

**Information Memorandum of PTT Global Chemical Public Company Limited  
Regarding Connected Transactions in connection with the Purchase and Sale of Shares, the  
Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements  
and Loan Agreements, and the Acceptance of the Transfer of Study Results of the Projects**

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**1. Information Memorandum disclosed as of the date on which the Board of Directors passed the resolution**

As the Board of Directors of PTT Global Chemical Public Company Limited (the “**Company**”) No. 2/2017, held on 14 February 2017, approved the Company to purchase the shares, the acceptance of the transfer of rights and obligations under the shareholders agreements and loan agreements, and the acceptance of the transfer of project study results in the company operating the propylene and biochemical lines of the petrochemical business and related services business from PTT Public Company Limited (“**PTT**”) for the amount of Baht 26,300 million, in which such amount may be decreased or increased depending on certain factors but a total amount will not be more than Baht 26,800 million. Entering into these transactions benefits the Company by affirming the Company’s position as the PTT Group’s petrochemical flagship since these transactions create synergistic benefits in many aspects toward the Company’s existing business. The transaction also provides opportunities for the Company to further expand its business into downstream products and high-value products, enhancing the Company’s potentiality in accessing and competing in high-growth market platform. In addition, this increases the varieties of the Company’s products which further diversifies the Company’s product portfolio, strengthens the efficiency of the Company’s integrated supply chain, and sustains the shareholders’ long-term value. The Company would be able to build collaborative relationships with strategic partners who are the world’s leading chemical players.

As the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects’ Study Results are considered as connected transaction (as asset or service transactions), whereby:

- (a) the Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements are the connected transactions between the Company and PTT which is a major shareholders of the Company; and
- (b) the Acceptance of the Transfer of the Projects’ Study Results are the conclusion of connected transactions between the Company and PTT in which PTT, who is a major shareholder of the Company, is a major shareholder of such company.

According to the consolidated financial statements of the Company and the relevant companies as of 30 September 2016, the total maximum size of such connected transactions is estimated at 11.9 percent of the Company’s net tangible assets value, which is greater than three percent of net tangible assets of the Company; thus these transactions are classed as those for which the Company has the obligations:

- (a) to disclose information memorandum pursuant to the Notification Relating to Connected Transactions to the Stock Exchange of Thailand;
- (b) to appoint independent financial advisors; and
- (c) to organize a shareholders meeting to approve these transactions, whereby a resolution of the shareholders meeting shall require no less than three-quarters of the votes of the shareholders present in the meeting and have the right to vote (excluding the votes of the interested shareholders).

In this regard, the Company would like to inform you that meeting of the Board of Directors of the Company No. 13/2016, held on 26 December 2016, has approved the appointment of Maybank Kim Eng Securities (Thailand) Public Company Limited as the independent financial advisor, to provide opinion on the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results. The Company informed that 2017 annual general meeting date will be on 5 April 2017; the record date will be on 6 March 2017; and the closing date of the share register book will be on 7 March 2017.

In addition, the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results are considered the purchase or acquisition of business of the other companies pursuant to section 107(2)(b) of the Public Limited Company Act B.E. 2535 (as amended) for which the Company has the obligations to organize a shareholders meeting to approve these transactions, whereby a resolution of the shareholders meeting shall require no less than three-quarters of the votes of the shareholders present in the meeting and having the right to vote (excluding the votes of the vested interested shareholders).

In this regard, even though the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results are considered acquisitions of assets in accordance with the Acquisition or Disposition Notifications, based on the transactions' size pursuant to the Acquisition or Disposition Notifications as well as other transactions within the previous six months, the total maximum size of these transactions are estimated at 11.7 percent (per net profits criteria), according to the consolidated financial statements of the Company and the relevant companies as of 30 September 2016. Therefore, these transactions shall not be considered as transactions that required the Company to disclose information memorandum pursuant to the Acquisition or Disposition Notifications to the Stock Exchange of Thailand.

As of the date of this document, the Company has made publicly available the consolidated financial statements for the financial year ended 2016. However, the calculations of the transactions, according to the Acquisition or Disposition Notifications and Notification Relating to Connected Transactions, are based on the last twelve months (LTM) financial information ended 30 September 2016 of the Company and the related companies so that the analysis will be made based on the information within the same period. Nonetheless, the calculations based on the consolidated financial statements for the financial year ended 2016 do not materially affect the transaction sizes.

**1. Date/ Month/ Year of the Transaction**

**1.1 The Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements**

On 14 February 2017, the meeting of the Board of Directors of the Company approved the Company to proceed with the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements and to enter into the share purchase agreements and novation agreements with the conditions precedent.

**1.2 The Acceptance of the Transfer of the Projects' Study Results**

On 14 February 2017, the meeting of the Board of Directors of the Company approved the Company to proceed with the Acceptance of the Transfer of the Project's Study Result and to enter into the assets purchase agreement of PMMA Project with the conditions precedent.

The Share Purchase of each Target Company, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results: (a) may occur simultaneously if all of the condition precedents as specified in the share purchase agreements of each Target Company, the novation agreements of each relevant agreement, and the asset purchase agreement of PMMA Project are completed prior to the Long Stop Date; or (b) may not occur simultaneously if the condition precedents as specified in such relevant agreements are not completed prior to the Long Stop Date, which, in such case, there will be the Share Purchase of each Target Company, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results under the relevant agreements only for the agreements that all condition precedents as specified in the such agreements are completed, whereby for the case of item (b), within the 6-month period from the Long Stop Date, the Company and the relevant parties will negotiate in good faith regarding the amendment or adjustment of the condition precedents which are not completed or other matters so that the transaction under the remaining agreements can be concluded as per the parties' intention, provided that if the condition precedents as specified in the remaining agreements are completed within the 6-month period, the transaction under such agreement will be occurred promptly; and if, after the 6-month period ends, the condition precedents as specified in any agreements are not completed, it is deemed that such agreements are automatically terminated at that time.

Preliminary, the Company anticipates that all of the Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results will be able to be completed in accordance with the specified plan.

## 2. Relevant Parties and Relationship with the Company

### 2.1 The Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements

Buyer: the Company

Seller: PTT

Relationship with the Company: PTT is the major shareholder, holding 48.89% of the total issued shares and paid up capital of the Company (as of the book closing date of the share register book on 6 September 2016.)

### 2.2 The Acceptance of the Transfer of the Projects' Study Results

Buyer: the Company

Seller: PTTMMA

Relationship with the Company: The Company and PTTMMA both have PTT as the major shareholder, whereby PTT holds 100% of PTTMMA total issued shares and paid up capital.

## 3. General Characteristic, Category and Size of the Transaction

### 3.1 General Characteristic

#### (a) The Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements

The Company will purchase the shares of 6 target companies as follow from PTT who is the connected person of the Company:

Title	HMC	PTTAC	PTTMCC	PTTPM	PTTPL	PTTME
Total Number of shares to be purchased (Shares)	No more than 15,707,058 consisting of ordinary shares: 4,494,849 preference shares: 11,212,209	69,094,070	93,000,000	200,000	6,000,000	800,000
Par Value (Baht/ Share)	100	100	10	100	100	100
Purchase Price (Million Baht)	14,631	996	160	326	914	73
Percentage of the Shareholding (Prior to the purchase)	0%	0%	0%	50%	50%	60%
Percentage of the Shareholding (After the purchase)	41.44%	50%	50%	100%	100%	100%

The Acceptance of the Transfer of Rights and Obligations of PTT under the Loan Agreements is considered a part of sale and purchase of shares and the value is Baht 9,189 million, which is an amount of the consideration as specified in the novation agreement, calculating from principal amount and accrued interest until 31 December 2016. However, such amount shall be decreased or increased pursuant to the actual accrued interest under PTTAC Loan Agreement from 1 January 2017 to the acceptance date of rights and obligations under such loan agreement (which shall occur on the same day with the share transfer date) or if there is a drawdown under PTTMCC Loan Agreement prior to the Share Transfer Date, or if only rights and obligations under some agreements are transferred. Primarily, the Company anticipates that the amount of the acceptance of the transfer of rights and obligations under the relevant loan agreements will not exceed Baht 9,689 million (calculated from foreseeable accrued interest under PTTAC Loan Agreement, as well as foreseeable principal and interest under PTTMCC Loan Agreement until the end of 6-month period from the Long Stop Date, which is the date on which the parties agreed to be the last date that the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results will be completed or occurred at the same time. In this regard, the "Long Stop Date" is the end of 6-month period from the date on which the shareholders meeting of the Company approves the entering into the transaction).

(b) The Acceptance of the Transfer of the Projects' Study Results

The Company will accept the transfer of the Projects' Study Results from PTTPMMA. The Acceptance of the Transfer of the Projects' Study Results will only cover the study results involving the projects as specified in the asset purchase agreement of PMMA Project, and will exclude (a) the tangible assets, (b) the employees, and (c) the insurance as well as the risk management, which will continue to belong to PTTPMMA, and have a value of Baht 11 million, which is the amount of the consideration as specified in the asset purchase agreement of PMMA Project.

The Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results are considered (a) the purchase or acquisition of business of the other companies pursuant to section 107(2)(b) of the Public Limited Company Act; (b) connected transaction in accordance with the Notification Relating to Connected Transactions; and (c) acquisitions of assets in accordance with Acquisition or Disposition Notifications.

3.2 Types and sizes of the transaction in accordance with the Notification Relating to Connected Transactions

(a) The Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements when calculating the size in accordance with the Notification Relating to Connected Transactions

In this regard, when considering the size of the transactions in accordance with the Notification Relating to Connected Transactions based on the consolidated financial statements of the Company and the relevant companies as of 30 September 2016, such transactions are the asset or service transactions having the total maximum size is estimated at 11.9 percent of net tangible assets of the Company. The details of the calculations are as follows:

Criteria	HMC	PTTAC (1)	PTTMCC (1)	PTTPM	PTTPL	PTTME	Total
Maximum size of the transaction	14,631	10,635	210	326	914	73	26,789
Net Tangible Assets of the Company	225,883						
Percentage of the Net Tangible Assets of the Company	6.5%	4.7%	0.1%	0.1%	0.4%	0.0%	11.9%

**Remark**

(1) *The calculation based on the comparison of the consideration calculated from the value of shares to be purchased and sold, and the transfer price of the Rights and Obligations under the Shareholders Agreements and Loan Agreements*

(b) **The Acceptance of the Transfer of the Projects' Study Results when calculating the size in accordance with the Notification Relating to Connected Transactions**

Criteria	The Acceptance of the Transfer of the Projects' Study Results
Maximum size of the transaction	Baht 11 million
Net Tangible Assets of the Company	Baht 225,883 Million
Percentage of the Net Tangible Assets of the Company	0.0%

Therefore, the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements, and Loan Agreements and the Acceptance of the Transfer of the Projects' Study Results are classed as those for which the Company has the obligations: (a) to disclose information memorandum pursuant to the Notification Relating to Connected Transactions to the Stock Exchange of Thailand; (b) to appoint independent financial advisors; and (c) to organize a shareholders meeting to approve these transactions, whereby a resolution of the shareholders meeting shall require no less than three-quarters of the votes of the shareholders present in the meeting and having the right to vote (excluding the votes of the interested shareholders).

3.3 Types and sizes of the transaction in accordance with the Acquisition or Disposition Notifications

- (a) The Share Purchase and of each Target Company, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements when calculating the size in accordance with the Acquisition or Disposition Notifications

Even though the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results are considered acquisitions of assets in accordance with the Acquisition or Disposition Notifications, based on size of transaction pursuant to the Acquisition or Disposition Notifications as well as other transactions within the previous six months, the total maximum size of these transactions are estimated at 11.7 percent (per net profits criteria), according to the consolidated financial statements of the Company and the relevant companies as of 30 September 2016 having the details as follows. Therefore, these transactions shall not be considered as the transactions that required the Company to disclose information memorandum pursuant to the Acquisition or Disposition Notifications to the Stock Exchange of Thailand.

<b>Criteria</b>	<b>HMC</b>	<b>PTTAC</b>	<b>PTTMCC</b>	<b>PTTPM</b>	<b>PTTPL</b>	<b>PTTME</b>	<b>Total</b>
Comparison of Net Tangible Assets <sup>(1)</sup> = $\frac{10,548}{225,883}$	$\frac{10,548}{225,883}$	$\frac{4,169}{225,883}$	$\frac{509}{225,883}$	$\frac{293}{225,883}$	$\frac{821}{225,883}$	$\frac{40}{225,883}$	$\frac{16,380}{225,883}$
Net Tangible Assets of the Target Company in proportion to the purchase and sale <i>Net Tangible Assets of PTTGC</i>	= 4.7%	= 1.8%	= 0.2%	= 0.1%	= 0.4%	= 0.0%	= 7.3%
Comparison of Net Profit <sup>(1)</sup> = $\frac{2,268}{20,548}$	$\frac{2,268}{20,548}$	N/A	N/A	$\frac{34}{20,548}$	$\frac{112}{20,548}$	N/A	$\frac{2,413}{20,548}$
= Net Profit of the Target Company in proportion to the purchase and sale <i>Net Profit of PTTGC</i>	= 11.0%			= 0.2%	= 0.5%		= 11.7%
Comparison of the Consideration <sup>(2)</sup> = $\frac{14,631}{376,563}$	$\frac{14,631}{376,563}$	$\frac{10,635}{376,563}$	$\frac{210}{376,563}$	$\frac{326}{376,563}$	$\frac{914}{376,563}$	$\frac{73}{376,563}$	$\frac{26,789}{376,563}$
= Net Value of Consideration <i>Net Assets of PTTGC</i>	= 3.9%	= 2.8%	= 0.0%	= 0.1%	= 0.2%	= 0.0%	= 7.1%
Comparison of the Capital Shares	-Not applicable as there is no issuance of securities as consideration in this Transaction-						

**Remarks**

- (1) The calculation based on the comparison of net tangible assets and comparison of net profit does not include the value of Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements since the calculation cannot be made as the transaction is not the acquisition of securities.
- (2) The calculation based on the comparison of consideration is calculated based on the value of the shares to be purchased and sold, and the transfer price of the Rights and Obligations under the Shareholders Agreements and Loan Agreements



(b) The Acceptance of the Transfer of the Projects' Study Results in accordance with the Acquisition or Disposition Notifications

Criteria	The Acceptance of the Transfer of the Projects' Study Results
Comparison of Net Tangible Assets	Not applicable as the Transaction is not the acquisition of securities
Comparison of Net Profit	Not applicable as the Transaction is not the acquisition of securities
Comparison of Consideration	$= \frac{\text{total amount of the consideration}}{\text{Total Assets of PTTGC}}$ $= \frac{11}{376,563}$ $= 0.0\%$
Comparison of the Capital Shares	Not applicable as there is no issuance of securities as consideration in this Transaction-

**4. Details of Assets to be acquired or to be disposed of**

4.1 The Share Purchase of each Target Company, and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements

The Company will purchase the shares of 6 target companies as follow from PTT.

(1) Details of shares in the Target Companies

Title	HMC	PTTAC	PTTMCC	PTTPM	PTTPL	PTTME
Total Number of shares to be purchased (Shares)	No more than 15,707,058 consisting of ordinary shares: 4,494,849 preference shares: 11,212,209	69,094,070	93,000,000	200,000	6,000,000	800,000
Par Value (Baht/Share)	100.0	100.0	10.0	100.0	100.0	100.0
Purchase Price (Baht/Share) <sup>1</sup>	931.49	14.42	1.72	1,630.00	152.33	91.25
Purchase Price (Million Baht)	14,631	996	160	326	914	73
Percentage of the Shareholding (Prior to the purchase)	0%	0%	0%	50%	50%	60%
Percentage of the Shareholding (After the purchase)	41.44%	50%	50%	100%	100%	100%

<sup>1</sup> The stipulated price is only an estimated price calculated from Purchase Price (Million Baht) divided by the total number of shares to be purchased (Shares).

(2) Details of the Target Companies

(2.1) HMC

General information

<b>Title</b>	<b>Description</b>
Date of incorporation	8 December 1983
Business description	A limited company engaging in the business of petrochemicals and by-products and downstream products of petrochemical products, including engaging in other businesses in connection with or continuing with such petrochemical business operations, as well as engaging in the business of production facilities, production, refining, blending, sourcing, processing, packaging, research, development, marketing, import, export, storage, purchase, sale, and transportation of petrochemical products i.e. polypropylene and propylene as well as by-products and downstream products of the abovementioned products, and engaging in the business of plastic trading operations or other trading operations of the same type in connection with raw materials or finished plastic products.
Address	175 Sathorn City Tower, 20 <sup>th</sup> Floor, Sathorn Tai Road, Thung Mahamek Subdistrict, Sathorn District, Bangkok
Corporate registration number	0105526051144
Registered capital	3,790,068,500 Baht
Issued share capital, and paid-up	3,790,068,500 Baht
Par value	100 Baht
Board of Directors as of 26 January 2017	<ol style="list-style-type: none"> <li>1. Mr. Veerasak Kositpaisal</li> <li>2. Mr. Suvij Suvaruchiphorn</li> <li>3. Mr. Kanit Si</li> <li>4. Mr. Siritas Prasert-Manukitch</li> <li>5. Mr. Corso Uzielli De Mari</li> <li>6. Mr. Teeradetch Tungsubutra</li> <li>7. Mr. Suvit Tinnachote</li> <li>8. Mr. Chawalit Tippawanich</li> <li>9. Mr. Pichit Nithivasin</li> <li>10. Mr. Whitney Palmer Giddings</li> </ol>
Top 10 shareholders, according to list of shareholders as of the annual general meeting No. 33, on 28 April 2016	<ol style="list-style-type: none"> <li>1. PTT Public Company Limited, with 15,707,058 shares (41.4427 percent)</li> <li>2. Basell (Thailand) Holding B.V., with 10,823,421 shares (28.5573 percent)</li> <li>3. Bangkok Bank Public Company Limited, with 3,384,070 shares (8.9288 percent)</li> <li>4. Mr. Pichit Nithivasin, with 1,484,248 shares (3.9162 percent)</li> <li>5. Hua Kee Company Limited, with 1,480,796 shares (3.9070 percent)</li> <li>6. Jatubhut Holding Company Limited with 1,094,164 shares (2.8869 percent)</li> <li>7. B I G Marketing Company Limited, with 731,934 shares (1.9312 percent)</li> <li>8. York Sri Company Limited, with 615,189 shares (1.6232 percent)</li> <li>9. Mr. Vichit Surapongchai, with 438,997 shares (1.1583 percent)</li> <li>10. Mr. Phichet Nithivasin, with 407,299 shares (1.0746 percent)</li> </ol>

Financial information

<b>Unit: Thousand Baht</b>	<b>As of 31 December 2014</b>	<b>As of 31 December 2015</b>	<b>As of 30 September 2016</b>
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Current assets	11,068,574	9,531,186	11,248,101
Non-current assets	27,897,396	26,904,099	26,645,325
<b>Total assets</b>	<b>38,965,970</b>	<b>36,435,285</b>	<b>37,893,426</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities	4,528,142	3,929,160	3,395,970
Non-current liabilities	8,909,073	9,768,141	8,966,437
<b>Total liabilities</b>	<b>13,437,215</b>	<b>13,697,301</b>	<b>12,362,406</b>
Shareholders' equity	25,528,754	22,737,984	25,531,020
<b>Total liabilities and shareholders' equity</b>	<b>38,965,970</b>	<b>36,435,285</b>	<b>37,893,426</b>

<b>Unit: Thousand Baht</b>	<b>For the year ended 2014</b>	<b>For the year ended 2015</b>	<b>Last 12 months, ended 30 September 2016</b>
<b>Statements of income</b>			
Revenue from sale and service revenue	36,832,066	31,063,204	28,920,420
Total revenue	37,310,423	32,407,348	31,074,049
Total expenses (tax included)	32,634,707	27,815,019	25,601,890
Net profit (loss)	4,675,715	4,592,330	5,472,159

(2.2) PTTAC  
General Information

Title	Description
Date of incorporation	1 August 2006
Business description	A limited company engaging in the business of production, development, design, promotion, planning, construction, and procurement of technology for the Acrylonitrile Project or projects involving fuels, liquefied natural gas, chemical products, petroleum products, and/or all types of petrochemical products, and/or for obtaining acrylonitrile as well as derivatives products of acrylonitrile, propane, acetone, fuels, liquefied natural gas, chemical products, petroleum products, or petrochemical products of all kinds, including transportation, loading and unloading, trading operations, importing, sourcing, purchasing, selling, and exchanging of acrylonitrile, propane, acetone, fuels, liquefied natural gas, chemical products, petroleum products, or petrochemical products of all kinds.
Address	8 Phangmuang Chapoh 3-1 Road, Huaypong Sub-district, Muang Rayong District, Rayong
Corporate registration number	0105549092084
Registered capital	13,818,814,000 Baht
Issued share capital, and paid-up	13,818,814,000 Baht
Par value	100 Baht
Board of Directors as of 30 November 2016	<ol style="list-style-type: none"> <li>1. Mr. Sarun Rungkasiri</li> <li>2. Mr. Sumrid Sumneing</li> <li>3. Mr. Worawat Pitayasiri</li> <li>4. Mr. Yohsihiro Ono</li> <li>5. Mr. Yonosuke Ikeda</li> <li>6. Mr. Naoki Shibukawa</li> </ol>
Shareholders, according to list of shareholders from the share registered book as of 11 November 2016	<ol style="list-style-type: none"> <li>1. PTT Public Company Limited, with 69,094,069 shares (50 percent)</li> <li>2. Asahi Kasei Corporation (AKC), with 69,094,070 shares (50 percent)</li> <li>3. Mr. Supoj Laosuapa, with one share (0 percent)</li> </ol>

Financial information

<b>Unit: Thousand Baht</b>	<b>As of 31 December 2014</b>	<b>As of 31 December 2015</b>	<b>As of 30 September 2016</b>
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Current assets	4,880,337	4,318,206	4,604,971
Non-current assets	25,293,680	24,387,535	23,811,994
<b>Total assets</b>	<b>30,174,016</b>	<b>28,705,741</b>	<b>28,416,964</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities	7,311,364	6,873,625	3,626,126
Non-current liabilities	12,518,839	13,227,726	16,196,011
<b>Total liabilities</b>	<b>19,830,204</b>	<b>20,101,351</b>	<b>19,822,137</b>
Shareholders' equity	10,343,813	8,604,390	8,594,827
<b>Total liabilities and shareholders' equity</b>	<b>30,174,016</b>	<b>28,705,741</b>	<b>28,416,964</b>

<b>Unit: Thousand Baht</b>	<b>For the year ended 2014</b>	<b>For the year ended 2015</b>	<b>Last 12 months, ended 30 September 2016</b>
<b>Statements of income</b>			
Revenue from sale and service revenue	15,321,178	12,678,731	10,132,206
Total revenue	15,701,688	13,199,248	10,585,389
Total expenses (tax included)	15,219,503	14,938,671	11,072,302
Net profit (loss)	482,186	(1,739,423)	(486,912)

(2.3) PTTMCC  
General information

Title	Description
Date of incorporation	30 March 2011
Business description	A limited company engaging in the business of production, production plant, machinery production, development, design, study, planning, construction, acquisition, provision, technology transfer, trade operations, import, export, provision, purchase, sale, exchange, transportation, loading, and unloading of bioplastic products produced from polybutylene succinate, polybutylene succinate adipate, and other types of plastic products produced from succinic acid and 1.4-butanediol, as well as bio succinate acid and/or other raw materials.
Address	555/2 Energy Complex (Building B), 14 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak Sub-district, Chatuchak District, Bangkok
Corporate registration number	0105554045269
Registered capital	1,860,000,000 Baht
Issued share capital, and paid-up	1,860,000,000 Baht
Par value	10 Baht
Board of Directors as of 23 December 2016	<ol style="list-style-type: none"> <li>1. Mrs. Sriwan Eamrunroj</li> <li>2. Miss Duangporn Thiengwatanatham</li> <li>3. Mr. Chawalit Tippawanich</li> <li>4. Mr. Ryuichiro Sukimoto</li> <li>5. Mr. Kasuya Hori</li> <li>6. Mr. Juhei Takimoto</li> </ol>
Shareholders, according to list of shareholders as of the annual general meeting No. 1/2016, on 18 April 2016	<ol style="list-style-type: none"> <li>1. PTT Public Company Limited, with 92,999,999 shares (50 percent)</li> <li>2. Mitsubishi Chemical Corporation, with 93,000,000 shares (50 percent)</li> <li>3. Mr. Worawat Pitayasiri, with one share (0 percent)</li> </ol>

Financial information

Unit: Thousand Baht	As of 31 December 2014	As of 31 December 2015	As of 30 September 2016
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Current assets	325,243	669,268	348,897
Non-current assets	2,335,506	2,889,583	3,296,220
<b>Total assets</b>	<b>2,660,749</b>	<b>3,558,850</b>	<b>3,645,117</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities	1,089,900	96,603	270,828

Unit: Thousand Baht	As of 31 December 2014	As of 31 December 2015	As of 30 September 2016
Non-current liabilities	1,063	2,241,687	2,157,207
<b>Total liabilities</b>	1,090,963	2,338,289	2,428,035
Shareholders' equity	1,569,786	1,220,561	1,217,082
<b>Total liabilities and shareholders' equity</b>	2,660,749	3,558,850	3,645,117

Unit: Thousand Baht	For the year ended 2014	For the year ended 2015	Last 12 months, ended 30 September 2016
<b>Statements of income</b>			
Revenue from sale and service revenue	0	0	0
Total revenue	5,878	13,609	90,924
Total expenses (tax included)	163,335	362,834	113,849
Net profit (loss)	(157,458)	(349,225)	(22,925)

(2.4) PTTPM  
General information

Title	Description
Date of incorporation	24 June 2005
Business description	To carry out the business of developing and handling marketing activities for polymer products, by-products thereof, and other products related to polymer, and engaging in petrochemical business.
Address	555/1 Energy Complex (Building A), 9 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak Sub-district, Chatuchak District, Bangkok
Corporate registration number	0105548082506
Registered capital	40,000,000 Baht
Issued share capital, and paid-up	40,000,000 Baht
Par value	100 Baht
Board of Directors as of 20 January 2017	<ol style="list-style-type: none"> <li>Mr. Narongchai Pisutpanya</li> <li>Mr. Chansin Treenuchagron</li> <li>Ms. Boobpha Amornkiatkajorn</li> <li>Mr. Patiparn Sukorndhaman</li> <li>Mr. Pairote Utaisup</li> <li>Mr. Worawat Pitayasiri</li> </ol>
Shareholders, according to list of shareholders as of the annual general	<ol style="list-style-type: none"> <li>PTT, holding 200,000 group A shares (50 percent)</li> <li>The Company, holding 196,000 group B shares (49 percent)</li> <li>Solution Creation Company Limited, holding 4,000 group B shares (1 percent)</li> </ol>

<b>Title</b>	<b>Description</b>
meeting No. 1/2016, on 19 April 2016	

**Financial information**

<b>Unit: Thousand Baht</b>	<b>As of 31 December 2014</b>	<b>As of 31 December 2015</b>	<b>As of 30 September 2016</b>
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Current assets	8,784,371	7,940,484	6,588,138
Non-current assets	103,209	89,038	99,060
<b>Total assets</b>	<b>8,887,579</b>	<b>8,029,523</b>	<b>6,687,198</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities	7,911,412	6,997,617	5,987,118
Non-current liabilities	37,542	42,488	46,471
<b>Total liabilities</b>	<b>7,948,954</b>	<b>7,040,106</b>	<b>6,033,590</b>
Shareholders' equity	938,626	989,417	653,609
<b>Total liabilities and shareholders' equity</b>	<b>8,887,579</b>	<b>8,029,523</b>	<b>6,687,198</b>

<b>Unit: Thousand Baht</b>	<b>For the year ended 2014</b>	<b>For the year ended 2015</b>	<b>Last 12 months, ended 30 September 2016</b>
<b>Statements of income</b>			
Revenue from sale and service revenue	90,366,463	76,158,131	70,681,622
Total revenue	90,593,494	76,430,250	70,827,798
Total expenses (tax included)	90,456,400	76,274,152	70,760,382
Net profit (loss)	137,094	156,097	67,416

(2.5) PTTPL  
General information

<b>Title</b>	<b>Description</b>
Date of incorporation	11 September 2006
Business description	<ol style="list-style-type: none"> <li>1. To carry out the business of logistics and delivering plastic pellets, fuels, liquefied natural gas, chemicals, petroleum products, and/or petrochemical products of all types, goods, chattels, passengers, postal articles by land, air, or water, and within an area of port, and loading and unloading of goods and chattels to and from ships, as well as providing auto transport service for the foregoing activities.</li> <li>2. To design and build warehouses to keep plastic pellets, fuels,</li> </ol>



<b>Title</b>	<b>Description</b>
	liquefied natural gas, and/or petroleum products of all types, goods, chattels, postal articles, and piping systems in warehouse for keeping and storing plastic pellets, fuels, liquefied natural gas, chemicals, petroleum products and/or petrochemical products of all types, as well as distribution/receiving terminals for plastic pellets, liquefied natural gas, chemicals, petroleum products, and/or petrochemical products of all types, and other facilities for the company's activities, providing services for general business operators, establishing warehouses locally and internationally. 3. To carry out the business of multimodal transport.
Address	555/1 Energy Complex (Building A), 8 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak Sub-district, Chatuchak District, Bangkok
Corporate registration number	0105549108835
Registered capital	1,200,000,000 Baht
Issued share capital, and paid-up	1,200,000,000 Baht
Par value	100 Baht
Board of Directors as of 20 January 2017	<ol style="list-style-type: none"> <li>1. Mr. Chansin Treenuchagron</li> <li>2. Ms. Duangporn Thiengwattanatham</li> <li>3. Mr. Chawalit Tippawanich</li> <li>4. Mr. Supachoke Liamkaew</li> <li>5. Mr. Pairote Utaisup</li> <li>6. Mr. Wilawan Songcharoen</li> </ol>
Shareholders, according to list of shareholders as of the annual general meeting 2016, on 10 March 2016	<ol style="list-style-type: none"> <li>1. PTT, holding 6,000,000 group A shares (50 percent)</li> <li>2. The Company, holding 5,880,000 group B shares (49 percent)</li> <li>3. Solution Creation Company Limited, holding 120,000 group B shares (1 percent)</li> </ol>

#### Financial information

<b>Unit: Thousand Baht</b>	<b>As of 31 December 2014</b>	<b>As of 31 December 2015</b>	<b>As of 30 September 2016</b>
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Current assets	730,455	522,949	424,947
Non-current assets	2,592,031	2,504,383	2,506,692
<b>Total assets</b>	<b>3,322,485</b>	<b>3,027,332</b>	<b>2,931,640</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities	625,158	601,500	516,167
Non-current liabilities	139,481	889,502	705,599
<b>Total liabilities</b>	<b>764,640</b>	<b>1,491,001</b>	<b>1,221,766</b>
Shareholders' equity	2,557,846	1,536,330	1,709,873

Unit: Thousand Baht	As of 31 December 2014	As of 31 December 2015	As of 30 September 2016
<b>Total liabilities and shareholders' equity</b>	3,322,485	3,027,332	2,931,640

Unit: Thousand Baht	For the year ended 2014	For the year ended 2015	Last 12 months, ended 30 September 2016
<b>Statement of income</b>			
Revenue from sale and service revenue	1,968,157	1,909,372	1,737,706
Total revenue	1,984,548	1,922,199	1,748,992
Total expenses (tax included)	1,570,123	1,617,714	1,525,308
Net profit (loss)	414,424	304,485	223,684

(2.6) PTTME  
General information

Title	Description
Date of incorporation	4 August 2004
Business description	<ol style="list-style-type: none"> <li>To plan, support, design, build, repair, maintain and install work in engineering, architectural or industrial field; to acquire technologies; to carry out all types of business in connection with all kinds of industrial plants, locally and internationally, as well as carrying out business in connection with distribution, import and export.</li> <li>To carry out the business of industrial estate management, involving in development, maintenance, design, construction, control, projects, inspection as well as public utilities management, preparing sites for industrial plants, arranging facilities for operations, or other services to be provided in industrial estates, such as a training center, a communication center, a medical facility, transport services, management/administer of transmission pipelines for raw materials/products, or other services that support the industrial estate operation.</li> </ol>
Address	22/2 Prakornsongkro-rat Road, Map Ta Phut Sub-district, Muang Rayong District, Rayong
Corporate registration number	0215547002095
Registered capital	200,000,000 Baht
Issued share capital, and paid-up	421,266 shares (which were issued for setting up the company and for first capital increase) were fully paid-up (100 percent), and 1,578,774 shares (which were issued for second capital increase) were paid to 60 percent.
Par value	100 Baht
Board of Directors as of 20 January 2017	<ol style="list-style-type: none"> <li>Mr. Varit Namwong</li> <li>Mr. Anutin Chuaypen</li> <li>Mr. Pairush Soovan</li> <li>Mr. Supachoke Liamkaew</li> </ol>

<b>Title</b>	<b>Description</b>
	5. Mr. Chansak Chuenchom
Shareholders as specified in the share register book as of 6 July 2016	1. The Company, holding 1,199,997 group A shares (59.99985 percent) 2. Mr. Wirat Boonbumrungchai, holding one group A share (0.00005 percent) 3. Mr. Kun Patumraj, holding one group A share (0.00005 percent) 4. Mrs. Korrakot Thongmee, holding one group A share (0.00005 percent) 5. PTT, holding 800,000 group B shares (40 percent)

#### Financial information

<b>Unit: Thousand Baht</b>	<b>As of 31 December 2014</b>	<b>As of 31 December 2015</b>	<b>As of 30 September 2016</b>
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Current assets	2,183,533	1,564,095	1,124,098
Non-current assets	391,143	455,041	404,950
<b>Total assets</b>	<b>2,574,676</b>	<b>2,019,135</b>	<b>1,529,048</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities	1,960,776	1,535,992	1,224,998
Non-current liabilities	144,596	162,945	156,338
<b>Total liabilities</b>	<b>2,105,371</b>	<b>1,698,937</b>	<b>1,381,336</b>
Shareholders' equity	469,304	320,199	147,712
<b>Total liabilities and shareholders' equity</b>	<b>2,574,676</b>	<b>2,019,135</b>	<b>1,529,048</b>

<b>Unit: Thousand Baht</b>	<b>For the year ended 2014</b>	<b>For the year ended 2015</b>	<b>Last 12 months, ended 30 September 2016</b>
<b>Statements of income</b>			
Revenue from sale and service revenue	4,067,866	3,989,414	2,509,157
Total revenue	4,077,430	4,005,445	2,553,892
Total expenses (tax included)	4,063,547	4,154,551	2,848,124
Net profit (loss)	13,883	(149,106)	(294,232)

(3) Details of Rights and Obligations under the Shareholder Agreements and Loan Agreements to be Acquired

(3.1) The rights and obligations under the Shareholder Agreements which shall be transferred from PTT to the Company shall be the relevant rights and obligations of PTT as a shareholders in those relevant Target Companies.

(3.2) The relevant rights and obligations of PTT which the Company shall acquire, shall be the rights and obligations under the Loan Agreements having the details as follows:

<b>Title</b>	<b>PTTMCC Loan Agreement</b>	<b>PTTAC Loan Agreement</b>
Objective of the Loan	To be used for the repayment of loan agreement 30,000,000 USD between PTTMCC (as the Lender) and Bank of Ayudhya Company Limited (as the Borrower) dated 26 February 2015	To be used for the payment of Project Cost or Debt Service
Term of the Loan	Long term loan and subordinated loan	Long term loan and subordinated loan
Currency	USD	USD
Interest Rate	LIBOR+ Margin (which will be %) that shall be notified by the lender to the borrower upon the first drawdown date and shall be paid once every 3 months	LIBOR + 2%
Security	None	None

4.2 The Acceptance of the Transfer of the Projects' Study Results

The acceptance of the transfer of Projects' Study Results from PTTMMA shall be limited only to the relevant feasibility studies of the Project as specified in the Assets Purchase Agreement of PMMA Project and excludes any (a) tangible assets, (b) employees, and (c) insurances and risk managements which shall be maintained with PTTMMA.

**5. Total Value of Consideration and Payment Method**

5.1 Total value of consideration

The total value of consideration that the Company will pay to the seller for the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results is Baht 26,300 million, in which such amount may be decreased or increased depending on certain factors but a total amount will not be more than Baht 26,800 million. They are divided as follows.

(1) Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreement

The total value of consideration for the Share Purchase in each Target Company and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements of each agreement that the Company will pay to PTT, the seller, is Baht 26,289 million.

However, such amount may be decreased, e.g.: for the Share Purchase, if, prior to the share transfer date, there is an incident resulting in the adjustment of purchase and sale price of shares of the Target Companies, or in the case that only shares in any of the Target Companies have been purchased. For the acceptance of the transfer of rights and obligations under the Loan Agreements, there may be a decrease or increase in the amount of the considerations pursuant to the actual accrued interest under PTTAC Loan Agreement from 1 January 2017 to the acceptance date of the transfer of rights and obligations under such agreements (which is the same date as the share transfer date) or if there is a drawdown under the PTTMCC Loan Agreement prior to share transfer date or if the acceptance of transfer of rights and obligations is occurred only for some agreements. Initially, the Company expects that the value of the acceptance of the transfer of rights and obligations under the relevant loan agreements will not exceed Baht 9,689 million (calculated from foreseeable accrued interest under PTTAC Loan Agreement, as well as principal and foreseeable interest under PTTMCC Loan Agreement until the end of 6-month period from the Long Stop Date).

(2) Acceptance of the Transfer of the Projects' Study Results

The total value of consideration for the Acceptance of the Transfer of the Projects' Study Results, which the Company shall pay to PTTMMA, the seller, is Baht 11 million.

## 5.2 Payment Method

(1) Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreement

The Company will pay the consideration in cash to PTT, the seller, when the conditions specified in the share purchase agreement and novation agreement are fully satisfied for which the payment under each agreement will be made in full with no installments.

(2) Acceptance of the Transfer of the Projects' Study Results

The Company will pay the consideration in cash to PTTMMA, the seller, when the conditions specified in the asset purchase agreement of PMMA Project are fully satisfied for which the payment will be made in full with no installments.

## **6. Value of the Assets to be acquired**

The total value of the assets to be acquired from the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results is Baht 26,300 million in total, in which such amount may be decreased or increased depending on certain factors but a total amount will not be more than Baht 26,800 million. They are divided as follows.

### **6.1 Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements**

The total value of the assets that the Company will acquire from the Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements is Baht 26,289 million, which is the value of consideration fixed in the share purchase agreement and novation agreement. However, such amount may be decreased, e.g.: for the Share Purchase, if, prior to the share transfer date, there is an incident resulting in the adjustment of purchase and sale price of shares of the Target Companies, or only shares in any of the Target Companies have been purchased. For the acceptance of the transfer of rights and obligations under the loan agreements, there is a decrease or increase pursuant to the actual accrued interest under PTTAC Loan Agreement from 1 January 2017 to the acceptance date of the transfer of rights and obligations under such agreement (which is the same date as the share transfer date) or if there is a drawdown under the PTTMCC Loan Agreement prior to the share transfer date or if the acceptance of transfer of rights and obligations is occurred only for some agreements. Initially, the Company expects that the value of the acceptance of the transfer of rights and obligations under the relevant loan agreements will not exceed Baht 9,689 million (calculated from foreseeable accrued interest under PTTAC Loan Agreement, as well as principal and foreseeable interest under PTTMCC Loan Agreement until the end of 6-month period from the Long Stop Date).

### **6.2 Acceptance of the Transfer of the Projects' Study Results**

The total value of the assets that the Company will acquire from the Acceptance of the Transfer of the Projects' Study Results from PTTMMA is Baht 11 million, which is the amount of consideration stipulated in the asset purchase agreement of PMMA Project.

## **7. Basis Used to Determine the Value of Consideration**

### **7.1 Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreement**

The basis used to determine the value of consideration for the Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements will be as agreed between the buyer and the seller, by referring to valuation by the financial advisors. The appropriate valuation methodologies differ according to the business types of each company. The methodologies used include discounted cash flow method, market

comparable method, precedent transaction comparable method, book value assessment method, and volume weighted average price method.

## 7.2 Acceptance of the Transfer of the Projects' Study Results

The basis used to determine the value of consideration for the Acceptance of the Transfer of the Projects' Study Results will be as agreed between the buyer and the seller, which are the values as calculated from actual incurred expenses related to the market study of such project.

## 8. **Benefits expected for the Company**

Entering into these transactions benefits the Company by affirming the Company's position as the PTT Group's petrochemical flagship since these transactions create synergistic benefits in many aspects toward the Company's existing business. The transaction also provides opportunities for the Company to further expand its business into downstream products and high-value products, enhancing the Company's potentiality in accessing and competing in high-growth market platform. In addition, this increases the varieties of the Company's products which further diversifies the Company's product portfolio, strengthens the efficiency of the Company's integrated supply chain, and sustains the shareholders' long-term value. The Company would be able to build collaborative relationships with strategic partners who are the world's leading chemical players. This transaction and the business expansion according to the Company's strategic direction are consistent with the direction of the New S Curve development and Eastern Economic Corridor (EEC) policy of Thailand. In this regard, the benefits of entering into the transaction can be summarized as follows:

- Shorten the timeframe for market entry into downstream and specialty products, creating recognition in the end-use market, and consolidating operational capabilities as compared to a construction of new similar plants. This can be achieved by utilizing the existing business network and expertise of the target companies.
- The transaction will create identifiable synergies with the Company's existing business in various aspects as well as optimize the management of resources across the Company such as:
  - The use of the Company's products as feedstock within the Company's group, reducing export volume;
  - Optimize the utility utilization within the Company's group;
  - Strengthens the efficiency of the Company's integrated supply chain through management of marketing, logistics and related service business;
  - Build on human resource capabilities and operational expertise within the Company's group to maximize the benefits.
- Increase opportunities for value creation by expanding into specialty products, such as polymer compound, ABS and PMMA pellets

businesses, enabling the Company to access the high-growth industrial market platform, such as automotive, electric appliances and construction material industries. Create business expansion for Bio PBS product via collaboration with the affiliates to develop bioplastic compounding products, enhances competitiveness in the bio-based chemical business, and increases the Company's bioplastic products portfolio.

- Build collaborative relationships with strategic partners such as LyondellBasell Industries N.V., Asahi Kasei Corporation, and Mitsubishi Chemical Corporation, who are the world's leading chemical players as they have technological potentiality and business operation network in specialty chemicals and derivatives.

## **9. Source of Fund**

The source of fund for the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results will be the internal fund of the Company, whereby the Company will still have sufficient cash flow for the operation of other business of the Company.

## **10. Conditions of the Entering into the Transaction**

### **10.1 The Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements**

The closing of purchase and sale of the shares will occur when the conditions precedent specified in the share purchase agreements for each of the target companies have fully been fulfilled, including but not limited to the following:

- (a) From the date of the signing of the Agreement until the share transfer date, no material adverse change resulting the financial status or the business operations of the Company;
- (b) the representation of the seller and the buyer being true and correct in all material respects as of the Agreements and at the closing date;
- (c) the seller procures that the approval or the relaxation affecting the validity or being affected by the entering into the Agreements, having been granted to the Company by the relevant authorities or contracting parties;
- (d) a meeting of the Board of Directors and/or shareholders of the buyer and seller having authorized them to proceed to the Share Purchase in accordance with the terms and conditions specified in the Agreements; and
- (e) both parties having fully and substantially complied with the terms and conditions that are required to be fulfilled prior to the share transfer date.

However, terms and conditions as specified in share purchase agreement of each relevant target companies may be different, depending on the related facts of each company, for example:

- (a) seller has completely offered of shares to be purchased and sold to the other shareholders of the Target Company (for HMC);



- (b) seller has proceeded to ensure that the Target Company uses the proceeds received from the PTTAC Loan Agreement to repay all outstanding debts under loan agreements between the group of financial institutions (as lender) and the Target Company (as borrower) (for PTTAC); and
- (c) Novation agreement whereby the seller agreed to transfer the relevant rights and obligations of the seller under the PTTMCC Loan Agreement to the buyer has been executed (for PTTMCC).

The Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements will occur when the share transfer as specified in the share purchase agreement of the relevant Target Companies occurs.

#### 10.2 Acceptance of the Transfer of the Projects' Study Results

The Acceptance of the Transfer of the Projects' Study Results will occur when the conditions precedent specified in the asset purchase agreement of PMMA Project has been fully fulfilled, including but not limited to the following:

- (a) the representation of the seller and the buyer being true and correct in all material respects as of the Agreements and at the assets transfer date; and
- (b) a meeting of the Board of Directors and/or shareholders of the buyer and seller having authorized them to proceed to the assets purchase in accordance with the conditions and requirements specified in the asset purchase agreement of PMMA Project.

The Share Purchase of each Target Company, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results may all occur simultaneously, or may not occur simultaneously, per the details as explained above.

### **11. Characteristics and scope of the interest of the connected persons**

#### 11.1 The Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements

As PTT is the major shareholder of the Company, holding 48.89 percent of the issued and paid-up shares of the Company (as of the latest book closing date of the share register book on 6 September 2016), the share purchase is therefore considered a connected transaction under the Notification Relating to Connected Transactions.

#### 11.2 The Acceptance of the Transfer of the Projects' Study Results

As PTT, the major shareholder of the Company, is the major shareholder of PTTPMMA, with 100 percent of the issued and paid-up shares of PTTPMMA, the Acceptance of the Transfer of the Projects' Study Results is therefore considered a connected transaction in accordance with the Notification Relating to Connected Transactions.

**12. Interested or connected directors**

The directors who are interested parties in either the Share Purchase, the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements or the Acceptance of the Transfer of the Projects' Study Results are Mr. Sarun Rungkasiri, Mr. Auttapol Parkpiboon, Mrs. Boobpha Amornkiatkajorn and Mr. Supattanapong Punmeechaow, as they are representatives of PTT.

Mr. Sarun Rungkasiri, Mr. Auttapol Rerkpiboon and Mrs. Boobpha Amornkiatkajorn stepped out of the meeting room at the beginning of the consideration for the approval of such transactions except Mr. Supattanapong Punmeechaow, who has taken the office of President and Chief Executive Office, had to be present in the meeting after the beginning of the meeting to present the information and to answer the questions related to such transactions asked by the Company's directors. However, Mr. Supattanapong stepped out of the meeting room after having answered all questions so that the remaining directors could freely proceed to the consideration for approval and vote on such transactions. None of the interested directors cast their votes for the approval of such transaction in any manner.

**13. Opinion of the Board of Directors on the Entering into the Transaction**

The Meeting of the Board of Directors No. 2/2560 is of the opinions that the Share Purchase and the Acceptance of the Transfer of Rights and Obligations under the Shareholders Agreements and Loan Agreements, and the Acceptance of the Transfer of the Projects' Study Results will be for the maximum benefits of both the Company and its shareholders, as compared to an agreement to enter a transaction with a third, independent party. In addition, such transactions are based on reasonable conditions. As a result, the meeting of the Board of Directors of the Company has approved the Company to enter these transactions and to execute the related agreements.

**14. Opinion of the Audit Committee and/or the Director(s) of the Company which is Different from the Board of Directors Opinion according to Clause 13**

None

**2. Responsibility of the Board of Directors for the Information Memorandum**

The Board of Directors is responsible for any information contained in this Information Memorandum and certifies that the information hereunder is correct, complete, and non-misleading to their best knowledge and existing information.

**3. Qualifications of Independent Financial Advisor providing Opinion on the Transaction**

Maybank Kim Eng Securities (Thailand) Public Company Limited has been appointed as the independent financial advisor to provide opinions on the Transaction which is a connected transaction. The independent financial advisor does not hold any shares in the

Company, nor does it has any relationship with the Company. The independent financial advisor agrees that the independent financial advisor's report dated 3 March 2017 can be published.

Please consider the report of the independent financial advisor attached to the invitation of the annual general meeting of 2017.

#### 4. Business Characteristics and Company Information

##### 4.1 General Information of the Company

Name	PTT Global Chemical Public Company Limited
Business description	Manufacturer and distributor of petroleum products and petrochemicals ranging from olefin chain, aromatics, polymer ethylene oxide (EO-based performance), phenol products, and bio-chemicals having its main manufacturing base in Thailand, with secondary businesses of manufacture and distribution of power, water, steam and other facilities, including continuing services which are terminal services and tank services for liquid chemicals, oil and gas.
Business category	Petrochemicals and chemical products
Address	555/1 Energy Complex, Building A, 14 <sup>th</sup> – 18 <sup>th</sup> Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok
Corporate registration number	0107554000267
Date of Incorporation	19 October 2011

##### 4.2 Company's Business Operation

The Company is a manufacturer and distributor of petroleum products and petrochemicals ranging from olefin chain, aromatics, polymer ethylene oxide (EO-based performance), phenol products, and bio-chemicals. The manufacturing base is located in Thailand. Secondary businesses are the manufacturer and distribution of power, water, steam, and other facilities, including continuing services which are terminal services and tank services for liquid chemicals, oil, and gas.

##### 4.3 Board of Directors of the Company (as of 31 December 2016)

No.	Name - Surname	Position
(1)	Mr. Prasert Bunsumpun	Chairman / Chairman of Independent Directors
(2)	Mr. Somchai Kuvijitsuwan	Independent Director/ Chairman of the Audit Committee
(3)	Mr. Vasin Teeravechyan	Independent Director/ Chairman of Nomination and Remuneration Committee
(4)	Professor Surapon Nitikraipot	Independent Director/ Chairman of the Corporate Governance Committee/

No.	Name - Surname	Position
		Director to the Nomination and Remuneration Committee
(5)	Mr. Anon Sirisaengtaksin	Director/ Chairman of the Risk Management Committee
(6)	Mr. Amnuay Preemonwong	Independent Director/ Director to the Audit Committee/ Director to the Risk Management Committee
(7)	Mr. Prasan Chuaphanich	Independent Director/ Director to the Audit Committee
(8)	Mr. Sarun Rungkasiri	Director/ Director to the Nomination and Remuneration Committee/ Director to the Risk Management Committee
(9)	Mrs. Watanan Petersik	Independent Director
(10)	Mr. Don Wasantapruek	Independent Director/ Director to the Corporate Governance Committee
(11)	Colonel Nithi Chungcharoen	Independent Director/ Director to the Corporate Governance Committee
(12)	Mr. Auttapol Rerkpiboon	Director/ Director to the Corporate Governance Committee/ Director to the Risk Management Committee
(13)	Mrs. Boobpha Amornkiatkajorn	Director
(14)	Mr. Praphon Wongtharua	Director
(15)	Mr. Supattanapong Punmeechaow	Director/ Secretary to the Board of Directors/ Director to the Risk Management Committee

#### 4.4 Executive Team (as of 1 April 2017)

No.	Name - Surname	Position
(1)	Mr. Supattanapong Punmeechaow	President and Chief Executive Officer
(2)	Mr. Kongkrapan Intarajang	Chief Operating Officer Upstream Petrochemical Business
(3)	Mr. Patiparn Sukorndhaman	Chief Operating Officer Downstream Petrochemical Business/ Acting SVP - High-volume Specialty Business Unit
(4)	Mr. Varit Namwong	Chief Operating Officer Center of Excellence/ Acting EVP – External Affairs
(5)	Miss Duangkamol Settanung	EVP – Finance and

No.	Name - Surname	Position
		Accounting
(6)	Mr. Narongsak Jivakanun	EVP – Corporate Strategy
(7)	Mr. Toasaporn Boonyapipat	EVP - International Business Operations
(8)	Mr. Siridech Kumvongdee	EVP – Organizational Effectiveness
(9)	Mr. Pairote Utaisup	EVP – Polymers Business Unit
(10)	Mr. Anutin Chuaypen	SVP – Group Performance Center - Refinery and Shared Facilities
(11)	Mr. Pukpong Wungrattanasopon	SVP – Group Performance Center - Aromatics
(12)	Mr. Boonchai Chunhawiksit	SVP – Group Performance Center - Olefins
(13)	Mr. Wiboon Chuchepchankamon	SVP – EO-Based Performance Business Unit
(14)	Mr. Jirawat Nooritanon	SVP – Green Chemicals Business Unit
(15)	Mr. Kumpol Chaikitkosi	SVP – Phenol Business Unit
(16)	Mrs. Warawan Tippawanich	SVP – Corporate Affairs
(17)	Mr. Chaya Chandavasu	SVP – Science and Innovation
(18)	Mr. Saroj Putthammawong	SVP – Marketing Commercial and Supply
(19)	Mr. Wirat Boonbumrungchai	SVP – Quality, Safety, Occupational Health and Environment
(20)	Mrs. Jeeranee Pimthanothai	SVP - Technical and Operations Excellence
(21)	Mr. Suwat Suratchaikarn	SVP - CAPEX Excellence

#### 4.5 Top 10 Shareholders (as at the latest book closing date on 6 September 2016)

No.	Name	Number Of Shares
(1)	PTT Public Company Limited	2,204,318,915 Shares (48.89%)
(2)	Thai NVDR Company Limited	440,148,316 Shares (9.76%)
(3)	State Street Bank Europe Limited	105,830,229 Shares (2.35%)
(4)	Chase Nominees Limited	94,071,533 Shares (2.09%)
(5)	Nortrust Nominees Ltd-CI Ac	89,590,465 Shares (1.99%)
(6)	HMC Polymers Company Limited	83,427,636 Shares (1.85%)
(7)	The Siam Cement Public Company Limited	67,089,975 Shares (1.49%)
(8)	The Bank Of New York Mellon	63,359,790 Shares (1.41%)
(9)	PTT Global Chemical Public Company Limited	48,553,000 Shares (1.08%)

No.	Name	Number Of Shares
(10)	Social Security Office	45,951,951 Shares (1.02%)

#### 4.6 Financial Information

##### 4.6.1 Summary of financial statement

Unit: Thousand Baht	As of 31 December 2014	As of 31 December 2015	As of 30 September 2016
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Current assets	123,130,687	117,900,590	127,513,474
Non-current assets	258,312,659	259,644,265	265,652,729
<b>Total assets</b>	<b>381,443,346</b>	<b>377,544,855</b>	<b>393,166,203</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities	56,118,603	41,220,790	53,267,603
Non-current liabilities	96,874,740	102,059,304	91,229,841
<b>Total liabilities</b>	<b>152,993,342</b>	<b>143,280,094</b>	<b>144,497,444</b>
Shareholders' equity	228,450,004	234,264,761	248,668,759
<b>Total liabilities and shareholders' equity</b>	<b>381,443,346</b>	<b>377,544,855</b>	<b>393,166,203</b>

Unit: Thousand Baht	For the year ended 2014	For the year ended 2015	For the year ended 2016
<b>Statement of Income</b>			
Revenue from sale and service revenue	554,695,088	403,440,230	349,101,095
Total revenue	560,464,886	410,368,152	353,524,787
Total expenses (tax included)	546,373,448	389,587,300	327,644,733
Net profit (loss)	14,091,438	20,780,852	25,880,054
Net profit attributable to the Company's shareholders	15,371,510	20,502,498	25,601,633

#### 4.6.2 Explanation and analysis of the financial position and results of operations

In 2015, the Company has net profit of Baht 20,502 million, a 33 percent increase from the net profit of Baht 15,372 million in 2014. This was mainly due from an increase in performance of refinery and aromatics business units. For refinery business unit, the spread between petroleum products and its feedstock improved, especially for the gasoline and fuel oil that has increased due to the market demand. For aromatics business, although the spread between the main aromatics product price and condensate decreased, but the spread of aromatics unit by-products which accounts for about 41 percent increased following petroleum product spread, resulted in better aromatic business unit performance. However, the performance of olefins and derivatives business declined as a result of the decrease in polyethylene product price. HDPE price in 2015 decreased by 20 percent to USD 1,237 /ton and has resulted in olefins and derivatives unit adjusted EBITDA margin to drop to 24 percent in 2015 from 26 percent in 2014. In 2015 Dubai crude oil price opened at USD 60 /bbl and closed at USD 35 /bbl in December 2015, however, the Company was able to mitigate the impact of stock loss by using commodity hedging and resulted in net impact from stock loss of only Baht 957 million, a decrease in stock loss from 2014 of Baht 13,661 million.

The Company's financial position as of December 31, 2015, had total asset of Baht 377,545 million, decreased by Baht 3,898 million or 1 percent from December 31, 2014. This was mainly due to a decrease in account receivable and inventory value of product and feedstock which dropped significantly from the end of last year in line to crude oil price. Liability as of December 31, 2015 was at Baht 143,280 million, decreased by 9,713 million or 6 percent from December 31, 2014, due mainly to the repayment of foreign currency debenture, repayment of Thai Baht bond, and loan repayment. As of December 31, 2015, the Company has total shareholders' of Baht 234,265 million, increased by Baht 5,815 million mainly from the Company's net profit.

Comparing 2015 and 2016, in 2016, the Company had a net profit of Baht 25,602 million, increased by 25 percent from 2015. The increase was mainly from the rise in crude oil prices during the year which resulted in stock gains realization. In addition, the Company also realized benefit from the implementation of Project Max, a project which helps to improve efficiency in all operational sectors. The Company was able to realize benefit from the project at the end of year 2016. However, 2016 operating performance dropped which mainly resulted from maintenance turnaround of olefins and refinery units in first half 2016.

As of 31 December 2016, the Company had total assets of Baht 393,166 million, increased from 31 December 2015 by Baht 15,621 million. The increase was contributed by the rise in value of refinery inventory as a result of a rise in crude oil price during the year and also additional inventory due to start of commercial operation of the Company's Phenol 2 plant. As of 31 December 2016, the Company had total liabilities of Baht 144,497 million, increased from 31

December 2015 by Baht 1,217 million or 1 percent increase, mainly resulted from an increase in account payable, while interest bearing debt decreased from repayment the Company's loan and debenture during the period around Baht 20,115 million. Shareholder's equity was Baht 248,669 million climbing from 31 December 2015 by Baht 14,404 million, equivalent to 6 percent increase.



4.7 Connected Transactions (for the fiscal years ending 31 December 2014, 31 December 2015, and 31 December 2016)

In the fiscal year ending 31 December 2014, 31 December 2015, and 31 December 2016, the Company had connected transactions with the persons who may have conflicts of interest which are the persons having joint shareholders or directors with the Company. Connected transactions with persons who may have conflicts of interest have been entered into by using market value or in case there is no market, in accordance with the conditions and criteria agreed under the agreements between the Company and such companies. The relationship with such companies and relevant transactions are as follows:

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
1. PTT Public Company Limited (PTT)	<ul style="list-style-type: none"> <li>- A major shareholder of the Company holding 48.89% of the shares</li> <li>- Having joint directors with the Company that are:                             <ol style="list-style-type: none"> <li>1. Mr. Prasert Bunsumpun</li> <li>2. Mr. Don Wasantapruerk</li> </ol> </li> <li>- Having the Company's directors as the executives of PTT, that are:                             <ol style="list-style-type: none"> <li>1. Mr. Sarun Rungkasiri</li> <li>2. Mr. Auttapol Rerkpiboon</li> <li>3. Mrs. Boobpha Amornkiatkajorn</li> <li>4. Mr. Supattanapong Punmeechaow</li> </ol> </li> <li>- Having joint executives with the Company that are:                             <ul style="list-style-type: none"> <li>Mr. Supattanapong Punmeechaow</li> <li>Miss Duangkamol Settanung</li> </ul> </li> <li>- Trading products between and providing services to each other</li> </ul>	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	198,065	124,317	115,114
		Purchases of goods and services	380,555	235,823	191,566
		Other revenues	102	89	85
		Other expenses	303	112	87
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	8,856	6,095	12,161
		Other receivables – connected businesses	1,002	448	411
		Trade accounts payable – connected businesses	15,380	13,363	20,610
		Other payables – connected businesses	203	46	971
Payables to contractors – connected businesses	3	7	1		

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
2. PTT Maintenance and Engineering Company Limited (PTTME)	<ul style="list-style-type: none"> <li>- A subsidiary (the Company holds 60% of shares)</li> <li>- Major shareholder (PTT) holds 40% of the shares</li> <li>- Having the Company's executive as a director of PTTME that is Mr. Varit Namwong</li> <li>- Providing services to each other</li> </ul>	<b>Transactions from statements of income</b>			
		Purchases of goods and services	915	661	736
		Other revenues	126	99	79
		Other expenses	20	38	31
		<b>Transactions from financial statements</b>			
		Other receivables – connected businesses	43	28	18
		Other payables – connected businesses	151	169	149
		Payables to contractors – connected businesses	691	593	391
3. PTT Polymer Marketing Company Limited (PTTPM)	<ul style="list-style-type: none"> <li>- A joint venture (the Company holds 50% of shares)</li> <li>- Major shareholder (PTT) holds 50% of shares</li> <li>- Having a joint director that is Mrs. Boobpha Amornkiatkajorn</li> <li>- Having the Company's executive as a director of PTTPM that is Mr. Patiparn Sukorndhaman</li> <li>- Trading products between each other</li> </ul>	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	82,960	68,806	65,798
		Purchases of goods and services	1	1	3
		Other revenues	14	24	26
		Other expenses	13	12	6
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	6,919	6,252	7,490
		Other receivables – connected businesses	5	12	9
Other payables – connected businesses	1	1	1		
4. PTT Polymer Logistics Company Limited (PTTPL)	<ul style="list-style-type: none"> <li>- A joint venture (the Company holds 50% of shares)</li> <li>- Major shareholder (PTT) holds 50% of the shares</li> <li>- Providing services to each other</li> </ul>	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	9	5	177
		Purchase of goods or services	632	912	617
		Other revenues	3	5	21
		Other expenses	245	204	743

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	1	3	70
		Other receivables – connected businesses	-	2	5
		Trade accounts payable – connected businesses	1	-	-
		Other payables – connected businesses	231	178	298
5. Global Power Synergy Public Company Limited (GPSC)	<ul style="list-style-type: none"> <li>- An affiliate company (the Company holds 22.73% of shares)</li> <li>- Major shareholder (PTT) holds 22.58% of shares</li> <li>- Having a joint director that is Mr. Supattanapong Punmeechaow</li> <li>- Having the Company's executive as a director of GPSC that is Mr. Patiparn Sukorndhaman</li> <li>- Trading products between and providing services to each other</li> </ul>	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	65	55	49
		Purchases of goods and services	8,586	7,688	8,263
		Other revenues	15	22	17
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	16	11	10
		Other receivables – connected businesses	193	90	20
		Trade accounts payable – connected businesses	783	844	752
		Other payables – connected businesses	1	2	1
		Payables to contractors – connected businesses	-	-	18
6. PTT Energy Solutions Company Limited (PTTES)	<ul style="list-style-type: none"> <li>- An affiliate company (the Company holds 20% of shares)</li> <li>- Major shareholder (PTT) holds 40% of shares</li> <li>- Having the Company's executive as a director in PTTES that is Mr. Varit Namwong</li> <li>- Providing services to each other</li> </ul>	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	9	8	-
		Purchases of goods and services	168	133	138
		Other revenues	3	1	-
		<b>Transactions from financial statements</b>			

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
		Trade accounts receivable – connected businesses	4	2	-
		Other receivables – connected businesses	28	26	1
		Other payables – connected businesses	29	27	42
7. PTT ICT Solutions Company Limited (PTTICT)	- An affiliate company (the Company holds 40% of share.) - Major shareholder (PTT) holds 20% of shares - Providing services to each other	<b>Transactions from statements of income</b>			
		Purchases of goods and services	13	15	-
		Other revenues	48	43	42
		Other expenses	351	347	323
		<b>Transactions from financial statements</b>			
		Other receivables – connected businesses	25	20	18
		Other payables – connected businesses	54	46	42
		Payables to contractors – connected businesses	67	39	54
8. TOP Solvent Company Limited (TS)	- A subsidiary of Thai Oil Public Company Limited (“TOP”) - Trading products between each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	-	108	162
		Purchases of goods and services	-	65	102
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	9	12
		Trade accounts payable – connected businesses	-	9	7
		Other payables – connected businesses	-	2	-
9. Thai Petroleum Pipeline Company Limited (THAPPLINE)	- Major shareholder (PTT) holds 40.4% of shares - Providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	2	1	-

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
10. Dhipaya Insurance Public Company Limited (DHIPAYA)	- Major shareholder (PTT) holds 13.33% of shares - Providing services to each other	<b>Transactions from statements of income</b>			
		Purchases of goods and services	1,029	1,121	1,017
		Other revenues	233	702	1,169
		Other expenses	19	18	20
		<b>Transactions from financial statements</b>			
		Other receivables – connected businesses	1,119	1,273	1,425
		Other payables – connected businesses	38	40	19
11. Thai Paraxylene Company Limited (TPX)	- A subsidiary of TOP - Trading products between each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	-	543	-
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	140	-
		<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	605	1,366	1,000
		Purchases of goods and services	6	574	1
Other revenues	5	2	2		
Other expenses	-	-	4		
12. Thai Oil Public Company Limited (TOP)	- Major shareholder (PTT) holds 49.10% of shares - Having a joint director that is Mr. Sarun Rungkasiri - Trading products between and providing services to each other	<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	44	47	50
		Other receivables – connected businesses	1	-	-
		Other payables – connected businesses	1	1	1

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
13. Business Services Alliance Company Limited (BSA)	- The Company holds 25% of preference shares - Major shareholder (PTT) holds 100% of shares - Providing services to each other	<b>Transactions from statements of income</b>			
		Purchases of goods and services	178	262	230
		Other expenses	139	123	96
		<b>Transactions from financial statements</b>			
		Trade accounts payable – connected businesses	16	21	12
		Other payables – connected businesses	74	58	64
		Payables to contractors – connected businesses	10	15	4
14. PTTEP Siam Limited (PTTEPS)	- A subsidiary of PTT Exploration and Production Public Company Limited (“PTTEP”) - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	77	69	68
		<b>Transactions from financial statements</b>			
		Trade accounts receivables – connected businesses	5	5	6
15. PTTEP International Limited (PTTEPI)	- A subsidiary of PTTEP - Providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	4	6	-
16. PTT Exploration and Production Public Company Limited (PTTEP)	- Major shareholder (PTT) holds 65.29% of shares - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	21	20	19
		Other revenues	1	-	-
		<b>Transactions from financial statements</b>			
Trade accounts receivable – connected businesses	3	2	2		

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
17. PTT Tank Terminal Company Limited (PTT TANK)	- Major shareholder (PTT) holds 100% of shares - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	431	60	51
		Purchases of goods and services	-	-	16
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	185	56	50
18. PTT Asahi Chemical Company Limited (PTTAC)	- Major shareholder (PTT) holds 50% of shares - Having a joint director that is Mr. Sarun Rungkasiri  - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	1,635	1,052	1,027
		Purchases of goods and services	162	161	118
		Other revenues	5	-	2
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	132	72	146
		Other receivables – connected businesses	-	-	1
19. PTT International Trading Private Limited (PTTT)	- Major shareholder (PTT) holds 100% of shares - Trading products between each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	50,391	30,553	13,162
		Purchases of goods and services	250	223	93
		Other expenses	12	15	20
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	4,272	2,408	1,055
	Other receivables – connected businesses	-	-	47	

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
					<b>(million Baht)</b>
		Other payables – connected businesses	6	10	118
20. PTT Energy Resources Company Limited (PTTER)	- Major shareholder (PTT) holds 100% of shares - Providing services to each other	<b>Transactions from statements of income</b>			
		Other expenses	1	-	-
		<b>Transactions from financial statements</b>			
		Other payables – connected businesses	1	-	-
21. PTT MCC Biochem Company Limited (PTTMCC)	- Major shareholder (PTT) holds 50% of shares - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	4	22	7
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	1	7	-
22. PTT LNG Company Limited (PTTLNG)	- Major shareholder (PTT) holds 100% of shares - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	2	9	3
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	1	2	1
23. PTTEP Services Limited (PTTEP Services)	- A subsidiary of PTTEP - Providing services to each other	<b>Transactions from statements of income</b>			
		Other expenses	-	1	3
24. Rayong Olefins Company Limited (ROC)	- HMC (in which the major shareholder (PTT) holds 41.44% of shares) holds 14.27% of shares - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Purchases of goods and services	71	48	64
		<b>Transactions from financial statements</b>			
		Trade accounts payable – connected businesses	3	3	-
25. Labix Company Limited (LABIX)	- A subsidiary of TOP - Trading products between and providing	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and	-	-	22



Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
	services to each other	rendering of services			
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	-	2
26. Sakchaisit Company Limited (SAKC)	- A subsidiary of TOP - Trading products between each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	-	-	1,581
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	-	150
27. Amata Natural Gas Distribution Company Limited (Amata NGD)	-A subsidiary of PTT Natural Gas Distribution Company Limited ("PTTNGD") - Providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	-	5	-
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	5	-
28. HMC Polymers Company Limited( HMC )	- Major shareholder (PTT) holds 41.44% of shares - A shareholder of the Company holding 1.85% of shares - Having the Company's executive as a director of HMC that is Mr. Suvit Tinnachote (Retired) - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	5,295	5,010	4,962
		Purchases of goods and services	450	291	270
		Other revenues	-	-	1
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	444	513	503
		Trade accounts payable – connected businesses	40	37	33
		Other payables – connected businesses	-	-	1

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
29. Energy Complex Company Limited (ENCO)	- Major shareholder (PTT) holds 50% of shares - Providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	-	-	30
		Purchases of goods and services	2	-	-
		Other expenses	139	157	161
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	-	11
		Other receivables – connected businesses	32	-	-
Other payables – connected businesses	2	2	3		
30. IRPC Polyol Company Limited (IRPCP)	- A subsidiary of IRPC Public Company Limited ("IRPC") - Trading products between each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	9	32	33
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	9	6	10
31. IRPC Public Company Limited (IRPC)	- Major shareholder (PTT) holds 38.51% of shares. - Trading products between and providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	28,926	20,166	13,614
		Purchases of goods and services	20,066	14,345	9,782
		Other revenues	36	74	9
		Other expenses	-	1	-
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	2,161	1,672	1,517
Other receivables – connected businesses	-	6	6		
Trade accounts payable – connected	1,567	1,031	1,421		

Company Name	Relationship (as of 31 December 2016)	Connected transactions	Year 2014	Year 2015	Year 2016
<b>(million Baht)</b>					
		businesses			
		Other payables – connected businesses	-	1	1
32. PTTEP SP Limited	- A subsidiary of PTTEP - Providing services to each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	-	1	-
33. PTT International Trading DMCC	- A subsidiary of PTTT - Trading products between each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	437	1,029	321
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	-	322
34. TOP Solvent (Vietnam) LLC. (TSV)	- A subsidiary of TOP - Trading products between each other	<b>Transactions from statements of income</b>			
		Revenue from sale of goods and rendering of services	-	27	108
		<b>Transactions from financial statements</b>			
		Trade accounts receivable – connected businesses	-	4	15

## **Necessity and Reasonableness of Entering into Connected Transactions**

The sales of goods which the Company manufactures to connected companies are mainly for the purpose that the connected companies can process the products purchased from the Company to manufacture their own products. The purchase prices are in accordance with the price formula as stipulated in the relevant agreements or market price, as the case may be. These prices are set by taking into consideration benefits of both parties with reference to the market price without any transfer of interest between each other or having any special transaction. In addition, the provision of services to the connected companies is for the purposes of transportation or storage of products of the connected companies. The service fees are in accordance with market conditions, taking into consideration the benefits of both parties with reference to the market price without any transfer of interest between each other or having any special transaction.

The purchases of goods, raw materials and/or receipt of services from the connected companies are of ordinary course of business. The volumes of goods or raw materials purchased by the Company or the services received by the Company from the connected companies are corresponding with the needs and business operation of the Company. The purchase prices or service fees of the connected companies are in accordance with the agreements, creating commercial benefits to both the Company and the connected companies without the purpose of transferring interest or having any special transaction. In addition, it is necessary for the Company to purchase raw materials from the connected companies because the connected companies have sufficient production capacity to sell to the Company and the quality of the raw materials purchased from the connected companies is in accordance with the requirements of the factory. Moreover, the Company also enjoys the benefits from lower freight cost, as the raw materials purchased from the connected companies can be transported through a closed piping system, which has high safety standard, because some of the plants of the connected companies are located in or around Map Ta Phut Industrial Estate, Rayong .

4.8 Other information that may significantly affect the decision of the investors (if any)

None.

## **5. Pending material cases or claims**

As of 31 December 2016, the Company and its subsidiaries have the following legal disputes:

- (a) On 3 December 2009, a company filed a statement of claim to the arbitration requesting PTT and the Company, as the manufacturer, to perform the obligations under the raw material purchase agreement between such company and PTT or to be jointly liable for damages in the approximate amount of Baht 13,805 million. However, on 8 March 2010, the arbitration made a decision that the dispute in respect of the Company be disposed as the Company was not a direct party with such company.

On 27 August 2010, such company filed a civil case demanding that PTT and the Company, as the manufacturer, perform the obligations under the raw material purchase agreement between such company and PTT or to be jointly liable for damages in the amount of Baht 9,380 million. The Company filed the statement of defense to the Civil Court as the Company is not a direct party with such company. On 21 May 2013, the Civil Court considered and ruled that the arbitration case between PTT and such company is not final, and therefore the case should temporarily be disposed from the case list and once the arbitration renders its final award, both parties or either party shall file a declaration to the court to reconsider the case.

On 25 March 2016, the arbitration rendered the award ordering PTT to partly pay for damages. The Company believes that the result of the case will not cause any significant financial damage to the Company.

- (b) A group of people in Rayong filed a number of civil lawsuits to the Civil Court and Rayong Provincial Court, demanding that the Company pay additional damages and that the Company restores marine and natural environment from the leak of the Company's crude oil pipelines. Some of the cases have been settled and some of the cases were judged by the Civil Court on 25 August 2016. The Company was ordered to pay for damages with interest and for environment restoration in the amount of Baht 11.26 million.

The Company is considering the court judgment in order to prepare for an appeal. Some of the cases still remain in the consideration of Rayong Provincial Court. The Company believes that the result of the case shall not cause any significant financial damage to the Company.

**6. Opinion of the Independent Financial Advisor**

Please consider the report of the independent financial advisor attached to the invitation of the 2017 annual general meeting.

**7. Proxy Form, with at least one name of the Audit Committee being nominated as shareholders' proxy**

Please consider the proxy form attached to the invitation of the 2017 annual general meeting.

**8. Opinion of the Board of Directors on a decision to enter into the connection transactions, specifying the reasonableness and utmost benefits to the Company in comparison with the a decision to enter into transactions with independent third party**

Please consider the opinion of the Board of Directors in Clause 13 of Topic 1 Disclosed Information on the date of Board of Directors' resolution.

**9. Opinion of the Company's Audit Committee and/or directors which are different from the opinion of the Board of Director's under Clause 8**

None.

**10. Statement that connected persons and/or interested shareholders shall have no right to vote, specifying the name and number of shares held by ineligible shareholders.**

Name of connected persons and/or interested shareholders and the number of shares held by them as of 31 December 2016 are as follows:

No.	Name of connected persons and/or interested shareholders	Relationship/Interest	Number of shares held
(1)	PTT	A direct party related to the share acquisition and acceptance of transfer of rights and obligations under the shareholders agreement and loan agreements	2,204,318,915
(2)	Mr. Auttapol Rerkpiboon	Director representing PTT	Spouse 990
(3)	Mrs. Boobpha Amornkiatkajorn	Director representing PTT	57,700
(4)	Mr. Supattanapong Punmeechaow	Director representing PTT	60,000
(5)	Mr. Sarun Rungkasiri	Director representing PTT	None

In this regard, the above connected persons and/or interested shareholders shall not be eligible to vote in the agenda to obtain approval to enter into the connected transactions in the 2017 annual general meeting.