

Minutes of the Extraordinary General Meeting of Shareholders No. 1/2023 of Star Petroleum Refining Public Company Limited

Time and place

The Extraordinary General Meeting of Shareholders No. 1/2023 (the "**Meeting**") of Star Petroleum Refining Public Company Limited (the "**Company**") was held on Tuesday 31 January 2023 at 9:30 a.m. at Landmark Ballroom, 7th Floor, The Landmark Bangkok Hotel, 138 Sukhumvit Road, Khwaeng Khlong Toei, Khet Khlong Toei, Bangkok 10110.

Before the meeting

Ms. Nattawan Khumwiwat, company secretary, (the "**Company Secretary**") introduced the Board of Directors and the management of the Company who were in attendance.

Directors present

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| 1. | Mr. Brant Thomas Fish | Chairman of the Board of Directors |
| 2. | Mr. Pliu Mangkornkanok | Independent director, Vice-Chairman of the Board of Directors, member of the Audit Committee and the Human Resources Committee |
| 3. | Mrs. Kamonwan Wipulakorn | Independent director, Chairperson of the Audit Committee and member of Human Resources Committee |
| 4. | Mr. Robert Stair Guthrie | Independent director, member of the Audit Committee, and Chairman of the Nomination, Remuneration and Corporate Governance Committee |
| 5. | Mr. Ranga Rama Kumar
Sreeramagiri | Director and member of Nomination, Remuneration and Corporate Governance Committee |
| 6. | Mr. Brian Monaco Sutton | Director and member of Human Resources Committee |
| 7. | Mr. Robert Joseph Dobrik | Director, Chairman of the Human Resources Committee, member of the Nomination, Remuneration and Corporate Governance Committee, and Chief Executive Officer |

Management present

- | | | |
|----|---------------------------|---|
| 1. | Mrs. Nutsara Somkiatweera | Chief Financial Officer |
| 2. | Mr. Sakchai Thamsuruk | Manager of Supply and Planning |
| 3. | Mr. Steven Lewis Gibson | Deputy Chief Executive Officer - Operations |
| 4. | Ms. Pornthip Viraphand | Manager of Corporate Affairs |
| 5. | Ms. Jariya Wuensche | Manager of Human Resources |
| 6. | Ms. Sukhumal Tonpitak | Internal Audit Manager |
| 7. | Mr. Wichai Chunhasomboon | Financial Advisor |

Legal advisor, independent financial advisor and financial advisor present

Legal Advisor

- Mr. Sutthipong Koohasaneh, Linklaters (Thailand) Limited

Financial Advisor

- Mr. Vikrom Leenabanchong, Finansia Securities Limited

Independent Financial Advisor

- Mr. Patchara Netsuwan, Capital Advantage Company Limited

Mr. Brant Thomas Fish presided at the Meeting as the chairman of the Meeting (the "**Chairman**") and welcomed Shareholders to the Extraordinary General Meeting of Shareholders No. 1/2023. He mentioned that due to the COVID-19 pandemic, the Company had been holding the shareholders' meetings via electronic media. However, due to the improvement of the COVID-19 situation, and given the important agenda items to be considered at this Meeting, the Company considered that having the face-to-face meeting is more productive, therefore, a face-to-face meeting was conducted for the Extraordinary General Meeting of Shareholders today. The Chairman also requested shareholders' and attendees' cooperation to strictly comply with the meeting protocols and measures.

In order to maintain the good corporate governance, the Meeting would be conducted as per agenda items as informed in the notice of the Meeting. The Company also had given an opportunity for the shareholders to submit relevant questions regarding the agenda item of the meeting to the Company in advance before the meeting date, in which the Company would record questions and answers in the minutes of the shareholder's meeting as appropriate. He then assigned the Company Secretary to further assist the Chairman in conducting the Meeting and providing additional information regarding the Meeting.

The Company Secretary informed that there were 84 shareholders, representing 1,781,708 shares, attending the Meeting in person, and 759 Shareholders, representing 3,543,395,067 shares, attending the Meeting by proxy. In total, there were 843 shareholders attending the Meeting, representing 3,545,176,775 shares or 81.76 percent of the total issued and paid-up shares of the Company, thus the quorum was formed according to article 41 of Company's Articles of Association.

Preliminary Proceedings

The Chairman declared the Meeting open and asked the Company Secretary to explain the proceedings of the Meeting, the voting methodology and the vote counting to the shareholders, the key points of which are summarized below:

1. The agenda items will be discussed in the sequence as specified in the notice of the Meeting. The Company will present related information, and during the Meeting, the Chairman will invite shareholders to ask questions in relation to each agenda item. The shareholders or proxies of the shareholders who would like to ask questions or give opinions, please do so through the microphones which are set up and please introduce yourself before asking questions or giving opinions.

In the event that many queries are submitted, the Chairman will consider having the Company answer the questions as appropriate and collecting questions that are not answered in the meeting to clarify to shareholders in the minutes of the Shareholders' meeting as it deems appropriate.

2. In respect of the voting in the Meeting, each shareholder shall have the number of votes equal to one share per one vote, and the shareholder may vote "approve", "disapprove", or "abstain" in each agenda according to the number of shares he/she holds and cannot allocate the number of shares to vote separately, except for a custodian who may allocate votes for each shareholder.
3. Any ballot that is not marked clearly to represent the intentions of the relevant shareholder or proxy shall be deemed void. For example, a void ballot is the ballot that falls into one of the following categories:
 - the ballot in which its mark does not belong to the agenda item under consideration;
 - the ballot in which its mark is not put in one of the checkboxes provided;
 - the mark made in the ballot does not specify the intention of the shareholder who casts the vote, i.e. whether to vote for approval, disapproval or abstain;
 - the ballot in which the shareholder put more than one marks in the checkboxes, except for a custodian who may allocate votes for approval, disapproval and abstention for each shareholder; and
 - the ballot which is so damaged that the voting intention becomes unclear.

In voting for all agenda items, all shareholders are asked to clearly specify their intentions to "approve" "disapprove" or "abstain" in their ballots. Upon completion, shareholders will need to raise their hand to allow the Company's staff to collect the ballots. Each and every ballot duly marked "approve" "disapprove" or "abstain" will be counted.

Shareholders who choose not to hand over their ballots will be regarded as having "abstained" from voting on the relevant agenda item while those ballots handed over will be counted as marked.

4. In the event that a shareholder attends the Meeting by proxy and has marked in the proxy form on any agenda item (approve, disapprove or abstain, as the case may be) in accordance with the voting requirements, the system will record such vote as marked in the proxy form in advance, and the proxy will not be entitled to change the votes specified by the shareholder.
5. However, if (i) a proxy grantor does not specify his/her intention on how to vote on an agenda item in the proxy form; (ii) such intention is not clearly specified therein; (iii) there is any matter other than those specified in the proxy form which is to be considered and resolved in the meeting; or (iv) there is any change or amendment to any fact in the meeting, the proxy will be entitled to consider and vote on such agenda item on behalf of the shareholder as deemed appropriate.
6. The Company requests that shareholders and proxies remain present throughout the Meeting to consider all motions on the agenda items. Nonetheless, if any shareholder or proxy needs to leave prior to the conclusion of the Meeting, shareholders and/or proxies are asked to inform the staff in front of the meeting room prior to their exit in order to return any ballots in their possession and sign-off their exit for record keeping.

Furthermore, the Chairman informed the Meeting that the Company had invited a legal advisor from Linklaters (Thailand) Ltd. to monitor the vote counting of this Meeting, as well as two shareholders, namely Mrs. Supha Lertthanapong and Mrs. Nualta Apakappakul, as volunteers to witness the vote counting. The Chairman then proceeded with the Meeting with following agenda items:

Agenda Item 1: To certify minutes of the Annual General Meeting of Shareholders for the Year 2022 held on 8 April 2022

The Chairman asked the Meeting to certify the Annual General Meeting of Shareholders for the Year 2022 held on 8 April 2022, the copy of minute which had been sent to the shareholders along with the notice of the Meeting.

The Board of Directors considered and recommended the shareholders to certify the minutes of such meeting.

The Chairman provided an opportunity to the Meeting to ask questions or make comments about the minutes of the Annual General Meeting of Shareholders for the Year 2022 held on 8 April 2022.

Question from Mr. Kittiyos Arpakiattiwong, shareholder attending in person

- If a shareholder does not submit a ballot in any agenda item, is it considered as abstention?
- Why is this shareholders' meeting held at this time and as an on-site meeting?
- What is the costs comparison for holding a shareholders' meeting online, on-site and hybrid?

The Company Secretary, answers in summary:

- Since this shareholders meeting contains only a few agenda items and there is an important matter in agenda item 2 which requires consideration and approval of shareholders. Therefore, the Company considered to collect all ballots for sake of transparency and shareholders not handing in their ballots will be treated as abstain vote.
- Since the Company plans to invest in the fuel business which requires approval of shareholders, therefore this shareholders' meeting is held. Moreover, the Company views that an on-site meeting will help shareholders to better understand the content and essence of the agenda items, particularly the agenda item to consider and approve the investment in the fuel business; the on-site meeting is more productive than an online meeting.
- Holding an on-site meeting has additional costs regarding meeting place, while online meeting has only online meeting system management cost. Therefore, holding an on-site meeting slightly costs more than holding an online meeting.

There were no further questions or opinions from the shareholders. Therefore, the Chairman asked the Meeting to certify the minutes of the 2022 Annual General Meeting of Shareholders held on 8 April 2022.

This matter must be passed by the majority of votes of the shareholders attending and eligible to vote at the Meeting.

Resolution The Meeting resolved to certify the minutes of the 2022 Annual General Meeting of Shareholders, which was held on 8 April 2022, with majority of votes of the shareholders attending and eligible to vote at the Meeting, as per the details below.

	Approve	Disapprove	Abstain	Voided Ballot	Total
Number of Votes	3,546,783,009	3,500	614,213	91,001	3,547,491,723
Percentage	99.9800	0.0000	0.0173	0.0025	100.0000

Agenda Item 2: To consider and approve the investment in the fuel business

The Chairman asked Mr. Sakchai Thamsuruk, Manager of Supply and Planning, and Mrs. Nutsara Somkiatweera, Chief Financial Officer, to present the overview of the investment in the fuel business and the opinion of the independent financial advisor to the Meeting and also asked the Company Secretary to explain the related regulations for this agenda item.

1 An overview of investment in the fuel business

Mr. Sakchai explained to the Meeting that this investment in the fuel business is one of the Company's strategies for business growth opportunity which will enhance the Company's competitiveness and generate returns for investors. Key details of the investment in the fuel business are as follows:

- **Advantages and highlights of the investment in the fuel business**
 - (a) Realization of additional revenue stream and increase of competitiveness. At present, the main income of the Company comes from the refinery of petroleum products. The fuel business investment through acquisition of business of a going-concern company will provide the immediate revenue stream to the Company.
 - (b) Securing of downstream marketing and distribution of the refinery business. The key advantage of establishing a domestic oil refinery is the Company's ability to sell petroleum products in domestic markets without having to mainly rely on exports which may have significant transportation costs and complexity in the product standards as compared to other regions. Therefore, securing domestic distribution of petroleum products through this investment will enhance our operational performance as well as the Company's stability in respect of better production planning and meeting of customers' needs.
 - (c) Fuel business acquisition at reasonable price and returns. The independent financial advisor will provide explanation in the following order.
 - (d) Revenue and cost saving driven by synergy upside. The investment will increase our performance through synergistic integration of operations of both organizations which are the Company and companies in Chevron group.
 - (e) Supply chain integration and optimization. Explanation will be provided in the following order.

– **Transaction overview**

The costs of the fuel business investment are comprised of the following transactions:

- (a) Acquisition of all shares in Chevron Lubricants (Thailand) Co., Ltd. (the “**Target**”) (the Target’s name might have changed prior to the completion of the transaction) from (1) Chevron Asia Pacific Holdings Limited (“**CAPHL**”) (2) CT Nominee Holdings (I) LLC (“**CTN1**”) and (3) CT Nominee Holdings (II) LLC (“**CTN2**”). The Target, the company incorporated in Thailand, will invest in fuel business, which is currently operated by Chevron (Thai) Company Limited (“**CTL**”), including CTL related assets and 2.51% of the total issued and paid-up shares in Bangkok Aviation Fuel Services Public Company Limited (“**BAFS**”), a company listed in the Stock Exchange of Thailand.
- (b) Acquisition of 2,877,500 ordinary shares and 5,528,430 preferred shares in Thai Petroleum Pipeline Company Limited (“**Thappline**”), 9.91% of the total issued and paid-up shares from CAPHL, the company which engaged in fuel transportation business through pipelines for a certain period of time and has favorable results of operation with ongoing shareholders’ returns at the rate of more than 10% of net profit; and
- (c) The investment will be funded through equity and debt financing in new private limited companies being incorporated under Thai law (“**NewCo**”); one of which will acquire 19 plots of land used in the fuel business operation from Star Holding Company Limited in order for the Target to operate 4 company-owned and retailer-operated (CORO) gas stations, including sites of oil terminal in Suratthani and Songkhla. In addition, the price of land has already been appraised by an independent appraiser.

The cost of the fuel business investment will be equal to the amount of (1) USD 90 million which comprise of (a) the remuneration to be paid for all of the Target shares in the amount of USD 16.8 million (b) the remuneration to be paid for Thappline shares in the amount of USD 45 million and (c) an investment in NewCo shares and loans which will be provided to one of the NewCo not exceeding USD 28.2 million and; (2) the amount of total working capital of fuel business which will be operated by the Target on a Closing Date.

In addition, after the foregoing investment by the Company, Chevron Group will remain holding the stake in the Company at more than 60% of total issued and paid-up shares.

– **One-Stop fuel business with various products and clients**

The Target will invest in one stop fuel business with various products and clients which has key business as follows;

- (a) Petroleum retail business: the Target operates more than 400 Caltex gas stations nationwide, including non-fuel offerings, business that accounts for approximately 28% of the Target’s business, which at present are not widespread but having high potential for future growth.

- (b) Commercial and industrial business and bulk sale: the wholesale supply and distribution of petroleum products and huge corporate customers in bulk sale for domestic and international markets comprises the core business of the Target, accounting for more than 60% of the fuel business; these include business-to-business or B2B and business-to-customer or B2C model.
- (c) Aviation: the supply and distribution of jet fuel to airline customers at Suvarnabhumi Airport and Don Mueang Airport which accounts for approximately 7% of the fuel business.
- (d) Asphalt: the supply and distribution of various grades of asphalt to industrial users, vendors and overseas markets which accounts for approximately 2% of the fuel business.

– **Business growth opportunity**

The Company believes that the investment in the fuel business offers a number of opportunities including:

- (a) enhanced opportunities for future growth due to achievement of synergistic integration of two companies in which best practices will be adopted to boost performance of personnel as well as business operations;
- (b) added efficiency in procurement and oil terminal process in which both companies have similar operations;
- (c) benefits from the synergy which offers upside opportunities for the Company due to the Target's main undertaking of the wholesale business in Southeast Asia region from which the Company will secure additional product distribution channels to generate more profit;
- (d) capacity to improve the quality of raw materials and offer suitable products to customers at reasonable prices to maximize our profitability; and
- (e) in respect of the fuel business, the Company will develop the appropriate business plans for future growth.

2 Financial Consideration and Timeline of the Transaction

Mrs. Nutsara Somkiatweera, Chief Financial Officer, explained to the Meeting regarding the financial considerations and timeline of the transaction, which can be summarized as follows:

- Total revenue of the fuel business in 2021 was over THB 86.9 billion, EBITDA of THB 1.4 billion and pre-tax income of THB 900 million, or equivalent to approximately USD 27 – 28 million; opportunity for dividend payment due to shareholding in Thappline, which in 2021 received dividends from Thappline on the amount of THB 129 million, or equivalent to approximately USD 3 – 4 million; the pre COVID-19 average daily sales volume (year 2017 – 2019) was approximately 16 million liters while total sales volume of 5 business units, namely bulk sales, retail, asphalt, aviation and C&I was approximately 3,704 million liters.
- As at 30 September 2022, the Company had the low interest-bearing debt to equity ratio of 0.24 time, demonstrating the Company's capability for investment in significant project; the Company expects to fund the sum of cost of investment in the fuel business of USD 90 million and the actual net working capital of the fuel business

from (i) operating cash flows and profits in 2023 in which the Company expects to generate profits for funding additional investment; and (ii) loan facilities from financial institutions.

- Regarding the timeline, the Company expects that the Target would take around 1 year after the date on which the Meeting approves the investment in the fuel business by the Company to complete the internal reorganization process, including its organization structure and personnel so that the Target will be ready for accepting the transfer of the fuel business from CTL and carrying out its operation. The Company expects that the Closing Date will occur around the first quarter of 2024.

3 Independent Financial Advisor's opinion

Mr. Patchara Netsuwan, Executive Director of Capital Advantage Company Limited, an independent financial advisor, provided his opinion regarding an investment in the fuel business to all shareholders in order for the shareholders to consider the acquisition of the Target shares and Thappline shares which have been classified as the connected transaction, pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendments thereto) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) since the acquisition are considered as (1) the transaction with CAPHL, an indirect major shareholder of the Company through an acquisition of all shares in Chevron South Asia Holdings Private Limited ("**CSAHPL**"), the Company's major shareholder which held 60.56% of total issued and paid-up shares, and (2) the transaction with CTN1 and CTN2, Chevron Corporation's affiliates, which is an indirect major shareholder of the Company through an acquisition of all shares in CAPHL (a major shareholder of the Company as specified above) that more than 50% of its share has been held by Chevron Corporation.

The value of share acquisition (including the value of working capital of fuel business operating by the Target on a Closing Date) (under assessment of working capital as at 31 December 2021) will be 15.6% of the Company's net tangible assets based on the calculations from the Company's reviewed financial statements for the nine-month period ended September 30 2022. Therefore, the Company shall obtain approval from the Company's shareholders' meeting.

Mr. Patchara Netsuwan presented to the Meeting the opinion of the independent financial advisor regarding the investment which can be summarized as follows:

- **Opinion of the Independent Financial Advisor on Reasonableness of the Transaction**

(a) Objectives and necessity of the transaction

The independent financial advisor views that at present the products from the refinery of the Company are mainly distributed to the Target while the Target plans to review its strategy on the fuel business; therefore, it is a great opportunity for the Company to invest and grow into such business unit so as to secure its customer base as well as enhance its revenue and stability of cash flows, which in turn will generate long-term benefits to the Company's shareholders.

(b) Advantages and benefits of the transaction

The independent financial advisor considers and views that the investment in fuel business has many advantages and will provide benefits to the Company which are summarized as follows;

1. Retaining customer base and revenue from sale: without this transaction, the Company may lose its customer base if the Target sells the fuel business to other third parties.
2. Mitigating risk on single customer concentration: in addition to distributing products to the Target, the Company can sell its products from refinery to over 400 gas stations nationwide as well as commercial and industrial customers and aviation customers, etc.
3. Supporting business growth and competitiveness: this transaction will create additional distribution channels and expansion to downstream business of the petroleum product business in one go. This will also support the refinery business of the Company and it is an acquisition of assets which can generate immediate income.
4. Increasing other business opportunities: the Company can lower the risk from relying on one business, i.e. the refinery business. This will also create opportunity for the Company to expand to other non-fuel business through Caltex gas stations, such as coffee shop, convenience store, fast food service, automotive service shop and other commercial service.
5. Benefits from holding shares in Thappline and BAFS (through the Company's shareholding in the Target): this will allow the Company to use oil transportation services of both companies on a long-term basis as well as the right to receive on-going dividend payment.

(c) Disadvantages and risks related to the transaction

The independent financial advisor considered and views that the investment in fuel business has some disadvantages and could cause risk which are summarized as follows;

1. If the Company uses fund from loan to enter into the fuel business transaction, the Company will experience an increase in its interest-bearing debt to equity ratio. However, since the Company has the low interest-bearing debt to equity ratio, based on the financial analysis, the independent financial advisor views that the Company is capable of servicing the increasing debt and interest obligations while maintaining satisfactory profits and returns.
2. The investment in the fuel business transaction is still an investment in the industry relating to petroleum product, and as such the Company's overall business will be affected by fluctuation in oil prices.
3. The petroleum business may be affected by the world's trend and change of technology such as policies involving global warming and decrease of greenhouse effect gas emission as well as encouragement on using electric vehicle (EV) in the future.

4. The assessment of the independent financial advisor is based on current events and situations. Occurrence of any unexpected events might result in scenarios or situations which are different from those assessed by the independent financial advisor such as the return from the fuel business may not reach the level of anticipation.
5. The utilization of plots of land which 4 CORO gas stations are situated for other purposes may generate better return than using those lands for operation of gas station which has quite low level of profit. In addition, those plots of land also have high market value.
6. The transaction is subject to the completion of the Target's internal business restructuring which may put the Company at disadvantage in term of transaction price (as payment must be made in USD) that may result in a return from investment being increased or decreased due to the risk of currency exchange at the Closing Date. Therefore, the Company should find ways to mitigate risk. For example, Currency Swap or any other way that seems appropriate.

The independent financial advisor further informed the Meeting that, having considered the relevant information of the fuel business, the independent financial advisor views that the advantages outweigh the disadvantages which are manageable. Furthermore, the disadvantages are considered as normal business risk which can be managed. Therefore, the acquisition of all shares in the Target and shares in Thappline, which are considered as the connected transaction and part of this investment in fuel business, is a reasonable transaction.

– **Opinion of the Independent Financial Advisor on the suitability of connected transaction value**

The Independent Financial Advisor explained to the Meeting that there are 6 methods that have been used to assess the suitability on the value of the Target and Thappline shares which are;

- (a) Book Value Approach
- (b) Adjusted Book Value Approach
- (c) Market Value Approach
- (d) Price to book Value Ratio Approach: P/BV Ratio
- (e) Price to Earnings Ratio Approach: P/E Ratio and
- (f) Discounted Cash Flow Approach

The Independent Financial Advisor used Discounted Cash Flow Approach to assess value of shares in the acquisition of shares in the Target and Thappline since it is an appropriate method that could reflect the capability of Target and Thappline to generate profits in the future. In addition, the advisor viewed that the fair value of all shares in the Target (including investment fund in BAFS) is equal to approximately THB1,906.44 - 2,127.46 million and the fair value of shares in Thappline is equal to approximately THB 1,634.25-1,696.90 million.

As for plots of land used in the operation of fuel business, the independent financial advisor explained to the Meeting that the value of an investment in NewCo shares and loans which will be provided to the other NewCo in order to acquire land plots using for an investment in fuel business will be funded at a lower than fair price of plots of land appraised by the independent appraiser, which is amounted to approximately THB 1,036.54 million in total.

Based on the analysis of investment possibility, the independent financial advisor expected that the internal rate of return (IRR) of the Company from this investment is approximately 9.02% per year with the payback period of 9.85 years from the Closing Date. In addition, the fair value of the assets to be acquired from the investment is approximately THB 3,541 – 3,825 million (or approximately USD 99.20 – 107.15 million based on the currency rate as of 15 November 2022 which is equal to THB 35.7 per USD (The currency rate as of the day of the meeting is approximately THB 32 per USD) higher than the total investment value of the Company in the amount of approximately USD 9.20 – 17.15 million, or 10.22 - 19.05 % higher than the total investment value, The Independent Financial Advisor viewed that the acquisition of shares of the Target and Thappline is considered a connected transaction and is part of the investment transaction in the fuel business which is an appropriate transaction.

– **Conclusion of Independent Financial Advisor's Opinion**

Based on the assessment of the independent financial advisor, it is of the view that the acquisition of all shares in the Target and shares in Thappline, which are considered as the connected transaction and part of an investment in the fuel business, are reasonable connected transactions and have reasonable price and conditions.

The Chairman provided an opportunity to the Meeting to ask questions regarding the investment in the fuel business; the shareholders wishing to ask question were requested to introduce themselves and inform the Meeting whether they attended the Meeting in person or were a proxy.

Question from anonymous shareholder attending in person

In making investment in the fuel business, do the Company plan to increase its registered capital?

The independent financial advisor replies that at present the Company do not have any plan to increase registered capital.

Question from Mr. Somkid Wongphakorn, shareholder attending in person

- (1) Will the acquisition of Thappline and BAFS shares actually provide benefits to the Company in long term, given possible changes in the industry and uncertainties in the market in the future?
- (2) This transaction includes acquisition of land plots for only 4 Caltex gas stations, how long will the Company hold ownership of the land plots as it is hard to maintain market share and add value to the property? And does the independent financial advisor take into account the costs for improvement of the gas stations as well as the amount of funds needed to support retailers operating other gas stations not being owned by the Company?
- (3) Market share of electric vehicles (EVs) is on the rise, how will it affect the Company's business in the future?

- (4) What is the Company's plan on expanding the retail business? And is there any plan to renew the contracts with retailers operating gas stations, is there any plan for improvement of the remaining gas stations and how?

Mr. Patchara Netsuwan, independent financial advisor, answer to question (1), (2) and (3) in summary:

- Based on the past financial statements of BAFS being disclosed at the website of Stock Exchange of Thailand, BAFS has been able to pay dividends consistently and has satisfactory and profitable results of operation.

In case of Thapline, based on the financial statements submitted to the Department of Business Development, Ministry of Commerce, Thapline has paid dividends at more than 95% each year which demonstrates its financial stability given the current situations.
- Based on an information as of 30 September 2022, the fuel business to be invested by the Company comprises a total of 427 Caltex gas stations, dividing into 403 retailer-owned and retailer-operated or RORO gas stations and 24 company-owned and retailer-operated or CORO gas stations (where the Company will invest and own the land of 4 CORO gas stations while the remaining land lots will be on lease); based on the past information, there was only a slight change in the number of Caltex gas stations. Going forward, any plan for the Company to fund the expansion of gas stations is subject to the management's decision. The information regarding the analysis containing in the independent financial advisor's report have been reviewed by the SEC Office.
- Based on our analysis, petroleum products will remain necessary for industrial operations and as fuel for vehicles; it is noted that certain type of vehicles can't be all-electric operated, e.g., airplanes or trucks. Moreover, EVs account for less than 5% of total number of fuel-operated vehicles, so vehicle fuel will remain in demand for a certain period of time.

Mr. Sakchai Thamsuruk, Manager of Supply and Planning, answer to question (4) in summary:

- The Target has retail business accounts for one-third of its total business, so there are a lot of opportunities for business growth. In particular, the fuel retail business is highly competitive and at present the number of gas stations is oversupplied. However, going forward, the Company will consider a plan to expand both CORO and RORO gas stations to grow the retail business to proper size as appropriate. Based on data regarding the return of investment, the management believe that the investment in fuel business will generate appropriate returns despite the Company not planning any big-step expansion.
- Regarding contracts with gas station retailers, these contracts are long term (10 to 15 years) with renewals from time to time. We understand that the Company plan to maintain the number of retailers, more or less, at the current level. There will be changes in the terms and conditions to attract retailers and to remain competitive with other operators at all time.

Mr. Patchara Netsuwan, independent financial advisor, added:

Based on our analysis, should the investment in fuel business fails to generate worthwhile returns, and should the Company then sell the fuel business (including 4 land plots which are locations of gas stations) after 10 years of operating the fuel business, the business sale will be a gain for the Company as compared to the cost of investment made by the Company. The information regarding the analysis containing in the independent financial advisor's report have been reviewed by the SEC Office.

Question from Miss Bussakorn Ngampasuthadol, shareholder attending in person

- (1) How will the Company's investment in the fuel business affect the revenue of the Company, at what proportion per portfolio of incomes of the Company, and how will it affect the increase in profit?
- (2) What is the amount of loans the Company need to fund this investment and how will it affect the debt to equity ratio of the Company?
- (3) What is the Target's rank in Thai market in term of gas station? What are the criteria in determining a category of gas stations? And how competitive are the gas stations (in the investment) based on their locations as compared to gas stations of other companies?
- (4) At present, who are the main trading partners of the Company?
- (5) What is the age range of customers of CORO gas stations? And could it be estimated that how many gas station retailers will renew and not renew contracts?
- (6) What is the direction for management and development of RORO gas stations?
- (7) What is the Company's plan to modernize current gas stations? Is there any clear goal of improving and expanding market share in this business? (The same question was asked by Mr. Sombat Surinrat, shareholder attending in person)

Mrs. Nutsara Somkiatweera, Chief Financial Officer, answer to question (1) and (2) in summary:

- It is expected that the Company's the investment in the fuel business will generate around 10-20% of profit from normal operations of the Company.
- Whether the Company requires to obtain loans to fund the investment or not depends on the results of operation in 2023; our loan debt to shareholders' equity is 0.24% which is quite low. As of September 2022, the Company's loans amounted to THB 260 million. If the working capital is well managed, such debt to equity ratio will be lower. And the loan amount, if required, will be insignificant based on our financial statements. The Company expect to be able to maintain low loan debt to shareholders' equity going forward.

Mr. Sakchai Thamsuruk, Manager of Supply and Planning, answer to question (3) – (7) in summary:

- Caltex gas station is a no. 6 rank in gas station market with market share of 4-5% in 2021 based on the amount of sale of fuel oil via gas station.
- Our main trading partners are the CTL (accounting for over 50% of our refining petroleum products) and PTT Oil and Retail Business Public Company Limited, which are normal trading deals, not a refining contract.
- There are 4 CORO gas stations in total located on the land lots owned by NewCo, the company that the Company will invest into, and the leased land. The leases are long term. The operating retailers have a contract with the Target. The Company will review their performance regularly and the Company will receive returns in term of profit from their operations.
- The cost for this investment in the fuel business is relatively low compared to our capital funds which is partly due to the Target mainly invests in RORO gas stations which lowers the cost of investment in the Target and accordingly the risk is low.

- The development plan for RORO gas stations on leased land was already in the Target's business plan and the improvements have been ongoing to suit with the current market situation. The Company also has the plan to work with the Target in improving the RORO gas stations on leased land with the clear development goal, as part of the conditions in which the Company will fund the development of such gas stations.
- The current business plan is under consideration together with the Target, in which the Company plans to further develop and select strategic locations for gas stations.

Question from Mr. Sakchai Sakulsrimontri, shareholder attending in person

- (1) Will the investment be partly funded by operating cash flows and profit in 2022 or 2023? Will the remaining funds be from loan facilities and from which banks?
- (2) Whether the Company has plan to issue debentures?
- (3) Do the gas stations open 24 hours, if not what are the service hours?
- (4) How the fuel will be transported from the Company to these gas stations?
- (5) Regarding asphalt business, does it include lubricants?
- (6) Based on the information that Thappline paid dividends in a net amount of THB 129 million per year, is it the average dividend to be regularly paid to the Company yearly?
- (7) What is CORO gas station and RORO gas station?

Mrs. Nutsara Somkiatweera, Chief Financial Officer, answer to question (1) – (2) and (6) in summary:

- The investment funds will be from operating profit in 2023. Regarding loan facilities, we are in a process of considering and comparing interest rates and lending rates of a number of local and foreign banks to obtain the most appropriate loan amounts and lending rates.
- At present, the Company do not have any plan to issue debentures.
- The dividend proceeds of THB 129 million is based on the acquisition of dividend in 2021 during which Thappline was affected by COVID-19 pandemic. During earlier periods, the dividends were higher, at around THB 180-190 million per year.

Mr. Sakchai Thamsuruk, Manager of Supply and Planning, answer to question (3)-(5) and (7) in summary:

- We understand that most gas stations operate 24 hours a day.
- At present, transportation of fuel from our refinery is made by buyers at our refinery (free on board (FOB) or free on truck (FOT) basis). The Target's business plan is in the same direction as well. Only certain gas stations use wholesale purchase where fuel is transported to the gas station by a seller. It is noted that gas station operators can own their oil truck.
- This investment in the fuel business by the Company does not include a business related to lubricants because the Company cannot see a clear synergistic benefit.
- CORO or company-owned and retailer-operated gas station is where the Target owns the gas station and hires a retailer to manage and operate the gas station; RORO or retailer-owned and retailer-operated gas station is a joint venture similar to those of franchise where a retailer owns and runs a gas station and the Target grants a license to the retailer to use 'Caltex' brand for their gas station operations.

Question from Mr. Thara Chonpranee, shareholder attending in person

- (1) Based on the number of gas station and market share, the Target has relatively low capacity on fuel distribution compared to its competitors. What is the Company's plan to improve and increase such fuel distribution capacity?

(This question is similar to question (4) asked by Mr. Somkid Wongphakorn which the answer has already been provided by Mr. Sakchai Thamsuruk. Therefore, the Company did not repeat the answer.)

- (2) Based on page 13 of the report of the independent financial advisor, investment in NewCo 1 is up to 49% of shares in NewCo1 and investment in NewCo2 is up to 49% of new shares of NewCo2, please explain the difference between this shareholding proportion in both companies, and what is the shareholding proportion to be held by the Company in NewCo2? And based on direct and indirect shareholding, the Company will hold more than 50% shares in NewCo1, so why do the Company have no managerial power over NewCo1 or is it a case of being a major shareholder of NewCo1?
- (3) What is the reason that the Company cannot hold 50% shares in new companies? And will the 49% shareholding cause any issue on information disclosure in the Company's annual report?

Mr. Sutthipong Koohasaneh, the Company' legal advisor, answer to question (2) – (3) in summary:

- NewCo1 and NewCo2 are both new companies to be formed, so there may be a term of 'shares' and 'newly issued shares. However, both of which mean shares of the new companies. The Company will hold 49% of total shares in NewCo1 and will hold 49% of total shares in NewCo2. The remaining 51% shares in NewCo1 will be held by NewCo2 while the remaining 51% shares in NewCo2 will be held by Thai shareholder to be selected by the Company.

As for the management of business, NewCo1 will purchase the land plots and lease them to fuel business operating company (NewCo2 is a holding company which engages in holding shares in NewCo1). So generally, both companies do not run any daily operations, therefore, there no need for the Company to have managerial power over the companies. However, the constitutional documents as well as other relevant agreements of both companies will contain the provisions which protect the right of the Company as the major shareholders in case of dispute with other Thai shareholder.

- As the Company is a foreign entity, if it holds more than 49% shares in NewCo1 and NewCo2, both new companies will be considered a foreign entity, thus being prohibited from owning a land under the law governing land ownership. Furthermore, under the securities law, with the holding of shares of not more than 49% of total shares, NewCo1 and NewCo1 will not become a subsidiary company. In this regard, whether the Company is required to include NewCo1 or NewCo2 in its consolidated financial statements or not will be discussed with the auditor after the establishment of NewCo1 and NewCo2.

Question from Mr. Supha Lertthanapong, shareholder attending in person

- (1) The gas stations owned by the Company hold ownership of land in which provinces?
- (2) What are the profit and loss of all gas stations, and those with profit, which provinces are they located?

Mr. Sutthipong Koohasaneh, the Company's legal advisor, answer to question (1) in summary:

- Based on the meeting notice, attachment 2, page 20 – 21 contains locations of gas stations in Khon Khaen, Phuket, Bangkok and Pathumthani province.

Mr. Sakchai Thamsuruk, Manager of Supply and Planning, answer to question (2) in summary:

- Most of the Target's gas stations are RORO model which has low investment cost and offers good returns. Regarding CORO gas stations, the Company and the Target aim to formulate an improvement plan for these gas stations as well as to further seeking new strategic locations and new channels of business operations.

Question from Mr. Thaweechai Samranwanich, shareholder attending in person

What is the reason for acquiring share in the Target whose major shareholder, Chevron, is already a major shareholder of the Company, and is the share purchase price is appropriate and how?

Chairman's answer to the question in summary:

Chevron believes that it is appropriate to sell its fuel business to the Company both in term of business growth prospect and leverage on synergy of the fuel business with the Company's business, which in turn will lead to favorable returns and profits while Chevron remains our major shareholder.

There were no further questions or opinions from the shareholders. Therefore, the Chairman asked the Meeting to consider and approve the investment in the fuel business.

The Company Secretary informed the Meeting that since the acquisition of all shares in the Target is classified as a purchase of or an acceptance of a transfer of a private company's business by the Company so the Company has a duty to propose at the shareholders' meeting to consider and approve this Transaction under Section 107 (2) (b) of the Public Limited Company Act B.E. 2535 (including any amendments thereto), and Article 46 of the Articles of Association of the Company with affirmative votes of at least three-fourths of the total votes of shareholders who attend the meeting and are eligible to vote.

In addition, the acquisition of all shares in the Target to acquire the fuel business and the acquisition of 9.91% of shares in Thappline are also classified as the connected transaction, pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendments thereto) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (including any amendments thereto) since the counterparty to these transactions is a company in Chevron Group, which is an indirect major shareholder of the Company.

Therefore, the Company is required to disclose the information memorandum on the entering into the connected transaction to the Stock Exchange of Thailand (SET) and appoint an independent financial advisor to render an opinion to the shareholders. In this regard, the Company has;

- (1) disclosed Information Memorandum on the entering into the connected transaction to the SET and the copy of such Information Memorandum was attached to the invitation notice of this Meeting; and
- (2) appointed an independent financial advisor, Capital Advantage Company Limited, to render an opinion of the independent financial advisor concerning the connected transaction and the copy of such opinion was attached to the invitation notice of this Meeting.

The agenda item shall be passed by votes of no less than three-quarters of the total votes cast by the shareholders attending the meeting and eligible to vote, without counting the votes cast by interested shareholders, being 2,625,888,656 shares held by Chevron South Asia Holdings Private Limited, equivalent to 60.56% of total issued and paid-up shares of the Company. Therefore, voting in the agenda item shall not include the votes of shareholders not being entitled to vote, but will include the 'abstain' votes, in the total vote counts, which will be expressed in percentage of total votes. Any shareholders not handing over their ballots will be counted as 'abstain' votes.

Resolution The Meeting considered and resolved to approve the investment in the fuel business with no less than three-quarters of the total votes cast by the shareholders attending the meeting and eligible to vote, without counting the votes cast by interested shareholders, as per the details below.

	Approve	Disapprove	Abstain	Voided Ballot	Total
Number of Votes	922,543,123	381,941	3,325,008	29,901	926,279,973
Percentage	99.5965	0.0412	0.3589	0.0032	100.0000

Remark: Chevron South Asia Holdings Private Limited which holds 2,625,888,656 shares in the Company, representing 60.65% of total issued and paid-up shares of the Company, did not vote in this agenda item.

Agenda Item 3: Other Businesses (if any)

The Chairman informed the Meeting that the Meeting had duly considered matters in respect of all agenda items as proposed in the Meeting notice. The shareholders were offered the opportunity to ask questions and express further opinions.

Shareholders asked questions or made opinions being summarized as follows:

Question from Mr. Somchai Chaensathiraphan, shareholder attending in person

Due to the event of the Company's crude oil spills, what is the progress of how of these events are solved so far, and what are the amount of damages; have compensations been paid for all these events?

Mrs. Nutsara Somkiatweera, Chief Financial Officer, answer to the question in summary:

Expenses related to crude oil spills for the first 9 months are included in the financial statements; such expenses include a net allowance of USD 46 – 47 million which are in line with the accounting standard under appropriate assumptions.

Question from Mr. Sakchai Sakulsrimontri, shareholder attending in person

- (1) The acquisition of the fuel business is amounted to USD 90 million with reference to the exchange rate which according to the independent financial advisor is USD 35 per THB 1 (the weighted-average interbank exchange rate as announced by Bank of Thailand on 15 November 2022); so if the exchange rate is USD 32 per THB 1, the Company will have the exchange rate gain, but if on the record date the exchange rate is USD 37 per THB 1, then there will be the exchange rate loss; so could you explain how the gain and loss are recorded?

- (2) Since this transaction will take around 1 year and 6 months and the management informed that the swap transaction will be entered, so how much is the cost for the period of 1 year and 6 months?
- (3) I would like to have the Audit Committee provide its opinion on the reasonableness of this fuel business investment transaction.
- (4) How will the fuel business investment transaction be recorded in the financial statements of the Company for the year 2023 or 2024?

Mrs. Nutsara Somkiatweera, Chief Financial Officer, answer to question (1) and (2) in summary:

Our main operating currency is USD which is the currency in our oil purchase. the amount of USD 90 million in this investment is already based on our main operating currency, so any change in exchange rate will hardly affect this fuel business investment transaction.

Mrs. Kamonwan Wipulakorn, Chairperson of the Audit Committee and independent director, answer to question (3) in summary:

- In regard to the fuel business investment transaction, the Audit Committee had been holding meetings continuously to review the transaction in details, as well as its reasonableness and validity of the transaction entry; the Audit Committee made enquiries with the management, financial advisor, independent financial advisor and legal advisor as well as our auditor; the Audit Committee reviewed the transaction in 3 aspects namely:

Aspect 1: reason and necessity to enter into the fuel business investment transaction

Aspect 2: the appropriate price for the transaction and the prospect of good returns in the future

Aspect 3: the operations by the Company after the completion of the fuel business investment transaction to ensure appropriate returns; the Audit Committee significantly prioritizes the consideration on these issues and discussed how the Company should operate to ensure that the investment is a success and offers good returns as expected by the Company.

In these regards, the Audit Committee would like to confirm that shareholders should be assured that the Audit Committee and all independent directors had sufficient time to carefully review the transaction and had held several meetings to discuss the matter for almost the past 2 years. These ensure that the transaction was considered in all aspects with regular consultation and discussion with various advisors. In addition, the management had been questioned on all details and finally the Audit Committee reached a conclusion in agreement with the management and the group of financial advisors that the fuel business investment transaction is appropriate in terms of the reason and necessity to create business opportunities for the Company, to generate better and sustainable returns in the future, the investment at which the price is appropriate as being reviewed by the independent financial advisor; and the management had made all necessary preparations to enter into the investment and to operate the fuel business as a new business since the Company has never engaged in this retail business; and the management is well-prepared to operate the business going forward.

Mr. Pliu Mangkornkanok, member of the Audit Committee and independent director, add his comment in summary:

The independent directors and the Audit Committee held several meetings over the transaction without the presence of Chevron Group members due to a conflict of interest. The Audit Committee had openly discussed and consulted with the advisors on various issues. It is noted that many of the questions asked by shareholders in this meeting today are the same questions put to the management and the advisors by the independent directors and the Audit Committee. So the shareholders should be assured in the performance of duty of the independent directors and the Audit Committee in considering this fuel business investment transaction.

Mrs. Nutsara Somkiatweera, Chief Financial Officer, answer to question (4) in summary:

The fuel business investment transaction has yet to be recorded in the financial statements of the Company for 2023 because Day 1 of the fuel business will commence in the first quarter of 2024 and the income or gain from the investment will be realized in 2024.

Question from Miss Bussakon Ngampasuthadol, shareholder attending in person

- (1) The Company's investment in the fuel business of the Target which is ranked number 6 in the market; so will the investment affect the revenue of the Company and will the investment create instability on revenue structure of the Company or not?
- (2) Going forward, what is the view of the Company regarding the growth of the fuel business, how will it grow, what are the development plan and expectation on future growth proportionated to overall business, and can the fuel business react to any global changing trends, e.g., increasing switch to EVs?
- (3) The Company previously organized the site visits but stopped during the COVID-19 outbreak, so do you have a plan to re-organize such site visit this year?

The Company Secretary answer to question (3) in summary:

- It is noted that this question is similar to the one asked by Khun Passorn Wanichcharoenwong, regarding the format of a shareholders' meeting and the holding of site visit, as well as snacks provided during the meeting; we are very grateful for your suggestions and will consider them to improve our next shareholders' meeting.

Regarding the Annual General Meeting of Shareholders this year, we are considering the format of the meeting; similarly to the site visit which we are considering whether to hold one or not. We will inform our shareholders once we reach a conclusion at the next Annual General Meeting of Shareholders in April.

In regard to timing of the EGM meeting, the Company was not able to answer question (1) and (2) raised b Miss Bussakon Ngampasuthadol in the meeting, Therefore, the Company has provided the answer to the questions which could be summarized as follows:

- The Target is already an operated company and has already made profits from its operation accordingly. Therefore, the Company will gain additional revenue from an investment in fuel business, apart from the acquisition of income only in refining business, which could help reducing the volatility from the Company's revenue recognition.

- The Target operates One-Stop fuel business with various products and clients with an account for retail business for approximately 28% of the Target's business. In addition, the Company will reconsider on the investment objectives in order to determine appropriate investment method accordingly, along with finding benefits from the cooperation in C&I and Bulk Sale for massive organization through an administration of demand and supply chain and the rise of the most effective distribution channels from Crude to Customers. Furthermore, in terms of change regarding to EV, the Company views that the demands for energy, especially from petroleum, will still remain unchanged until at least for the next 10-15 years. Therefore, this investment will expand the Company's opportunities to understand client's demands for new energy and be able to completely fulfill their demands.

Question from Ms. Pornthip Chotichatchawankul, shareholder attending in person

Please update on the fund transfer fraud re: business email compromise in 2019, how much amount has been recovered and what the possibility of recovering the fund in full?

The Company Secretary answer to the question in summary:

Regarding the event in 2019 where the Company transferred around USD 22 million to fraudulent account, as of now, we have done the fund recovery to the extent possible which should be amounted to approximately USD 6.5 million in total.

As no further questions were raised, the Chairman thanked shareholders who attended the Extraordinary General Meeting of Shareholders No. 1/2023 and declared the Meeting adjourned at 12:00 a.m.

Sign _____
-signature-

(Mr. Brant Thomas Fish)

Chairman of the Meeting

Sign _____
- signature -

(Ms. Nattawan Khumwiwat)

Company Secretary