

## PTT close to budget hotels at stations

THE NATION

PTT will propose to the company's board of directors in April to select a strategic joint venture partner for the development of budget hotels at its gas stations.

The final candidates are The Erawan Group, B2, and Wyndham Group. About five hotels will be constructed by the end of this year for opening in 2019, and up to 50 hotels will be opened by 2022. The property expansion will boost the group's non-oil business significantly.

The expansion of non-oil business is in line with PTT's transformation strategy amid intense competition in the oil trade. PTT sold about 11 billion litres of oil last year with the largest market share of 40 percent. The group, however, is turning to non-oil products to boost revenue. The development of budget hotels at its gas stations is a new venture to be implemented under its 2018 business plan.

Jiraporn Khaosawas, executive vice president/oil business unit, said the group is considering the details for the development of budget hotels at PTT gas stations, including the selection of a joint venture partner. The plan will be handed to the group's investment committee in March this year before going to the management committee for consideration. It will be put on the agenda of the board meeting in April.

"We plan to develop five pilot budget hotels this year as planned despite a delay to the selection process for a partner in the first plan. Initially, we aimed to select the partner at the end of last year and to sign the joint venture contract in the first quarter this year," Jiraporn said.

"The budget hotels will first be built on land of the PTT gas stations, owned by the group for business value, before expanding to those owned by our dealers. The group plans to open up to 50 budget hotels at PTT gas stations within the next five years or by 2022."