77</u>

**21. Provisions for Employee Benefit**

Movements in the present value of provisions for employee benefit are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
As at January 1	21,072.33	18,787.51	8,140.10	6,760.58
Service cost	1,286.09	1,130.67	511.49	421.33
Interest cost	462.27	407.84	206.22	169.23
Actuarial loss from post-employment benefit obligation	2.35	17.69	-	-
Actuarial (gain) loss from other long-term employee benefit obligation	9.74	(0.45)	-	-
Actual payment	(853.06)	(595.45)	(87.60)	(64.07)
Currency translation differences	(18.28)	(27.51)	-	-
As at September 30	<u>21,961.44</u>	<u>19,720.30</u>	<u>8,770.21</u>	<u>7,287.07</u>

Expenses recognized in the statements of income and comprehensive income for the three-month period ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cost of sales and services	221.57	181.26	35.93	34.19
Selling expenses	53.35	21.82	51.38	18.35
Administrative expenses	325.94	324.95	151.23	160.59
Management remunerations	1.64	0.01	0.69	0.26
Other comprehensive loss	1.29	12.52	-	-
Total	<u>603.79</u>	<u>540.56</u>	<u>239.23</u>	<u>213.39</u>

**21. Provisions for Employee Benefit (Continued)**

Expenses recognized in the statements of income and comprehensive income for the nine-month period ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cost of sales and services	589.03	518.88	107.78	93.18
Selling expenses	157.77	55.13	150.94	50.68
Administrative expenses	989.92	958.97	456.90	445.93
Management remunerations	21.38	5.08	2.09	0.76
Other comprehensive loss	2.35	17.69	-	-
<b>Total</b>	<b>1,760.45</b>	<b>1,555.75</b>	<b>717.71</b>	<b>590.55</b>

**22. Long-term Provision for Decommissioning Costs**

Movements in the provision for decommissioning costs which will occur in the future are as follows:

	Unit: Million Baht
	Consolidated financial statements
As at January 1, 2017	72,751.56
- Additional provision	2,023.96
- Reversal of non-occurred provision	(23.31)
- Currency translation differences	(5,040.00)
As at September 30, 2017	69,712.21
- Current portion	-
- Long-term portion	69,712.21

**23. Other Non-current Liabilities**

Other non-current liabilities as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016*	September 30, 2017	December 31, 2016*
Long-term other accounts payable	5,048.69	4,700.34	4,936.93	4,585.13
Provision for remuneration for the renewal of petroleum production	6,963.62	9,099.33	-	-
Long-term liability: Make-up	8,921.56	10,089.42	8,921.56	10,089.42
Deferred revenue	15,551.85	21,901.45	6,341.56	7,266.25
Others	2,695.25	3,484.71	946.65	977.42
<b>Total</b>	<b>39,180.97</b>	<b>49,275.25</b>	<b>21,146.70</b>	<b>22,918.22</b>

Long-term liability (Make-up) arises from the amount of the difference between the natural gas price for the committed gas volumes that the Company paid in advance and the natural gas price as at the date of taking the gas that exceeds the interest paid for the advance payment for untaken-up gas volume (Take-or-Pay). The Company has to distribute the difference to the parties who paid for the Take-or-Pay interest for the Yadana and Yetagun gas fields.

\*The Company has regrouped the financial information to be comparable with the current financial statement presentation.

**24. Basic Earnings per Share**

Basic earnings per share for the three-month periods ended September 30, 2017 and 2016 are as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Profit attributable to owners of the parent from continuing operations	22,331,655,204	26,968,232,722	24,467,737,345	21,857,576,361
Adjustment of profit	(597,592,425)	(99,443,288)	-	-
Profit for calculation of earnings per share from continuing operations	21,734,062,779	26,868,789,434	24,467,737,345	21,857,576,361
Profit for calculation of earnings per share from discontinued operations	-	6,051,160	-	-
Total profit	21,734,062,779	26,874,840,594	24,467,737,345	21,857,576,361
Number of weighted average of ordinary shares (shares)	2,856,299,625	2,856,299,625	2,856,299,625	2,856,299,625
Earnings per share from continuing operations (Baht/share)	7.61	9.41	8.57	7.65
Earnings per share from discontinued operations (Baht/share)	-	-	-	-
Earnings per share (Baht/share)	7.61	9.41	8.57	7.65

**24. Basic Earnings per Share (Continued)**

Basic earnings per share for the nine-month periods ended September 30, 2017 and 2016 are as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Profit attributable to owners of the parent from continuing operations	99,816,392,479	75,459,810,772	83,768,035,961	62,787,990,762
Adjustment of profit	(1,416,652,134)	(843,583,761)	-	-
Profit for calculation of earnings per share from continuing operations	98,399,740,345	74,616,227,011	83,768,035,961	62,787,990,762
Profit for calculation of earnings per share from discontinued operations	-	62,353,413	-	-
Total profit	98,399,740,345	74,678,580,424	83,768,035,961	62,787,990,762
Number of weighted average of ordinary shares (shares)	2,856,299,625	2,856,299,625	2,856,299,625	2,856,299,625
Earnings per share from continuing operations (Baht/share)	34.45	26.13	29.33	21.98
Earnings per share from discontinued operations (Baht/share)	-	0.02	-	-
Earnings per share (Baht/share)	34.45	26.15	29.33	21.98



**25. Other Income**

Details of other income for the three-month periods ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Transportation income	1,173.76	1,111.24	1,731.09	1,689.75
Dividend income	300.21	424.06	9,649.89	6,712.87
Interest income	2,208.53	1,079.15	1,023.63	1,197.09
Compensation for loan interest on advance payments for gas purchases	(0.53)	(0.51)	(0.53)	(0.51)
Gain (loss) on disposal of investments	(58.73)	0.49	(1,121.93)	-
Gain on derivatives	55.83	429.59	1,439.92	62.85
Others	1,224.11	1,770.56	842.48	835.94
<b>Total</b>	<b>4,903.18</b>	<b>4,814.58</b>	<b>13,564.55</b>	<b>10,497.99</b>

Details of other income for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Transportation income	3,779.48	3,924.11	5,613.18	6,190.74
Dividend income	5,007.37	796.75	32,697.94	22,204.47
Interest income	6,354.11	4,239.36	3,155.02	3,369.83
Compensation for loan interest on advance payments for gas purchases	(1.56)	(1.50)	(1.56)	(1.50)
Gain (loss) on disposal of investments	848.06	(142.91)	(131.96)	-
Gain (loss) on derivatives	2,332.55	(4,557.73)	2,071.83	3,088.87
Others	4,029.68	5,331.02	2,286.29	2,628.90
<b>Total</b>	<b>22,349.69</b>	<b>9,589.10</b>	<b>45,690.74</b>	<b>37,481.31</b>

Compensation for loan interests on advance payments for gas purchases (Take-or-Pay) represents the compensation, which the Company received from the Electricity Generating Authority of Thailand (EGAT) and the Independent Power Plants (IPP) in order to absorb the interests on loans that the Company obtains to make advance payments for gas purchases.

**26. Expenses by Nature**

Details of expenses by nature for the three-month periods ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Changes in finished goods and work in process	(3,185.98)	(2,442.38)	(1,780.01)	(1,972.70)
Goods purchased and raw materials used	353,888.26	326,186.70	340,543.25	332,427.38
Executive remunerations (Note 8.10)	191.41	162.76	36.03	32.69
Staff costs	12,076.84	12,694.25	2,604.34	2,372.79
Outsourcing	2,423.24	1,562.84	2,036.31	1,917.40
Transportation	4,602.61	2,688.45	1,493.64	1,428.03
Depreciation and amortization	29,413.20	32,356.62	4,957.34	4,781.45
Repairment	3,873.19	4,384.54	886.33	911.17
Utilities	3,045.23	3,582.40	2,751.98	3,002.84
Rental fees and property insurance premium	2,311.69	1,134.74	893.99	911.58
Petroleum exploration expenses	282.06	713.21	-	-
(Reversal of) doubtful accounts	(19.57)	13.17	(32,271.78)	(354.48)
Loss on impairment of assets	18,504.89	48.49	32,949.78	-
Others	7,836.92	8,256.30	622.53	1,836.36
<b>Total</b>	<b>435,243.99</b>	<b>391,342.09</b>	<b>355,723.73</b>	<b>347,294.51</b>

**26. Expenses by Nature (Continued)**

Details of expenses by nature for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Changes in finished goods and work in process	(230.31)	(2,930.53)	(300.08)	(3,081.41)
Goods purchased and raw materials used	1,106,600.30	912,911.83	1,046,634.85	953,292.00
Executive remunerations (Note 8.10)	855.34	906.58	116.48	89.85
Staff costs	34,663.50	32,414.26	7,621.18	6,990.77
Outsourcing	6,200.86	5,659.35	5,464.11	5,264.20
Transportation	12,706.43	9,334.77	4,953.26	5,390.99
Depreciation and amortization	86,884.25	96,092.11	14,762.19	13,868.48
Repairment	9,925.82	11,551.76	2,220.60	2,455.58
Utilities	8,900.90	9,965.66	8,220.12	8,965.18
Rental fees and property insurance premium	6,089.81	5,997.71	2,612.69	2,738.91
Petroleum exploration expenses	989.64	2,169.18	-	-
(Reversal of) doubtful accounts	15.20	17.69	(34,385.41)	(924.00)
(Reversal of) loss on impairment of assets	18,458.09	43.20	32,902.98	(5.29)
Others	23,807.10	24,086.07	4,989.71	4,632.79
<b>Total</b>	<b>1,315,866.93</b>	<b>1,108,219.64</b>	<b>1,095,812.68</b>	<b>999,678.05</b>

## 27. Operating Segments

These 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 organized into business units based on types of products and services. The major segments of the Group are as follows:

### Upstream Petroleum and Natural Gas Business Group

1. Petroleum exploration and production business:

The Group conducts petroleum exploration and production business both domestically and overseas. The Group is the operator and jointly invests with leading petroleum exploration and production companies. Most domestic projects are located in the Gulf of Thailand, while overseas projects are located in Asia Pacific, North America, Africa and the Middle East.

2. Natural gas business:

The Group conducts natural gas business including procurement, natural gas pipeline transmission, distribution, and natural gas separation. Products from the natural gas separation plants are used as feedstock for the petrochemical industry and as fuel in the household, transportation and industry sectors.

### Downstream Petroleum Business Group

1. Oil business:

The Group conducts marketing of petroleum products and lube oil in both domestic and overseas markets under an efficient operating system of procurement, storage, and distribution of products as well as the retail business at service stations.

2. International trading business:

The Group conducts international trading business including the import and export of petroleum and petrochemical products as well as other related products. This includes the price risk management and international chartering.

3. Petrochemical and Refining business:

The Group conducts refining business including the production and distribution of petroleum and petrochemicals products in both domestic and overseas markets.

### Coal Business

The Group conducts coal mining business, involving overseas exploration, production and distribution of coals.

Other operations of the Group are included in other segments, none of which constitutes a separately reportable segment.

The Group reorganized operating segment of PTT Tank Terminal Co., Ltd. by transferring from Oil business segments to Petrochemicals and Refining business segment and operating segment of PTT Global Management Co., Ltd. by transferring from Petrochemicals and Refining business segment to Coal business segment, according to the business operation and internal management reporting. For comparability, the Group also reorganized the operating segments incurred in 2016.

## (UNOFFICIAL TRANSLATION)

**27. Operating Segments (Continued)**Consolidated financial statements

For the three-month period ended September 30, 2017

								Unit: Million Baht	
	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Total
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				
Sales - others	5,401.59	83,366.24	125,370.13	108,492.25	147,812.91	4,693.21	41.73	-	475,178.06
- related parties	30,935.88	31,882.51	1,806.36	103,159.76	84,044.15	146.80	1,214.23	(253,189.69)	-
Net sales	36,337.47	115,248.75	127,176.49	211,652.01	231,857.06	4,840.01	1,255.96	(253,189.69)	475,178.06
Gross profit (loss)*	30,742.00	23,396.46	8,305.97	1,624.72	38,695.21	1,787.50	(85.27)	(670.15)	103,796.44
EBITDA	26,229.17	20,628.40	4,612.52	935.27	33,232.95	1,235.07	202.62	(64.88)	87,011.12
Depreciation and amortization expenses	13,805.57	4,771.42	1,132.24	6.65	8,813.73	628.73	254.86	-	29,413.20
Segment operating profit (loss)	12,423.60	15,856.98	3,480.28	928.62	24,419.22	606.34	(52.24)	(64.88)	57,597.92
Share of profit from investments in joint ventures and associates	20.92	284.48	221.98	-	695.27	-	-	-	1,222.65
Loss on impairment of assets	(18,504.89)	-	-	-	-	-	-	-	(18,504.89)
Others	-	42.28	27.80	-	(22.70)	0.59	74.49	-	122.46
Unallocated revenue and expenses:									
Interest income									2,208.53
Gain on derivatives									55.83
Gain on exchange rate									2,879.90
EBIT									45,582.40
Profit for the period									30,611.29

\* Gross profit (loss) excludes depreciation and amortization expenses in cost of sales.

## (UNOFFICIAL TRANSLATION)

**27. Operating Segments (Continued)**Consolidated financial statements

For the nine-month period ended September 30, 2017

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht Total
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				
Sales - others	15,013.56	245,544.43	400,853.74	359,267.57	429,592.14	13,354.50	136.89	-	1,463,762.83
- related parties	92,386.08	102,793.49	5,331.70	309,385.62	260,980.05	146.80	3,424.23	(774,447.97)	-
Net sales	107,399.64	348,337.92	406,185.44	668,653.19	690,572.19	13,501.30	3,561.12	(774,447.97)	1,463,762.83
Gross profit (loss)*	91,066.44	72,549.56	25,650.06	2,303.95	101,521.04	5,613.52	(403.42)	(1,734.22)	296,566.93
EBITDA	78,040.01	65,002.27	15,084.78	363.87	88,139.65	4,275.58	447.66	(171.92)	251,181.90
Depreciation and amortization expenses	41,635.29	13,902.05	3,393.98	23.17	25,690.45	1,476.32	762.99	-	86,884.25
Segment operating profit (loss)	36,404.72	51,100.22	11,690.80	340.70	62,449.20	2,799.26	(315.33)	(171.92)	164,297.65
Share of profit from investments in joint ventures and associates	67.49	944.75	703.27	-	3,493.33	-	-	-	5,208.84
Reversal of (loss) on impairment of assets	(18,504.89)	7.59	39.21	-	-	-	-	-	(18,458.09)
Others	-	134.49	29.92	(0.23)	(36.18)	1.10	5,519.85	-	5,648.95
Unallocated revenue and expenses:									
Interest income									6,354.11
Gain on derivatives									2,332.55
Gain on exchange rate									10,702.31
EBIT									176,086.32
Profit for the period									134,006.38

\* Gross profit (loss) excludes depreciation and amortization expenses in cost of sales.

## (UNOFFICIAL TRANSLATION)

**27. Operating Segments (Continued)**Consolidated financial statements

As at September 30, 2017

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht Total
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				
Segment assets	580,267.29	440,766.30	99,509.99	77,145.38	728,985.34	32,011.66	157,077.05	-	2,115,763.01
Inter-company assets	21,201.21	14,445.41	1,400.90	41,602.72	21,861.94	1,373.16	57,063.69	(158,949.03)	-
Investments in joint ventures and associates	833.97	15,473.46	4,841.86	-	39,921.02	-	-	-	61,070.31
Total segment assets	602,302.47	470,685.17	105,752.75	118,748.10	790,768.30	33,384.82	214,140.74	(158,949.03)	2,176,833.32
Non-allocated assets									14,257.66
Total assets									<u>2,191,090.98</u>

## (UNOFFICIAL TRANSLATION)

**27. Operating Segments (Continued)**Consolidated financial statements

For the three-month period ended September 30, 2016

	Unit: Million Baht								
	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Total
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				
Sales - others	4,393.36	80,962.51	120,006.32	103,617.47	122,434.21	3,659.53	98.72	-	435,172.12
- related parties	32,728.91	34,025.28	1,601.40	86,728.99	76,271.11	314.47	666.29	(232,336.45)	-
Net sales	37,122.27	114,987.79	121,607.72	190,346.46	198,705.32	3,974.00	765.01	(232,336.45)	435,172.12
Gross profit (loss)*	31,886.77	23,029.90	9,482.33	1,681.22	23,253.35	1,459.16	(517.52)	38.77	90,313.98
EBITDA	27,122.12	20,073.30	6,222.09	77.84	20,251.99	1,119.23	676.27	158.00	75,700.84
Depreciation and amortization expenses	18,637.72	4,577.80	842.07	8.19	7,480.34	568.70	240.80	1.00	32,356.62
Segment operating profit	8,484.40	15,495.50	5,380.02	69.65	12,771.65	550.53	435.47	157.00	43,344.22
Share of profit (loss) from investments in joint ventures and associates	24.26	128.49	207.66	-	801.76	(0.03)	0.10	-	1,162.24
Others	-	260.25	35.60	0.21	(40.19)	2.06	29.88	143.79	431.60
Unallocated revenue and expenses:									
Interest income									1,079.15
Gain on derivatives									429.59
Gain on foreign exchange rate									2,361.05
EBIT									48,807.85
Profit for the period									34,853.75

\* Gross profit (loss) excludes depreciation and amortization expenses in cost of sales.



## (UNOFFICIAL TRANSLATION)

**27. Operating Segments (Continued)**Consolidated financial statements

For the nine-month period ended September 30, 2016

	Unit: Million Baht								
	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Total
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				
Sales - others	13,693.65	251,636.40	349,662.34	262,371.08	353,854.93	10,628.08	142.48	-	1,241,988.96
- related parties	99,317.05	95,846.57	3,862.29	261,167.93	202,096.61	314.47	2,765.09	(665,370.01)	-
Net sales	113,010.70	347,482.97	353,524.63	523,539.01	555,951.54	10,942.55	2,907.57	(665,370.01)	1,241,988.96
Gross profit (loss)*	97,329.36	60,080.62	27,617.87	3,713.08	80,217.94	3,471.88	(745.43)	(962.89)	270,722.43
EBITDA	83,353.95	51,609.88	18,674.80	2,977.70	69,278.04	2,595.96	517.46	49.76	229,057.55
Depreciation and amortization expenses	55,383.54	13,488.78	2,518.95	24.45	22,496.60	1,439.25	740.54	-	96,092.11
Segment operating profit (loss)	27,970.41	38,121.10	16,155.85	2,953.25	46,781.44	1,156.71	(223.08)	49.76	132,965.44
Share of profit (loss) from investments in joint ventures and associates	59.61	805.98	698.33	-	1,302.66	(0.33)	(0.30)	-	2,865.95
Others	-	427.91	67.55	6.27	(56.43)	2.06	214.64	-	662.00
Unallocated revenue and expenses:									
Interest income									4,239.36
Loss on derivatives									(4,557.73)
Gain on foreign exchange rate									4,461.48
EBIT									140,636.50
Profit for the period									101,612.47

\* Gross profit (loss) excludes depreciation and amortization expenses in cost of sales.

## (UNOFFICIAL TRANSLATION)

**27. Operating Segments (Continued)**Consolidated financial statements

As at December 31, 2016

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht Total
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				
Segment assets	653,353.23	411,369.32	96,666.99	96,337.48	714,989.76	32,336.26	160,423.45	-	2,165,476.49
Inter-company assets	14,085.07	12,230.93	1,293.28	38,582.19	24,366.16	434.91	89,648.96	(180,641.50)	-
Investments in joint ventures and associates	967.35	13,623.46	4,988.34	-	36,694.24	-	-	-	56,273.39
Total segment assets	668,405.65	437,223.71	102,948.61	134,919.67	776,050.16	32,771.17	250,072.41	(180,641.50)	2,221,749.88
Non-allocated assets									10,581.20
Total assets									<u>2,232,331.08</u>

Pricing among business groups is based on normal market prices except for pricing among business groups within the Company, for which net market prices, after deducting management fees for petroleum terminals and operating fees, are applied.

**28. Fair Value Measurement of Financial Instruments**

As at September 30, 2017 and December 31, 2016, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

As at September 30, 2017

	Unit: Million Baht			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	8,384.56	-	-	8,384.56
Mutual funds	1,015.54	-	132.29	1,147.83
Debt instruments	-	8,963.74	-	8,963.74
Derivatives				
Foreign currency forward contracts	-	454.83	-	454.83
Cross-currency swap contracts	-	652.21	-	652.21
Interest rate swap contracts	-	137.52	-	137.52
Commodity swap contracts	608.57	122.45	-	731.02
Other derivative contracts	-	850.41	-	850.41
<b>Financial liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	798.90	-	798.90
Cross-currency swap contracts	-	1,895.35	-	1,895.35
Interest rate swap contracts	-	153.77	-	153.77
Commodity swap contracts	1,592.49	2,095.58	-	3,688.07
Other derivative contracts	-	28.79	-	28.79

**28. Fair Value Measurement of Financial Instruments (Continued)**

As at December 31, 2016

Unit: Million Baht

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	6,709.86	-	-	6,709.86
Mutual funds	11,719.17	-	-	11,719.17
Debt instruments	-	5,410.51	-	5,410.51
Derivatives				
Foreign currency forward contracts	-	957.36	-	957.36
Cross-currency swap contracts	-	618.97	-	618.97
Interest rate swap contracts	-	200.16	-	200.16
Commodity swap contracts	254.61	116.14	-	370.75
Other derivative contracts	-	378.56	-	378.56
<b>Financial liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	139.95	-	139.95
Cross-currency swap contracts	-	6,330.63	-	6,330.63
Interest rate swap contracts	-	312.77	-	312.77
Commodity swap contracts	1,742.39	4,109.89	-	5,852.28
Other derivative contracts	-	45.26	-	45.26

**28. Fair Value Measurement of Financial Instruments (Continued)**

As at September 30, 2017

Unit: Million Baht

	Separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	8,153.00	-	-	8,153.00
Mutual funds	345.46	-	132.29	477.75
Derivatives				
Cross-currency swap contracts	-	498.53	-	498.53
Interest rate swap contracts	-	88.39	-	88.39

**Financial liabilities measured at fair value**

Derivatives				
Cross-currency swap contracts	-	581.84	-	581.84
Interest rate swap contracts	-	101.34	-	101.34

As at December 31, 2016

Unit: Million Baht

	Separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	6,549.82	-	-	6,549.82
Mutual funds	11,566.43	-	-	11,566.43
Derivatives				
Cross-currency swap contracts	-	618.97	-	618.97
Interest rate swap contracts	-	99.67	-	99.67
<b>Financial liabilities measured at fair value</b>				
Derivatives				
Cross-currency swap contracts	-	1,702.63	-	1,702.63
Interest rate swap contracts	-	212.29	-	212.29

**28. Fair Value Measurement of Financial Instruments (Continued)**Fair value valuation techniques and inputs for Level 2 valuation

The fair values of debt instruments and 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 and forward rates of foreign currencies, interest rate, bonds yield curves and commodity price yield curves, etc.

Fair value valuation techniques and inputs for Level 3 valuation

The fair values of available-for-sale investments in mutual funds were determined based on the Net Asset Value as reported in the Capital Call Statement and translated using the closing exchange rate.

During the current period, there was no transfer between the fair value hierarchy.

**29. Subordinated capital debentures**

In July 2017, the Group has carried out a capital structure management with respect to USD subordinated capital debentures as follows:

	Consolidated financial statements					
	Unit : Million USD			Unit : Million Baht		
	Before restructuring	(redeemed) /reissued	After restructuring	Before restructuring	(redeemed) /reissued	After restructuring
<b>PTTEP</b>						
Issuance and offering value	1,000.00	(854.69)	145.31			
Net value from finance cost	995.53	(850.88)*	144.65	32,206.55	(27,526.73)*	4,679.82
<b>PTTEP TC</b>						
Issuance and offering value	-	854.69**	854.69			
Net value from finance cost	-	854.66	854.66	-	28,607.72	28,607.72
<b>Total</b>						
Issuance and offering value	1,000.00	-	1,000.00			
Net value from finance cost	995.53	3.78	999.31	32,206.55	1,080.99	33,287.54

\* PTTEP redeemed the subordinated capital debentures with the payment of USD 875.52 million (Baht 28,350.97 million)

\*\* PTTEP Treasury Center Co., Ltd. (PTTEP TC), a subsidiary of PTTEP, issued and offered the subordinated capital debentures, fully guaranteed by PTTEP, in the same amount as what was redeemed by PTTEP. The subordinated capital debentures will be settled upon the liquidation of the issuing company (perpetual), or as per the redemption rights stipulated in the offering memorandum. The subordinated capital debentures were issued in the two following series:

- Series 1: Issued and offered on July 17, 2017 in the amount of USD 500 million with an initial fixed interest rate of 4.6% until July 17, 2022. The right to early redeem in full amount shall be first exercisable on July 17, 2022. Subsequent interest rates and redeemable rights are stipulated in the offering memorandum.
- Series 2: Issued and offered on July 26, 2017 in the amount of USD 354.69 million with an initial fixed interest rate of 4.875% until June 18, 2019. The right to early redeem in full amount shall be first exercisable on June 18, 2019. Subsequent interest rates and redeemable rights are stipulated in the offering memorandum.

These subordinated capital debentures pay the distributions semi-annually. However, PTTEP TC may elect to defer the payment of a distribution at its sole discretion without any limit as to the number of times. The deferred distributions will not bear additional interest. In case that they are deferred from and including the date falling 12 months from the date on which it is first deferred, they will be constituted as the principal of the securities. However, if PTTEP TC elects to defer distributions of those 2 series, both PTTEP, as a guarantor, and PTTEP TC are restricted from declaring any dividends. Also, they will procure that no distribution or other payment is declared, paid or made on any of its Junior Securities or its Parity Securities. Additionally, both PTTEP and PTTEP TC will be restricted from redeeming, reducing, cancelling, or buying-back of its Junior Securities or its Parity Securities. These subordinated capital debentures are legally subordinated to all other capital debentures issued by PTTEP TC, except for equity.

**30. Dividend Payment**

On April 28, 2017, at the 2017 Annual General Shareholders' Meeting of the Company, the shareholders approved dividend payments for the year 2016 of Baht 16.00 per share, approximately amounting to Baht 45,698.58 million. On September 16, 2016, the Company paid an interim dividend from the operating results of the first half of 2016 at Baht 6.00 per share for 2,855,946,746 shares, amounting to Baht 17,135.68 million. The remaining dividends were paid as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividend (Million Baht)	Payment date
For the year 2016	July 1, 2016 - December 31, 2016	10.00	2,856,290,445	28,562.90	May 15, 2017

On August 18, 2017, at the Board of Directors Meeting No. 8/2017 of the Company, the Board approved interim dividend payments for the first half of 2017 as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividend (Million Baht)	Payment date
Interim	January 1, 2017 - June 30, 2017	8.00	2,856,261,256	22,850.09	Sep 15, 2017

**31. Proceeding regarding the Central Administrative Court's Ordering Temporary Suspension of Projects in Map Ta Phut Area**

On June 19, 2009, the Stop Global Warming Association and a group of individuals totaling 43 parties (the Petitioners) filed a complaint with the Central Administrative Court (the Court) as the black case No. 908/2552, against eight government agencies, together with a motion seeking the Court injunction to temporarily suspend all operations and activities of 76 industrial projects in the Map Ta Phut area in Rayong Province.

On September 29, 2009, the Court ordered the temporary injunction by requiring the eight accused government agencies to issue the order to temporarily suspend all 76 projects pending the Court's judgment or order otherwise, except for those projects or activities which received the permits before the effective date of the Constitution of Kingdom of Thailand B.E. 2550 or which were not required to prepare the Environmental Impact Assessment (EIA) reports pursuant to the Ministerial Announcement of Ministry of Natural Resources and Environment dated June 16, 2009. 25 projects of the Group were under the suspension order, and three of those 25 projects belonged to the Company.

On October 16, 2009, the Group, as an interested person, submitted a motion to appeal the Court's order to the Supreme Administrative Court.

On December 2, 2009, the Supreme Administrative Court issued an order No. 592/2552 amending the Court's injunction by requiring the eight accused government agencies to order the temporary suspension of all projects or activities listed in the complaint except for 11 projects, which clearly, according to the Supreme Administrative Court, did not severely affect the community but were projects intended to mitigate pollution or only additional installation to the existing projects. Among those 11 projects, seven of them belonged to the Group, comprising one project of the Company and 6 projects of the other companies in the Group. Two projects of the Company were still under the Court's order to suspend.

On December 18, 2009, the public prosecutor submitted the answer rejecting all allegations in the complaint.

On September 2, 2010, the Court rendered a judgment revoking the permit of the projects listed in the complaint which, according to the law, were categorized as project that might severely affect the community and did not comply with the procedures set forth in Section 67 paragraph 2 of the Constitution, B.E. 2550. The revocation was effective as of the date of the judgment. One project of the Group is within the scope of the judgment.

On October 1, 2010, the 43 prosecutors appealed the Court's judgment to the Supreme Administrative Court. On December 7, 2010, the eight accused government agencies by the public prosecutors submitted a reply to the appeal. The appeal is currently under the consideration of the Supreme Administrative Court.



**32. Commitments and Contingent Liabilities**

Details of significant changes in commitments and contingent liabilities are as follows:

32.1 Details of commitments to subsidiaries, joint ventures, associates and other related companies are as follows:

32.1.1 The Company has provided loans to its subsidiaries and joint ventures with credit limits totaling Baht 91,215.38 million. As at September 30, 2017, the Company made payments in respect of these loans totaling Baht 53,666.09 million. The remaining credit limits were Baht 37,549.29 million.

32.1.2 The Company entered into the Sponsor Support Agreements with subsidiaries and joint ventures with credit limits equal to the sum of the loan obligations to financial institutions of such subsidiaries and joint ventures. Under these agreements, as at September 30, 2017, the Company had commitments of USD 56.91 million or equivalent to Baht 1,908.33 million.

32.1.3 The Company had obligations under the Shareholder Agreements to pay for ordinary shares in proportion to its shareholding. As at September 30, 2017, the Company had remaining obligations amounting to Baht 4,689.63 million.

32.2 Commitments under operating leases - the Group as a lessee, the future minimum lease payments under uncancellable operating leases as at September 30, 2017 and December 31, 2016 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Within 1 year	1,574.93	2,195.82	72.93	66.39
Over 1 year but not over 5 years	5,233.45	5,046.53	356.69	315.60
Over 5 years	6,376.38	5,681.37	1,267.95	1,131.64
Total	<u>13,184.76</u>	<u>12,923.72</u>	<u>1,697.57</u>	<u>1,513.63</u>

32.3 As at September 30, 2017, the Group had capital commitments of Baht 40,774.22 million in the consolidated financial statements.

32.4 As at September 30, 2017, the Group had outstanding letters of credit of Baht 1,035.63 million in the consolidated financial statements and Baht 798.57 million in the separate financial statements.

32.5 As at September 30, 2017, the Group had contingent liabilities in the form of letter of guarantee amounting to Baht 25,054.03 million in the consolidated financial statements and Baht 118.02 million in the separate financial statements.

**32. Commitments and Contingent Liabilities (Continued)**

Details of significant changes in commitments and contingent liabilities are as follows: (Continued)

- 32.6 A subsidiary entered into a contract to sell a product to the Company and the Company entered into a contract to resell the same product to a listed company. The term of the two contracts was 15 years, expiring on January 31, 2012. Before the expiration of the contract, the subsidiary notified the Company that the contract would not be renewed. Consequently, without product to resell, the Company had to notify the listed company that the contract would also not be renewed. The Company's notice was served to the listed company in accordance with the terms and conditions set forth in the contract. On December 3, 2009, the listed company submitted claims with the Thai Arbitration Institute (the Institute) requesting that the Company and the subsidiary, as the seller and the supplier, respectively, comply with the contracts by continuing to sell the product to the listed company or be jointly liable to pay damages.

On February 10, 2010, the subsidiary submitted motion with the Institute asking to dismiss the claims against it from the case list. The Institute issued an order to dismiss the claims relating to the subsidiary.

The Company forwarded the case to the Office of the Attorney General to submit a defense to the Institute. On April 28, 2010, the public prosecutor submitted the defense with the Institute for the Company. The tribunal finished the witness examination. Consequently, on March 25, 2016, the tribunal ruled that the Company make a partial payment for damages to the listed company. However, the Company was of the opinion that the arbitral award might be both factually and legally inconsistent. Therefore, the Company will exercise its legal right by filing a motion with the court requesting the arbitral award be revoked. On June 30, 2016, the Company by the public prosecutor filed a motion to revoke the arbitral award with the Civil Court. Currently, this case is under the consideration of the Civil Court. Subsequently, on December 16, 2016, the listed company submitted a motion with the Civil Court asking for the enforcement of the arbitral award. The Company by the public prosecutor submitted the objection with the Civil Court. Currently, the case is under the consideration of the Civil Court.

**32. Commitments and Contingent Liabilities (Continued)**

Details of significant changes in commitments and contingent liabilities are as follows: (Continued)

- 32.7 On May 26, 2010, the contractor for an onshore natural gas pipeline construction project (the “Contractor”) submitted claims to the Thai Arbitration Institute (the Institute) seeking overdue payment and damages from the Company for the work performed in connection with the project. The Company however considered that the submission of the claims was incompliant with the dispute resolution procedure agreed upon under the contract. Therefore, the Company filed an opposition to the Contractor’s claim submission with the Institute and reserved right to protest such contractually incompliant claim submission in the arbitration procedure. After the claim submission, the Central Bankruptcy Court ordered the Contractor be under an absolute receivership which rendered the official receiver to have sole power in any litigation pertaining to the Contractor’s assets. Subsequently, the Contractor’s official receiver has petitioned the Institute to substitute the Contractor in the dispute against the Company. Regarding the Contractor’s bankruptcy case, the Company submitted, as a creditor, a motion for receiving a debt payment in accordance with the law. With respect to the arbitration process, the Company submitted the defense together with counterclaims seeking damages from the Contractor. Subsequently, the arbitral tribunal rendered an award ordering the Company to partially pay for the Contractor’s claims. However, the Company considered that the arbitral award is materially erroneous both in fact and in law. The Company, therefore, filed a motion to revoke the arbitral award, while the contractor submitted a motion with the Civil Court to enforce the arbitral award. On October 17, 2017, the Civil Court delivered a judgement to enforce the arbitral award whereby some penalty amounts were reduced. However, the Company is preparing to file an appeal of the judgement of the Civil Court with the Supreme Court.

On September 8, 2010, the Contractor by the official receiver submitted the claims to the Institute seeking overdue payment and damages from the Company for the work performed in connection with another pipeline construction project. The Company, however, considered that the submission of the claims was incompliant with the dispute resolution procedure agreed upon under the contract. Therefore, the Company filed an opposition to the Contractor’s claim submission with the Institute and reserved the right to protest such contractually incompliant claim submission in the arbitration procedure. In contention against the alleged claims, the Company submitted the defense together with counterclaims seeking damages from the Contractor. Currently, the arbitral tribunal has been appointed and the case is now under the consideration of the tribunal.

## 32. Commitments and Contingent Liabilities (Continued)

Details of significant changes in commitments and contingent liabilities are as follows: (Continued)

32.8 On February 25, 2014, the contractor for an on-shore natural gas pipeline construction project (the “Contractor”) filed a lawsuit against the Company with the Civil Court on the grounds of wrongful termination and breach of contract and claimed for outstanding payment of the work and damages. On the contrary, the Company considered that all of the Company’s actions have been in accordance with the terms and conditions of the contract. Therefore, the Company forwarded the case to the Office of The Attorney General for consideration to arguing the case for the Company and the prosecutor has submitted the answer with the Court. Consequently, the Civil Court ordered the case be transferred to the Central Administrative Court for consideration and judgment because the Civil Court and the Central Administrative Court has the corresponding opinions that this case was an administrative case. The Civil Court transferred this case to the Central Administrative Court. Currently, the case is under the consideration of the Central Administrative Court.

32.9 On August 26, 2010, PTTEP Australasia (PTTEP AA) received a letter from the Government of Indonesia (GoI) claiming compensation relating to an incident in 2009 when oil and natural gas leaked from a well in PTTEP AA’s Montara project in Australian territory in the Timor Sea. PTTEP AA rejected the claim on the basis that the evidence provided by the GoI was considered unproven and unsubstantiated. No verifiable scientific evidence was ever provided to support the claim.

On March 11, 2016, PTTEP AA received a letter from a firm of Australia lawyers representing a group of West Timorese seaweed farmers, notifying PTTEP AA of their intention to commence a legal action for compensation relating to the incident. Subsequently, on August 9, 2016 PTTEP AA was notified of a claim made in the Sydney Registry of the Federal Court of Australia seeking damages on behalf of a group of seaweed farmers (Class Action). The Statement of Claim as filed does not quantify the claim, and no supporting evidence has yet been presented to the court. PTTEP AA has appointed lawyers and is defending the claim.

On July 14, 2017, the Company and PTTEP received the official statement of claim filed by the Ministry of Environment and Forestry on behalf of GoI to the Indonesian Court seeking approximately USD 2.1 billion for damages related to the incident, however, the Company has not been the operator of Montara Project. The Company and PTTEP Group will proceed to defend against this lawsuit based on the facts and matters of law.

Currently, PTTEP considers that the claims from representative of West Timorese seaweed farmers and the GoI related to Montara oil spill incident remain unproven due to insufficient evidence to support the claim.

32.10 During the third quarter of 2014, the number of people in Rayong filed several lawsuits with the Civil Court and Rayong Provincial Court against PTTGC to claim the extra compensation from oil spill incident and to perform the rehabilitation of the sea and natural environmental recovery. Some cases have been dismissed and some cases have been passed a judgement by the Civil Court on August 25, 2016 ordered PTTGC to compensate for damages including interest and rehabilitation, of approximately Baht 11.26 million. PTTGC has appealed on February 17, 2017. Nevertheless, there are remaining cases that are still on trial by Rayong Provincial Court, in which PTTGC believes that the outcome of the consideration will not result in material damage and material financial impact to PTTGC. Therefore, PTTGC has not provided against any loss that may result from this matter in the financial statements.

### 33. Other Events

33.1 On April 4, 2016, the Ombudsman of Thailand submitted a complaint to the Administrative Court (the Court) against the Minister of Finance, the Minister of Energy, the Company and other defendants as the black case No. 510/2559, requesting the Court as follows:

- 1) To revoke the Cabinet Resolutions on December 18, 2007 and August 10, 2010.
- 2) To order the Minister of Finance, the Minister of Energy and the Company to conduct a separation and transfer of net assets according to the plaintiff's allegation as of September 30, 2001 amounting to Baht 68,569.69 million, including other compensations and benefits.
- 3) To revoke the separation of public assets and the preferential rights to establish the gas pipeline system according to the plaintiff's allegation.

On May 26, 2016, the Court ordered the Company to submit a defense, responding to the particular issue that was whether the Company completely transferred the assets of the Petroleum Authority of Thailand (the tenth defendant), which were public assets, to the first defendant (the Minister of Finance) in accordance with the Cabinet Resolution on December 18, 2007. The Company had the public prosecutor prepared the statement and additional statement for submission to the Court. Currently, the case is under the consideration of the Court.

Nevertheless, on December 14, 2007, the Supreme Administrative Court in red case No. Fo. 35/2550, rendered the judgment ordering the co-defendants to mutually transfer the public assets to the Minister of Finance, according to the judgment. Therefore, on December 18, 2007, the cabinet acknowledged the aforesaid judgment and ordered the Minister of Finance and the Minister of Energy to mutually conduct with the judgment. On December 26, 2008, the Supreme Administrative Court declared that the Company and all relevant organizations had completely complied with the judgment of the Supreme Administrative Court. Furthermore, the plaintiff and the co-plaintiffs had submitted a complaint regarding the separation of public assets to the Court for four times. The Court had ordered to dismiss the case and reaffirmed that the judgment of the red case No. Fo. 35/2550 was completed. Consequently, on August 10, 2010, the cabinet acknowledged the conduct of the Supreme Administrative Court judgment in accordance with the proposals of the Minister of Energy and of the Minister of Finance.

### **33. Other Events (Continued)**

- 33.2 On November 18, 2016, at the Board of Directors Meeting No. 11/2016 of the Company, the Board passed a resolution to approved the restructuring of PTT by means of the transfer of the oil business unit, including its assets and liabilities of the business unit, and the shares of companies related to the oil business unit from the Company to PTT Retail Business Company Limited (PTTRB), the change of PTTRB's name to PTT Oil and Retail Business Company Limited (PTTOR), the appointment of PTTOR as the flagship company for the oil and retail business of the Group, and the preliminary plan for an initial public offering of the ordinary shares of PTTOR and the listing of PTTOR in the Stock Exchange of Thailand (the SET). The Company and government agencies will hold less than 50%, but no less than 45%, of total paid-up capital (the "Restructuring of PTT"). In addition, the Board passed a resolution to proceed with the request of the Restructuring of PTT to the relevant agencies such as the Ministry of Energy, The Board of Directors of State Enterprise Policy Office ("Superboard"), the Cabinet, and the shareholders' meeting of the Company, to consider granting approvals in accordance with the relevant rules and regulations.

On February 17, 2017, at the Meeting No. 1/2017 (the 11<sup>st</sup> Meeting) of the National Energy Policy Council (NEPC) passed resolutions to (1) acknowledge the proposed Restructuring of PTT and to instruct the Company to proceed in compliance with relevant laws, regulations, and related cabinet resolutions while taking into consideration the maximum benefit of the public and the nation and (2) agree with the opinion of the Cabinet Secretariat that the proposed business restructuring of PTT would not have an impact on the nation's energy security. Subsequently, the Ministry of Energy notified the cabinet of the NEPC's meeting resolutions.

On April 28, 2017, the 2017 Annual General Meeting of the Company's shareholders approved the Restructuring of PTT by means of the transfer of the oil business unit, including the assets and liabilities of the business unit and the shares of companies related to the oil business unit, from the Company to PTTOR (the "Restructuring of PTT"). The business transfer will occur only after the Company obtains any approvals and/or consent from relevant governmental authorities and/or agencies necessary for the Restructuring of PTT in accordance with relevant regulations, and the Board or persons assigned by the Board are authorized to enter into negotiations and determine the criteria, conditions, and other details related to the Restructuring of PTT; execute the business transfer agreements, other agreements and supporting documents; and undertake any act necessary for and relevant to the aforementioned businesses for the purposes of the Restructuring of PTT. The Annual General Meeting also acknowledged the feasibility of the plan to launch an initial public offering (IPO) of PTTOR's ordinary shares, and to offer ordinary shares of PTTOR to PTT's existing shareholders with rights to subscribe to allocated shares, but not to offer the shares to shareholders in cases where such offering would cause PTTOR to be subject to the rules and regulations of foreign countries (Preferential Share Offering) and to list PTTOR on the SET. The Company and government agencies will hold less than 50% of the total paid-up capital after launching an IPO and listing on the SET. On the contrary, the Company will hold no less than 45% the total paid-up capital. The Company will adhere to the opinions of the Office of the Securities and Exchange Commission (the SEC) in relation to the listing of PTTOR on the SET and will obtain approval from the SEC prior to proceed further.

### **34. Events after the Reporting Period**

The Audit Committee of the Company approved these financial statements for public issuance on November 13, 2017.