



PTT Global Chemical Public Company Limited

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(Translation)

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15 August 2017

Subject : Final investment decision in Propylene Oxide (PO) project and report progress of

Polyols & PU system projects

To : The President

The Stock Exchange of Thailand

PTT Global Chemical Public Company Limited (the "Company") would like to inform that the Company has established GC Oxirane Co., Ltd. for the purpose to operate Propylene Oxide (PO) project which will be held by the Company 100%. GC Oxirane has signed Engineering, Procurement & Construction Contract and Credit Facilities Agreement. This transaction was approved by Board of Directors in the meeting No.6/2017, on 24 April 2017. Propylene Oxide (PO) and Polyols & PU System projects are in Polyurethane chain which has been categorized in Performance Chemical product line that directly follows long term business strategy of the Company. Propylene Oxide project will build plant with nameplate capacity of 200,000 tons per year, and located in Hemaraj Eastern Industrial Estate, Rayong. This project intends to consume propylene as main feedstock and will partially sell its product to Polyols & PU System as feedstock, it has been planned to commercial operate within 2020.

Beside this, the Company also established GC Polyols Co., Ltd. which is prepared for investment in Polyols & PU System project, which the company has planned to be a joint venture company with strategic partners. At present, the related document, including joint venture agreement and Credit Facilities Agreement, are under preparation phase, which is

scheduled to be completed within August 2017. The company will disclose to SET once there is progress of this project. The total investment of both projects is approximately \$887.4 million or equivalent to 32,000 million baht.

In this regard, the establishment of subsidiary companies is not considered as connected transaction and transaction size is also not falling in connected transaction criteria about acquisition and disposition of listed company assets.

Please be informed accordingly

Sincerely Yours,



(Mr. Sapatthapong Punmeechaow)
President & Chief Executive Officer