



EMPOWERING ALL TOWARD
INCLUSIVE GROWTH

OR Tax Strategy

2024





PTT Oil and Retail Business Public Company Limited
Announcement No. 38/2566
Subject: Tax Policy

As PTT Oil and Retail Business Public Company Limited ("OR") has published the Announcement No. 161/2562 Subject: Tax Policy to ensure that OR Group manages our tax affairs under the principles of transparency and fairness, and conducts our businesses in full compliance with relevant tax rules, laws, and regulations in all areas where we operate,

To ensure alignment in tax approaches among all OR Group companies, and to promote good governance and accountability at all times, we consider revising our tax policy by repealing the OR Announcement No. 161/2566 Subject: Tax Policy, and enforce the following tax policy:

OR Group's Tax Policy

OR Group strictly adheres to the principles of transparency and fairness when engaging with tax-related matters. These principles are embedded at all levels of our organization to ensure alignment in tax approaches among all OR Group companies, and to promote good governance and accountability at all times. We are committed to:

1. Tax Planning and Operations Guidelines

- Conduct our business in accordance with tax law and regulations, taking into consideration of both the spirit of the law and written law, in all areas where we operate, domestically and internationally, and firmly believing in paying our fair share of taxes.
- Avoid using an investment structures without an economic substance, or profit shifting schemes to low tax jurisdictions, including the establishment of secrecy jurisdictions or so-called "tax havens for tax avoidance". We have disclosed our foreign affiliates and information to all relevant tax authorities in our annual reports which have been regularly reviewed by management and board of directors to ensure compliances with all tax requirements and other regulations.

(Conduct related party transactions...



- Conduct related party transactions among OR group in accordance with the arm's length principle to ensure that the fair share of taxes is paid with respect to our function performed and our business strategies.
- Consider impacts in various aspects including laws, regulations, tax incentive, commercial activities, and stakeholders, related to new investments or business transactions by department in charge of tax, and manage the new investments or business transactions to align with business strategies and prevailing tax legislation, and maintain the organization's reputation and constructive relationships with the relevant state tax agencies as a publicly-listed company, a national energy company, and a state-owned enterprise.
- Consider, identify, and manage tax risks and tax issues to be consistent with relevant laws, and report to the management person in charge.

2. Coordination with Government Agencies

- Appoint a department in charge of tax matters. Also, coordinating with government agencies about tax matters must be done solely through the department in charge, in order to ensure that all relevant information will be timely submitted to governing authorities and enhance transparency of OR Group's tax affair.

3. Tax Consultant

- OR Group shall consider hiring a highly experienced tax consultant prior to commence a complex investment projects or business transactions to ensure that all tax risks are mitigated and complied with laws and regulations.

Hereby announced on 28 February 2023


(Mr. Disathat Panyarachun)
Chief Executive Officer

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Source: https://orapiweb.pttor.com/uploads/documents/20230519_154458_9763.pdf

OR Group strictly adheres to the principles of transparency and fairness when engaging with tax-related matters and to comply with the spirit as well as the letter of the tax laws and regulations in the countries in which the company operates.

OR Group realizes that profits should be taxed where the economic activities generating the profits are performed and expects to pay 'fair share' of taxes on our activities where they take place, and thus disallow the transfer of value created to low/no tax jurisdictions. We are fully aware of direct and indirect risks from aggressive tax planning and do not use contrived or abnormal tax structures that are intended for tax avoidance and have no commercial substance. OR Management and Board of Directors do not support any activities, aiming to aggressively structure OR Group's tax affairs.

In structuring our operations, we consider a wide range of factors and their consequences to balance the commercial, cost (including tax), regulatory and investor perspectives, as well as to ensure that we comply with all necessary obligations applicable to our unique status – a publicly-listed company, a national energy company, and a State of Enterprise.

Given the scale, locality, complexity of operating globally in the energy industries and being subject to multiple tax regimes in a number of jurisdictions, there are sound commercial and operational reasons (such as regulatory regimes and structures acquired in historical acquisitions and proximity to customers) for MNC subsidiaries to be established in countries with stable governments and clear regulatory frameworks which may also offer low tax rates. Commercially, a neutral tax territory is often required for joint ventures between OR Group and our counter-parties having headquarters in different countries.

OR Group has thus instilled a policy across OR Group, in setting up our overseas subsidiaries, to prohibit secrecy jurisdictions or so-called "tax havens". The tax policy guidelines have been approved by the Chief Executive Officer representing the Board of Directors. The jurisdictions of OR Group foreign affiliates are disclosed to all relevant tax authorities in our annual reports and have been regularly reviewed by Management and Board of Directors to ensure compliance with all tax requirements and other regulations.

2023 Tax Reporting



Country	Revenue (THB)	Percentage of Revenue (%)	Profit / (Loss) Before Tax (THB)	Income Tax Accrued (THB) (Current Year)	Income Tax Paid (THB)	Number Of Employees (FTE)	Primary Activities and Names of Resident Entities
Thailand	728,712,266,768	94.10%	2,751,501,539	4,665,143,889	3,582,009,874	7,288	<p>Retail and Oil Distribution, Managing Service Stations, Convenience Stores and Food Shops at Service Stations, Providing Services and Workforce for Service Stations and Shops, Lubricant Blending and Filling, Toll Blending, Managing Investment and Regulation of Affiliated Companies, Providing B2B and B2C Products and Services, Coffee Roasting, Distribution and Maintenance of Coffee Machines for Coffee Shop Business.</p> <ul style="list-style-type: none"> • PTT Oil and Retail Business Public Company Limited • PTT Retail Management Company Limited • PTT Retail Services Company Limited • Thai Lube Blending Company Limited • PTTOR Holdings Company Limited • Modulus Venture Company Limited • Peaberry Thai Company Limited • Care For Car Company Limited
Cambodia and Laos	26,400,333,226	3.41%	13,278,760,066	178,594,108	175,011,529	374	<p>Oil and retail business</p> <ul style="list-style-type: none"> • [Cambodia] PTT (Cambodia) Ltd. • [Laos] PTT (Lao) Company Limited* • [Laos] PTTOR Lao Import and Export Co., Ltd.
Philippines	19,218,929,486	2.48%	(2,239,981,763)	29,071,260	33,141,120	172	<p>Oil and retail business</p> <ul style="list-style-type: none"> • PTT Philippines Trading Corporation • PTT Philippines Corporation
Others [China, US, Singapore, Myanmar]	99,448,296	0.01%	(256,662,104)	289,391	157,013	4	Oil and retail business, Holding Company, Investing in other companies
Total	774,430,977,776	100.00%	13,533,617,738	4,873,098,648	3,790,319,536	7,838	

Remark

*PTT (Lao) Company Limited are held by PTT Cambodia and the financial statements information is consolidated at PTT (Cambodia) Ltd. which makes it unable to separate the revenue data between Cambodia and Laos.

Single Jurisdiction Tax Code

Revenue items per Consolidated Financial Statements	Country		Total (THB)
	Thailand (THB)	Others (THB)	
Sales and service incomes	723,862,200,430	45,361,555,469	769,223,755,899
Other income	4,684,122,808	515,296,498	5,199,419,306
Gain (loss) on foreign exchange rates	1,197,081,847	(172,952,773)	1,024,129,074
Gain (loss) on derivatives	(1,031,138,317)	14,811,814	(1,016,326,503)
Total	728,712,266,768	45,718,711,008	774,430,977,776

94.10%

5.90%

100.00%

PTT Oil and Retail Business Public Company Limited

Statement of income

For the year ended 31 December 2023

	Note	Consolidated financial statements	
		2023	2022
Sales and service income	23	769,223,755,899	789,785,097,432
Cost of sales and services		728,668,520,807	750,676,898,618
Gross profit		40,555,235,092	39,108,198,814
Other income	24	5,199,419,306	3,633,144,110
Gain on foreign exchange rates		1,024,129,074	1,112,052,936
Loss on derivatives		(1,016,326,503)	(1,067,619,194)

Explanation

OR Group earned more than 90% of its revenue from Thailand which the Thai statutory corporate income tax rate is 20%. This is referred to OR's 2023 Financial Statements presented in the One Report, PDF p152 (page 299)

<https://investor.pttor.com/en/document/viewer/97209/56-1-one-report-2023-publish-date-march-8-2024>



**EMPOWERING ALL TOWARD
INCLUSIVE GROWTH**

OR เติมเต็มโอกาส เพื่อทุกการเติบโต ร่วมกัน

*Harnessing OR
competencies to support,
fulfill, and elevate*

*Sustainable growth
with Living Community,
Healthy Environment, and
Economic Prosperity*

*Moving forward with
strong determination and
leaving no one behind*

*6 groups of
OR stakeholders*