



บริษัท บงชก คอร์ปอเรชั่น จำกัด (มหาชน)
สำนักงานใหญ่ : 2098 อาคารเอ็ม ทาวเวอร์ ชั้นที่ 8
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-TRANSLATION-

No. 10000/016/2018

February 28, 2018

Subject : Notification of the resolution of the Board of Directors' meeting regarding the dividend payment, the proposed initial public offering of BBGI Company Limited ("BBGI") (IPO), the proposed listing of BBGI on the Stock Exchange of Thailand, the employee stock option programme for the benefit of directors, management and employees of BBGI and its subsidiaries, and the date for the Company's Annual General Meeting of Shareholders for Year 2018

Attention : President of the Stock Exchange of Thailand

Attachment : Preliminary information of the employee stock option programme for the benefit of directors, management and employees of BBGI Company Limited ("BBGI") and its subsidiaries (the "BBGI ESOP Scheme")

The Board of Directors' Meeting No. 3/2018 of Bangchak Corporation Public Company Limited (the "Company") held on Wednesday, February 28, 2018, has resolved to approve the following material matters:

1. Approved to propose to the Company's Annual General Meeting of Shareholders for Year 2018 for approval in respect of the allocation of profit from unappropriated retained earnings for dividend payment for the second-half-year operations of 2017 at the rate of Baht 1.10 per share. Including the interim dividend for the first-half-year operations of 2017 at the rate of Baht 1.05 per share, the total 2017 dividend will be Baht 2.15 per share, totaling approximately Baht 2,960.38 Million. The proposed dividend paid from profit with 23% and 20% Corporate Income Tax, can be credited in accordance with Section 47 bis of the Revenue Code of Thailand as follows:
 - The dividend of Baht 0.85 per share, paid from profit with 23% Corporate Income Tax, can be credited at 23/77;
 - The dividend of Baht 0.25 per share, paid from profit with 20% Corporate Income Tax, can be credited at 20/80.

The Board of Directors had determined the date to list shareholders who are entitled to receive dividend on March 14, 2018. The dividend payment date is on May 7, 2018. However, the entitlement to receive the dividend is uncertain because it has yet to be approved by the shareholders.

2. Approved the proposed initial public offering of new ordinary shares (the IPO) and the listing on the Stock Exchange of Thailand (“SET”) of BBGI Company Limited (“BBGI”)

BBP Holding Company Limited amalgamated with KSLGI Company Limited on 31 October 2017, resulting in a new company, namely BBGI. The amalgamation was pursued in accordance with the strategic partnership framework in relation to bio-based production business between the Company and Khon Khaen Sugar Industry Public Company Limited (“KSL”). Therefore, to effectively seek additional sources of fund as a channel of fund raising to adequately support the expansion, enhancement and strengthening of bio-based production business as contemplated in its strategic goal, BBGI plans to carry out an initial public offering of its new ordinary shares and the SET listing.

The number of new ordinary shares to be issued under the IPO is limited to not exceeding 30 percent of BBGI’s total issued shares post-IPO. These IPO shares will be divided into two tranches for offering and allocation as follows:

- Up to 20 percent of the total IPO shares will be offered to a specific group of shareholders of the Company and KSL who are entitled to the allocation of these new ordinary shares (the “Pre-emptive Offering”) in proportion to their respective shareholdings in the Company and KSL (as the case may be). The allocation ratio will be later determined and notified. The IPO shares remaining unsubscribed from the Pre-emptive Offering will be further offered to the public.
- Not less than 80 percent of the total IPO shares will be offered to the public, which includes new ordinary shares to be offered to directors, management and employees of BBGI and its subsidiaries under the BBGI ESOP Scheme.

The Company’s Board of Directors and/or any person designated by the Company’s Board of Directors will, together with BBGI, determine the share allocation ratio, and the record date to identify those shareholders eligible for the Pre-emptive Offering. The record date will be determined after the Office of Securities and Exchange Commission (the “Office of SEC”) approves BBGI’s application for the IPO and will be notified the shareholders at least 14 days in advance in accordance with the SET’s rules.

The dilution of the Company’s shareholding in BBGI due to the IPO is considered a disposal of the Company’s assets. The highest value of this transaction calculated based on the value of net tangible asset is equal to 1.36 percent. In light of the transaction size, the disclosure of this disposal transaction to the SET, the circulation of the information memorandum on this transaction to the shareholders under the notifications regarding an acquisition or disposal of assets or a requirement to obtain shareholders’ approval therefore is not applicable.

After the issuance and offering of BBGI’s new ordinary shares in the IPO, the Company’s shareholding in BBGI will be reduced to not less than 42 percent of the total issued shares in

BBGI post-IPO. The dilution of the Company's shareholding in BBGI due to the IPO may be considered a divestment with the result that BBGI will cease to be a subsidiary of the Company according to the SET Regulation Re: Rules, conditions and procedures governing the disclosure of information and other acts of a listed company, B.E.2560 (2017). Accordingly, the Company will be required to promptly disclose the information to the SET upon the occurrence of this event.

3. Approved the issuance and offering of new ordinary shares by BBGI to directors, management and employees of BBGI and its subsidiaries (the "BBGI ESOP Scheme") and further proposed the matter to the shareholders' meeting for consideration and approval

To motivate the personnel's dedication to their work, to enhance the employees' spirit of ownership in their organisation and to ensure the efficient and sustainable growth of business, BBGI intends to issue and offer new ordinary shares to directors, management and employees of BBGI and its subsidiaries under the BBGI ESOP Scheme, details of which are provided in the attached information memorandum.

Under the Notification of the Capital Market Supervisory Board no.Thor Chor. 32/2551 Re: Offering of newly issued securities to directors or employees (as amended), the Company's meeting of shareholders must be held to approve the BBGI ESOP Scheme as required by the said notification. The BBGI ESOP Scheme needs the Company's resolution passed by three-quarters or more of the total votes cast by the shareholders present and eligible to vote; however, there must be no objection by any shareholders holding in aggregate of more than 10 percent of the total votes of shareholders present and eligible to vote.

4. Schedule the date for the 2018 Annual General Meeting of Shareholders on Wednesday, April 25, 2018 at 13.30 hrs., at the Bai Mai 1-4 room of the Company's head office, 2098 M Tower Building, 8th Floor, Sukhumvit Rd., Phra Khanong Tai, Phra Khanong, Bangkok 10260. The date to determine the list of shareholders who have the right to attend the AGM is March 14, 2018.

The agenda for the 2018 AGM and the board's opinions are set out as follows:

Agenda 1 To consider and acknowledge the report of the Board of Directors concerning the Company's business during the previous year.

Agenda 2 To consider and approve audited financial statements for the year ended December 31, 2017.

The Board of Directors deems it appropriate to propose that the shareholders meeting approve Audited Financial Statements for the Year Ended December 31, 2017 which have been audited by the auditor and reviewed by the audit committee.

Agenda 3 To consider and approve the allocation of profit for dividend payments.

Agenda 4 To consider and appoint new directors to replace the directors who have retired from office upon the expiration of their term of office.

In this year, the five retired directors are:

- 1) Mr. Pichai Chunhavajira (Independent Director)
- 2) Mr. Krisada Chinavicharana (Independent Director)
- 3) Mr. Teerapong Wongsiwawilas (Independent Director)
- 4) Mr. Visit Vongruamlarp (Ministry of Finance representative)
- 5) Mr. Chaiwat Kovavisarach (Executive Director)

The Board of Directors, excluding the directors who have conflict of interests, is of the opinion that the Shareholders should re-appoint four directors to perform their duties for another term as follows:

- 1) Mr. Pichai Chunhavajira (Independent Director)
- 2) Mr. Krisada Chinavicharana (Independent Director)
- 3) Mr. Teerapong Wongsiwawilas (Independent Director)
- 4) Mr. Chaiwat Kovavisarach (Executive Director)

Additionally, the Board of Directors also recommends the Shareholders to appoint the following director to act as a new director in place of those retired by rotation:

- 1) Dr. Anuchit Anuchitanukul (Ministry of Finance representative)

The nomination and remuneration committee has duly reviewed this proposal.

Agenda 5 To consider and determine the directors' remuneration.

The Board of Directors deems it appropriate to propose that the shareholders meeting approve the 2018 directors' remuneration as following:

- 1) Monthly Remuneration and Meeting Allowance (same as 2017)

The Board of Directors	Monthly Remuneration (Baht/person)	Meeting Allowance (Baht/person/time) (Only for attending directors)
The Board of Directors	30,000	30,000
The Sub-Committees		
1. The Audit Committee	10,000	15,000
2. The Nomination and Remuneration Committee	-	15,000
3. Enterprise-wide Risk Management Committee	-	15,000
4. Corporate Governance Committee	-	15,000
5. Other committees that may be appointed in the future by the Board as seen fit and necessary	-	15,000

The Chairman of the Board of Directors and the Chairman of the Sub-Committees shall receive monthly remuneration and meeting allowances higher than those of members by 25 percent, whilst the Vice Chairman of the Board of Directors shall

receive monthly remuneration and meeting allowances higher than those of members by 12.5 percent respectively.

2) Bonus (same as 2017)

0.75 percent of the net profit, but not over 3,000,000 Baht/year per director. The calculated amounts are to reflect individual periods of service. Moreover, the Chairman and Vice Chairman shall receive the bonus higher than those of members by 25 percent and 12.5 percent respectively.

3) Other Remunerations (same as 2017)

Group health insurance: in-patient (IPD) and out-patient (OPD) with annual premium not over 50,000 Baht (excluding vat) per director.

The nomination and remuneration committee has duly reviewed this proposal.

Agenda 6 To consider and approve the appointment and determination of the fee for the Auditor.

The Board of Directors deems it appropriate to propose that the shareholders meeting appoint Mr. Charoen Phosamritlert, Certified Public Accountant Registration No.4068 or Mr. Waiyawat Kosamarnchaiyakij, Certified Public Accountant Registration No.6333 or Ms. DussaneeYimsuwan, Certified Public Accountant Registration No.10235 of KPMG Phoomchai Audit Ltd. as the Company's Auditor for year 2018. The 2018 audit fee is Baht 1,917,000 excluding other expenses which cover miscellaneous expenses during work period such as traveling, telephone, documentation and facsimile expenses, etc., but not exceeding 10% of the audit fee. The audit committee has duly reviewed this proposal.

Agenda 7 To consider and approve the issuance and offering of new ordinary shares by BBGI Company Limited ("BBGI") to directors, management and employees of BBGI and its subsidiaries.

Agenda 8 Other Business (if any)

Please be informed accordingly.

Yours sincerely,

-signed-

(Mr. Chaiwat Kovavisarach)

President and Chief Executive Officer

The Secretary to the Board of Directors Division

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**Preliminary Information of the Employee Stock Option Programme
for the Benefit of Directors, Management and Employees of BBGI Company Limited (“BBGI”)
and its Subsidiaries (“BBGI ESOP Scheme”)**

1. Objectives and necessity

BBGI has a plan to carry out an initial public offering of its new ordinary shares (the “IPO”) and to pursue a listing on the Stock Exchange of Thailand (the “SET”) (the “BBGI IPO”). In order to motivate its personnel’s dedication to their work, to enhance their spirit of ownership in the organisation and to ensure the efficient and sustainable growth of business, BBGI intends to issue and offer new ordinary shares to the directors, management and employees of BBGI and its subsidiaries.

The BBGI ESOP Scheme requires an approval of Bangchak Corporation Public Company Limited (the “Company”)’s shareholders meeting according to the rules and criteria of the Notification of the Capital Market Supervisory Board no. Thor Chor. 32/2551 Re: Offering of newly issued securities to directors or employees (as amended). The BBGI ESOP Scheme is also conditional upon the completion of the BBGI IPO and its SET listing.

2. Information relating to the new ordinary shares to be offered under the BBGI ESOP Scheme

Type of securities : New ordinary shares of BBGI to be offered to directors, management and employees of BBGI and its subsidiaries

Number of issued and offered securities : Not exceeding 1,500,000 shares with a par value of THB10 per share, which is not exceeding 0.42 percent of the total issued shares of BBGI post-IPO.

However, the number of new ordinary shares to be issued and offered under the BBGI ESOP Scheme may vary, depending on the par value of shares which may be changed under the BBGI IPO. In any event, the number of new ordinary shares to be issued and offered under the BBGI ESOP Scheme shall not exceed 0.42 percent of the total issued shares of BBGI post-IPO. New ordinary shares of BBGI remaining unsubscribed from the BBGI ESOP Scheme (if any) will further be offered to the public.

Offering price per share : Same as the IPO offering price under the BBGI IPO.

Nevertheless, the final number and value of new ordinary shares to be offered under the BBGI ESOP Scheme will later be disclosed in the registration statement and/or draft prospectus of BBGI and/or notification through the SET system.

3. List of BBGI directors who are eligible to the allocation of new ordinary shares under the BBGI ESOP Scheme

Name	Position	Number of new ordinary shares of BBGI to be allocated to each individual (shares)⁽²⁾	Percentage of allocated new ordinary shares of BBGI against total shares under the BBGI ESOP Scheme
Mr. Pichai Chunchavajira	Chairman	Up to 40,000	Up to 2.67 percent
Mr. Chamroon Chinthammit	Director	Up to 35,500	Up to 2.37 percent
Mr. Surin Chiravisit	Director	Up to 35,500	Up to 2.37 percent
Mr. Chaiwat Kovavisarach	Director	Up to 35,500	Up to 2.37 percent
Mr. Chanachai Chutimaworapan	Director	Up to 35,500	Up to 2.37 percent
Assoc. Prof. Jaruporn Viyanant	Director	Up to 35,500	Up to 2.37 percent
Mr. Lavaron Sangsnit	Director	Up to 35,500	Up to 2.37 percent
Mr. Mathew Kichodhan	Director	Up to 35,500	Up to 2.37 percent
Mr. Pongchai Chaichirawiwat ⁽¹⁾	Director	Up to 55,500	Up to 3.70 percent
Mr. Chalush Chinthammit ⁽¹⁾	Director	Up to 52,500	Up to 3.50 percent

Notes: (1) In relation to Mr. Pongchai Chaichirawiwat and Mr. Chalush Chinthammit, not exceeding 35,500 shares will be allocated to each of them as BBGI directors, and not exceeding 20,000 shares and 17,000 shares will be allocated to each of them, respectively, in their capacities as management.

(2) The number of new ordinary shares of BBGI to be allocated to directors of BBGI and its subsidiaries are based on a par value of THB10 per share. However, the allocated number of new ordinary shares indicated in the table may vary, depending on the par value of shares which may be changed under the BBGI IPO.

4. List of directors, management and employees of BBGI and its subsidiaries to whom more than 5 percent of the total shares under the BBGI ESOP Scheme will be allocated

-None-

5. Control dilution and price dilution

Effects on control dilution to shareholders of BBGI and the Company

Under the BBGI ESOP Scheme, the number of new ordinary shares to be offered will not exceed 1,500,000 shares with a par value of THB10 per share, which will not exceed 0.42 percent of the total issued shares in BBGI post-IPO. Therefore, BBGI's shareholders may be affected by a control dilution of not exceeding 0.42 percent.

In addition, given the Company is now holding 60 percent in BBGI, it is expected that the BBGI ESOP Scheme will lead to a maximum control dilution of 0.252 percent to the Company (calculated from the Company's 60 percent shareholding in BBGI, multiplied by the 0.42 percent control dilution to BBGI).

Effects on price dilution to BBGI's and the Company's shares

As BBGI's shares have not yet been listed on the SET, their market price is not currently available and, therefore, the price dilution that may affect the market price of shares of BBGI and the Company cannot be determined. Typically, there will be an impact to a drop in the share price once an offering of the BBGI new ordinary shares has been made. However, given that the BBGI ESOP Scheme has the same offering period and price as the BBGI IPO, therefore there will be no price dilution to BBGI's and the Company's shares due to the offering of BBGI new ordinary shares under the BBGI ESOP Scheme.

6. Rules, conditions and procedure for the offering

BBGI will proceed to offer its new ordinary shares to the directors, management and employees of BBGI and its subsidiaries after the Office of the Securities and Exchange Commission approves the BBGI IPO.

BBGI's board of directors or person designated by BBGI's board of directors will be authorised to determine the subscription date, the offering price (according to criteria stated under the "Offering Price per Share" in the table above), a list of management and employees of BBGI and its subsidiaries who will be entitled to the share allocation and the number of new ordinary shares to be allocated to each of them, including all other terms and conditions to the

extent as permitted by the Notification of the Capital Market Supervisory Board no. Thor Chor. 32/2551 Re: Offering of newly issued securities to directors or employees (as amended).

In addition to clauses 3. and 4. above, no director, management or employee of BBGI or its subsidiaries will obtain an allocation of more than 5 percent of the total new ordinary shares offered under the BBGI ESOP Scheme.

7. Eligibility criteria for the allocation of BBGI's new ordinary shares to the directors, management and employees of BBGI and its subsidiaries

- (1) An allottee must remain to be director, management and/or employee of BBGI on the effective date of the registration statement and prospectus in relation to the BBGI IPO.
- (2) An allottee must be a management and/or employee of a subsidiary of BBGI whose employment with that subsidiary started before **1 January 2018**.
- (3) The allocated number of new ordinary shares may vary among those individuals, which depends on their position, work experience, years of service, work performance and potential, including their contribution to BBGI and/or its subsidiaries.

8. Shareholders' right to object the offering

The BBGI ESOP Scheme requires an approval of the Company's shareholders with three-quarters or more of the total votes cast by the shareholders present and eligible to vote, and there must be no objection by any shareholders holding in aggregate of more than 10 percent of the total votes of shareholders present and eligible to vote. Moreover, the implementation of the BBGI ESOP Scheme is conditional upon the completion of the BBGI IPO and its SET listing.

9. List of independent directors to be appointed as proxy to act and vote on behalf of shareholders in the meeting

Name		Position
1. Mr. Pichai	Chunhavajira	Chairman
2. Mr. Surin	Chiravisit	Vice Chairman
3. Mr. Suthep	Wongvorazathe	Director
4. Gen. Vitch	Devahasdin	Director
5. Adm. Sucheep	Whoungmaitree	Director
6. Pol.Lt.Gen. Chaiwat	Chotima	Director
7. Lt.Gen. Thammanoon	Withee	Director

Name		Position
8. Mr. Krisada	Chinavicharana	Director
9. Mrs. Prisana	Praharnkhasuk	Director
10. Mr. Teerapong	Wongsiwawilas	Director