



STAR PETROLEUM REFINING PUBLIC COMPANY LIMITED

บริษัท สตาร์ ปิโตรเลียม รีไฟน์นิ่ง จำกัด (มหาชน)

เลขทะเบียนนิติบุคคล 0107555000155

(Translation)

No. SPRC-CF-OUT22-323

6 December 2022

Subject: Notification of the Resolutions of the Board of Directors' Meeting No. 4A/2022 regarding the Investment in the Fuel Business and the Calling for the Extraordinary General Meeting of Shareholders No.1/2023

To: The President  
The Stock Exchange of Thailand

Enclosure: Information Memorandum on the Connected Transaction of Star Petroleum Refining Public Company Limited regarding the Investment in the Fuel Business

The Board of Directors' meeting of Star Petroleum Refining Public Company Limited (the "Company") No. 4A/2022 was held on 6 December 2022. The resolutions are as follows:

- (1) Approved the investment in the fuel business, subject to obtaining approval of a meeting of shareholders of the Company, which comprises:
  - (a) the acquisition of 100% of the total shares in Chevron Lubricants (Thailand) Company Limited (the name of which is intended to be changed prior to the closing date of the acquisition) ("Target") ("Target Shares") by the Company from Chevron Asia Pacific Holdings Limited ("CAPHL"), CT Nominee Holdings (I) LLC ("CTN1"), and CT Nominee Holdings (II) LLC ("CTN2"). Target is a company incorporated in Thailand which will acquire the fuel business currently operated by Chevron (Thailand) Limited ("CTL") and related assets from CTL;
  - (b) the acquisition of 2,877,500 ordinary shares and 5,528,430 preference shares, representing 9.91% of total shares in Thai Petroleum Pipeline Company Limited ("Thappline") ("Thappline Shares") by the Company from CAPHL. Thappline is engaged in fuel transportation business through pipelines; and
  - (c) the investment through equity and debt financing in two new private limited companies ("New Companies") which will be incorporated under Thai law and one of the New Companies will acquire 19 plots of land used in the operation of the fuel business of the Target from Star Holdings Company Limited ("SHC").

The acquisition of the Target Shares and the Thappline Shares will be referred to as the "Acquisition of Shares" and, together with the investment in New Companies will be collectively referred as the "Fuel Business Investment Transaction".

The total value of the Fuel Business Investment Transaction is the sum of (i) USD 90.0 million (equivalent to THB 3,212.4 million<sup>1</sup>) comprising: (a) base consideration for Target Shares in an amount of USD 16.8 million (equivalent to THB 599.6 million); (b) consideration for Thappline Shares in an amount of USD 45.0 million (equivalent to THB 1,606.2 million) and (c) investment in shares of the New Companies and loan(s) to be provided to one of the New Companies, in an amount of not exceeding USD 28.2 million (equivalent to THB 1,006.6 million);

<sup>1</sup> The consideration payable by the Company in connection with the Fuel Business Investment Transaction will be made in USD. The THB amount is included for information purposes only. In this document, THB amount converted from USD amount is converted based on the exchange rate of USD 1 to THB 35.693, based on the weighted-average interbank exchange rate published by the Bank of Thailand as at 15 November 2022.

and (ii) the actual value of net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares.

For illustration purposes, the net working capital of the fuel business as at 31 December 2021 was THB 2,350.1 million (equivalent to USD 65.8 million). On this basis, if the value of net working capital of the fuel business as at the closing date of Acquisition of Shares remains at the same level<sup>2</sup>, the total value of the Fuel Business Investment Transaction would be USD 155.8 million (equivalent to THB 5,562.5 million).

The Acquisition of Shares is classified as a connected transaction under 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) (collectively the “**Notifications on Connected Transaction**”) as it is an acquisition by the Company of assets from:

- (a) CAPHL which is an indirect major shareholder of the Company through the holding of 100% of shares in Chevron South Asia Holdings Private Limited (“**CSAHPL**”), which in turn is the direct major shareholder of the Company holding 60.56% of the total shares with voting rights of the Company; and
- (b) CTN1 and CTN2 which are subsidiaries of Chevron Corporation (“**Chevron**”), where more than 50% of the total shares in each of CTN1 and CTN2 are held by Chevron, which is an indirect major shareholder of the Company, through the indirect holding of 100% of shares in CAPHL (whose shareholding in the Company is as described above).

The value of the Acquisition of Shares (including the value of the net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares (on the assumption that this would remain the same as the net working capital as at 31 December 2021<sup>3</sup>)) is approximately 15.6% of the value of the net tangible assets of the Company, calculated based on the reviewed financial statements of the Company for the 9-month period ended 30 September 2022. Therefore, the Company is required to obtain a shareholders’ approval and comply with the relevant obligations under the Notifications on Connected Transaction prior to closing of the Acquisition of Shares as follows:

- (a) To prepare and disclose the information of the Acquisition of Shares to the Stock Exchange of Thailand (the “**SET**”) in accordance with the Notifications on Connected Transaction immediately;
- (b) To appoint an independent financial advisor to give an opinion on the Acquisition of Shares under the Notifications on Connected Transaction and submit the opinion of the independent financial advisor to the shareholders of the Company;
- (c) To deliver the notice of the shareholders’ meeting to the shareholders not less than 14 days in advance, whereby such notice shall contain minimum information as prescribed in the Notifications on Connected Transaction; and
- (d) To call a shareholders’ meeting in order to consider and approve the Acquisition of Shares, whereby the resolution with respect to the Acquisition of Shares 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.

For information of the shareholders, the total value of the Fuel Business Investment Transaction, comprising the value of the Acquisition of Shares (including the value of the net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares (on the assumption that this would remain the same as the

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<sup>2</sup> The value of the net working capital of the fuel business as at the closing date of the Acquisition of Shares may be different from such value.

<sup>3</sup> Please see Footnote 2.

net working capital as at 31 December 2021<sup>4</sup>) and the investment in shares of the New Companies and loan(s) to be provided to one of the New Companies is approximately 18.1% of the value of the net tangible assets of the Company, calculated based on the reviewed financial statements of the Company for the 9-month period ended 30 September 2022.

Given that the Company will acquire more than 50% of shares in the Target, the Company is required to obtain an approval of a meeting of shareholders of the Company under Section 107 of the Public Limited Companies Act B.E. 2535 (as amended) (the “**PLCA**”). Accordingly, the Board of Directors approved to propose to the shareholders to consider and approve the entry into the Fuel Business Investment Transaction by the Company under Section 107 of the PLCA.

Furthermore, the Fuel Business Investment Transaction is classified as an asset acquisition by the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (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 Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendments thereto) (collectively, the “**Notifications on Acquisition or Disposal**”), having the highest transaction value of approximately 14.2% pursuant to the calculation based on value of net tangible assets derived from the reviewed financial statements of the Company for the 9-month period ended 30 September 2022. However, given that the highest transaction size is below 15% and there will be no issuance of securities in consideration for any acquisition of assets by the Company, the Company is not required to comply with any requirement under the Notifications on Acquisition or Disposal.

In addition, the Board of Directors approved the Company to enter into relevant agreements and documents which are necessary and related to the Fuel Business Investment Transaction (where the completion of the Acquisition of Shares and the investment of New Companies are subject to approval of the meeting of shareholders of the Company). In this regard, the Board of Directors approved to authorise either the Deputy Chief Executive Officer – Operations or the Chief Financial Officer of the Company to have authority to: (i) negotiate, agree, amend, execute any terms and conditions and other details relating to the Fuel Business Investment Transaction and other transactions related thereto, (ii) negotiate, agree, amend, initial, certify, execute, and deliver agreements, notices, consents, waivers or other documents in connection with the Fuel Business Investment Transaction and other transactions related thereto (including financing and/or loan or security documents), and/or, (iii) execute all acts and documents necessary or desirable for completion of the Fuel Business Investment Transaction and other transactions related thereto.

The key details including conditions precedent of the relevant agreements and further details of the Fuel Business Investment Transaction are set out in the Enclosure.

- (2) Approved the appointment of Capital Advantage Company Limited as the independent financial advisor in order to provide an opinion to the shareholders on the Acquisition of Shares under the Notifications on Connected Transaction.
- (3) Approved the calling of the Extraordinary General Meeting of Shareholders No. 1/2023 to be held on 31 January 2023 at 9:30 hrs. at Landmark Ballroom, 7<sup>th</sup> Floor, The Landmark Bangkok Hotel, 138 Sukhumvit Road, Khlong Toei, Bangkok, 10110. The agenda are as follows:

- Agenda 1: To certify the minutes of the annual general meeting of the shareholders for the year 2022 held on 8 April 2022
- Agenda 2: To consider and approve the investment in fuel business
- Agenda 3: To consider other business (if any).

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<sup>4</sup> Please see Footnote 2.

- (4) Approved to determine 20 December 2022, as the record date to determine the shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2023.

Please be informed accordingly.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'R. Dobrik', written over a faint circular stamp or watermark.

(Mr. Robert Joseph Dobrik)  
Chief Executive Officer

Investor Relations  
Tel: 038 699 877 and 038 699 699

**Information Memorandum on Connected Transaction of  
Star Petroleum Refining Public Company Limited  
with respect to the Investment in Fuel Business**

The Board of Directors' meeting of Star Petroleum Refining Public Company Limited (the "**Company**") No. 4A/2022, held on 6 December 2022, has resolved to approve the investment in the fuel business, subject to obtaining approval of a meeting of shareholders of the Company, which comprises:

- (1) the acquisition of 100% of the total shares in Chevron Lubricants (Thailand) Company Limited (the name of which is intended to be changed prior to the closing date of the acquisition) ("**Target**") ("**Target Shares**") by the Company from Chevron Asia Pacific Holdings Limited ("**CAPHL**"), CT Nominee Holdings (I) LLC ("**CTN1**"), and CT Nominee Holdings (II) LLC ("**CTN2**"). Target is a company incorporated in Thailand which will acquire the fuel business currently operated by Chevron (Thailand) Limited ("**CTL**") and related assets from CTL;
- (2) the acquisition of 2,877,500 ordinary shares and 5,528,430 preference shares, representing 9.91% of total shares in Thai Petroleum Pipeline Company Limited ("**Thappline**") ("**Thappline Shares**") by the Company from CAPHL. Thappline is engaged in fuel transportation business through pipelines; and
- (3) the investment through equity and debt financing in two new private limited companies ("**New Companies**") which will be incorporated under Thai law and one of the New Companies will acquire 19 plots of land used in the operation of the fuel business of the Target ("**Fuel Business Land**") from Star Holdings Company Limited ("**SHC**").

The acquisition of the Target Shares and the Thappline Shares will be referred to as the "**Acquisition of Shares**" and, together with the investment in New Companies will be collectively referred as the "**Fuel Business Investment Transaction**".

The total value of the Fuel Business Investment Transaction is the sum of (i) USD 90.0 million (equivalent to THB 3,212.4 million<sup>1</sup>) comprising: (a) base consideration for Target Shares in an amount of USD 16.8 million (equivalent to THB 599.6 million); (b) consideration for Thappline Shares in an amount of USD 45.0 million (equivalent to THB 1,606.2 million) and (c) investment in shares of the New Companies and loan(s) to be provided to one of the New Companies, in an amount of not exceeding USD 28.2 million (equivalent to THB 1,006.6 million); and (ii) the actual value of net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares.

For illustration purposes, the net working capital of the fuel business as at 31 December 2021 was THB 2,350.1 million (equivalent to USD 65.8 million). On this basis, if the value of net working capital of the fuel business as at the closing date of Acquisition of Shares remains at the same level<sup>2</sup>, the total value of the Fuel Business Investment Transaction would be USD 155.8 million (equivalent to THB 5,562.5 million).

The Acquisition of Shares is classified as a connected transaction under 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:

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<sup>1</sup> The consideration payable by the Company in connection with the Fuel Business Investment Transaction will be made in USD. The THB amount is included for information purposes only. In this document, THB amount converted from USD amount is converted based on the exchange rate of USD 1 to THB 35.693, based on the weighted-average interbank exchange rate published by the Bank of Thailand as at 15 November 2022.

<sup>2</sup> The value of the net working capital of the fuel business as at the closing date of the Acquisition of Shares may be different from such value.

Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (including any amendments thereto) (collectively the “**Notifications on Connected Transaction**”) as it is an acquisition by the Company of assets from:

- (1) CAPHL which is an indirect major shareholder of the Company through the holding of 100% of shares in Chevron South Asia Holdings Private Limited (“**CSAHPL**”), which in turn is the direct major shareholder of the Company holding 60.56% of the total shares with voting rights in the Company; and
- (2) CTN1 and CTN2 which are subsidiaries of Chevron Corporation (“**Chevron**”), where more than 50% of the total shares in each of CTN1 and CTN2 are held by Chevron, which is an indirect major shareholder of the Company, through the indirect holding of 100% of shares in CAPHL (whose shareholding in the Company is as described above).

The value of the Acquisition of Shares (including the value of the net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares (on the assumption that this would remain the same as the net working capital as at 31 December 2021<sup>3</sup>)) is approximately 15.6% of the value of the net tangible assets of the Company, calculated based on the reviewed financial statements of the Company for the 9-month period ended 30 September 2022. Therefore, the Company is required to obtain a shareholders’ approval and comply with the relevant obligations under the Notifications on Connected Transaction prior to closing of the Acquisition of Shares as follows:

- (a) To prepare and disclose the information of the Acquisition of Shares to the Stock Exchange of Thailand (the “**SET**”) in accordance with the Notifications on Connected Transaction immediately;
- (b) To appoint an independent financial advisor to give an opinion on the Acquisition of Shares under the Notifications on Connected Transaction and submit the opinion of the independent financial advisor to the shareholders of the Company;
- (c) To deliver the notice of the shareholders’ meeting to the shareholders not less than 14 days in advance, whereby such notice shall contain minimum information as prescribed in the Notifications on Connected Transaction; and
- (d) To call a shareholders’ meeting in order to consider and approve the Acquisition of Shares, whereby the resolution with respect to the Acquisition of Shares 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.

For information of the shareholders, the total value of the Fuel Business Investment Transaction, comprising the value of the Acquisition of Shares (including the value of the net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares (on the assumption that this would remain the same as the net working capital as at 31 December 2021<sup>4</sup>)) and the investment in shares of the New Companies and loan(s) to be provided to one of the New Companies is approximately 18.1% of the value of the net tangible assets of the Company, calculated based on the reviewed financial statements of the Company for the 9-month period ended 30 September 2022.

In addition, given that the Company will acquire more than 50% of shares in the Target, the Company is required to obtain an approval of a meeting of shareholders of the Company under Section 107 of the Public Limited Companies Act B.E. 2535 (as amended) (the “**PLCA**”). Accordingly, the Board of Directors approved to propose to the shareholders to consider and approve the entry into the Fuel Business Investment Transaction by the Company under Section 107 of the PLCA.

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<sup>3</sup> Please see Footnote 2.

<sup>4</sup> Please see Footnote 2.

The Company hereby provides the information relating to the Fuel Business Investment Transaction as follows:

**1) Date of the transaction**

On 6 December 2022, the Board of Directors of the Company (i) approved the entry into by the Company of the Fuel Business Investment Transaction and the entry into the relevant agreements and documents in relation to the Fuel Business Investment Transaction (where the completion of the Acquisition of Shares and the investment of New Companies are subject to approval of the meeting of shareholders of the Company) and (ii) approved to propose the entry into by the Company of the Fuel Business Investment Transaction to the shareholders’ meeting of the Company for consideration and approval. The closing of the Fuel Business Investment Transaction will occur when all conditions precedent as specified in the relevant agreements, including obtaining the approval from the shareholders’ meeting of the Company in relation to the Fuel Business Investment Transaction, have been completed or waived (as applicable). The Company expects that the Fuel Business Investment Transaction (which includes the Acquisition of Shares) will be completed within June 2024.

**2) Relevant Parties and Their Relationship**

The relevant parties relating to the Acquisition of Shares can be summarized as follows:

Transaction	Purchaser	Seller
Acquisition of Target Shares	The Company	CAPHL, CTN1, CTN2
Acquisition of Thappline Shares	The Company	CAPHL
Investment in New Companies	The Company will invest in up to 49% of newly issued shares of a new company to be incorporated under Thai law (“ <b>NewCo1</b> ”) and up to 49% of shares in another company to be incorporated under Thai law (“ <b>NewCo2</b> ”). NewCo2 will invest in the remaining shares of NewCo1. Thai investor(s) who is not a connected person of the Company will invest in the remaining shares of NewCo2. Subsequently, NewCo1 will acquire the Fuel Business Land from SHC.	

The relationship of the connected parties with the Company can be summarized as follows:

Connected Parties	Shareholding Structure	Relationship with the Company
CAPHL (Incorporated in Bermuda)	<ul style="list-style-type: none"> <li>CAPHL holds 100% of shares in of CSAHPL.</li> </ul>	<ul style="list-style-type: none"> <li>CAPHL is an indirect major shareholder of the Company. CAPHL holds 100% of shares in CSAHPL which holds 60.56% of the total issued shares of the Company<sup>2/</sup>.</li> <li>CTN1 and CTN2 are subsidiaries of Chevron, who is an indirect major shareholder of the Company.</li> <li>SHC is a related person of CAPHL, who is an indirect major shareholder of the Company.</li> </ul>
CTN1 (Incorporated in the United States)	<ul style="list-style-type: none"> <li>Chevron<sup>1/</sup> holds directly and indirectly 100% of shares in CTN1.</li> </ul>	
CTN2 (Incorporated in the United States)	<ul style="list-style-type: none"> <li>Chevron holds directly and indirectly 100% of shares in CTN2.</li> </ul>	
SHC (Incorporated in Thailand)	<ul style="list-style-type: none"> <li>CAPHL directly holds 49% of total issued shares of SHC.</li> </ul>	

**Note:** 1/ Chevron is a multinational energy corporation listed on the New York Stock Exchange. As at 15 March 2022, Chevron’s major shareholders holding more than 5% of the total issued and paid-up shares include The Vanguard Group (8.48%), State Street Corporation (7.21%), and BlackRock, Inc (6.50%) (Source: Chevron Proxy Statement 2022 ([www.chevron.com](http://www.chevron.com))).

2/ As at 25 August 2022 (which is the latest record date of the Company for the most recent dividend distribution by the Company).

### 3) General Characteristics of the transaction

The Company will invest in the fuel business, including:

- (1) the acquisition of Target Shares by the Company from CAPHL, CTN1 and CTN2;
- (2) the acquisition of Thappline Shares by the Company from CAPHL; and
- (3) the investment through equity and debt financing in New Companies which will be incorporated under Thai law and one of the New Companies will acquire the Fuel Business Land from SHC.

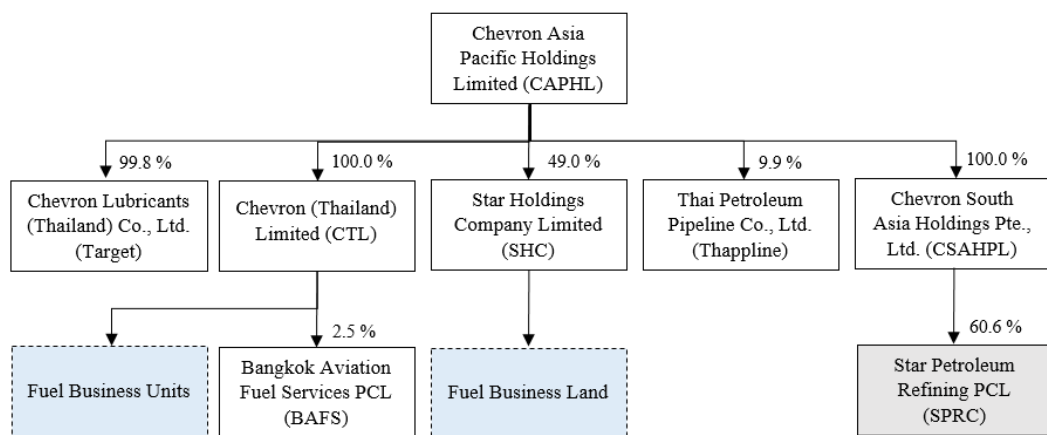
The process of the Fuel Business Investment Transaction can be summarized as follows:

- (1) The Internal Reorganization of the Fuel Business Units (*as defined below*) under CTL

As at the date of the Board of Directors’ meeting, the fuel business is operated by CTL. CTL and SHC will carry out a business reorganization by transferring the fuel business and the related assets to Target (the “**Internal Reorganization**”), which will include the transfer of the relevant employees, licenses and permits, contracts, surface assets and other assets associated with the fuel business, as well as 16,000,000 ordinary shares (equivalent to 2.51% of total issued and paid-up shares) in Bangkok Aviation Fuel Services Public Company Limited (“**BAFS**”) (the “**Fuel Business Units**”). After the completion of the Internal Reorganization, Target will operate the fuel marketing and distribution business, including gas station business under “Caltex” and related brands and distribution of fuel products (e.g. gasohol, unleaded gasoline, diesel, jet fuel and asphalt). As at 30 September 2022, the fuel business has 427 gas stations operating under Caltex brand in Thailand, comprising 403 retailer-owned and retailer-operated (RORO) stations and 24 company-owned and retailer-operated (CORO) stations.

The shareholding structure of Target before and after the Internal Reorganization is as follows:

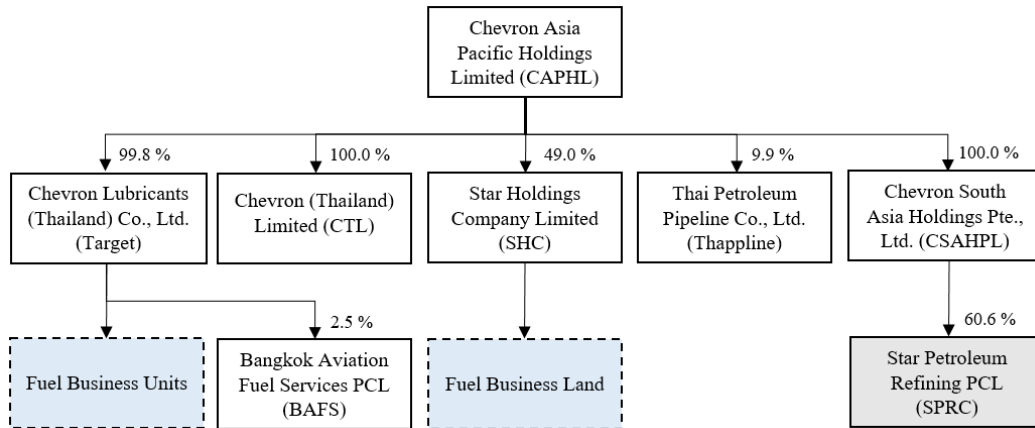
#### Shareholding structure before the Internal Reorganization



**Note:** The remaining shares in Target are held by CTN1 and CTN2 (0.1% each)



**Shareholding structure after the Internal Reorganization**



**Note:** CAPHL, CTN1, and CTN2 will still collectively hold 100% of Target Shares after the Internal Reorganization

(2) The Acquisition of Shares by the Company

Upon the completion of the Internal Reorganization and all conditions precedent as specified in the relevant agreements, including obtaining the approval from the shareholders meeting of the Company in relation to the Fuel Business Investment Transaction, have been satisfied or waived (as applicable), the Company will:

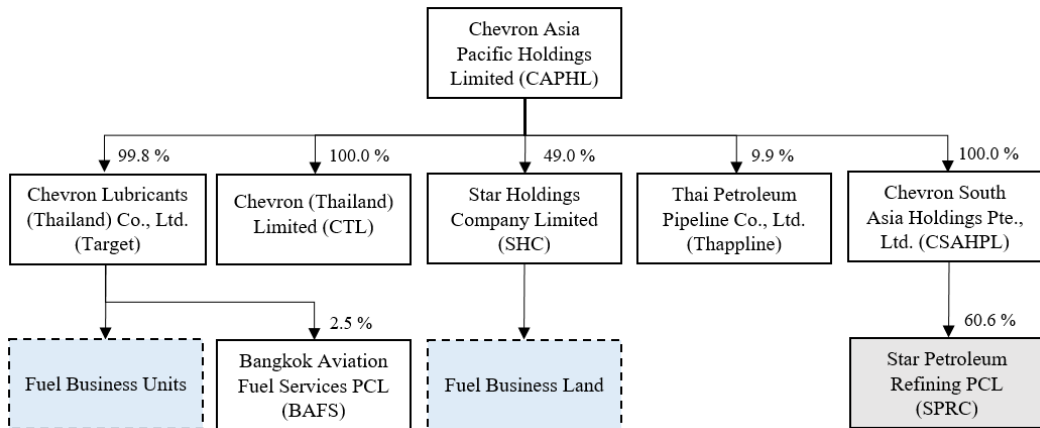
- (1) acquire Target Shares and Thappline Shares; and
- (2) invest in up to 49% of shares in NewCo1 and NewCo2, and provide debt financing to NewCo1 or NewCo2, following which NewCo1 will acquire the Fuel Business Land from SHC. After the acquisition of Fuel Business Land by NewCo1, NewCo1 will lease Fuel Business Land to Target.

The key terms of the loan agreement and the lease agreement are as follows:

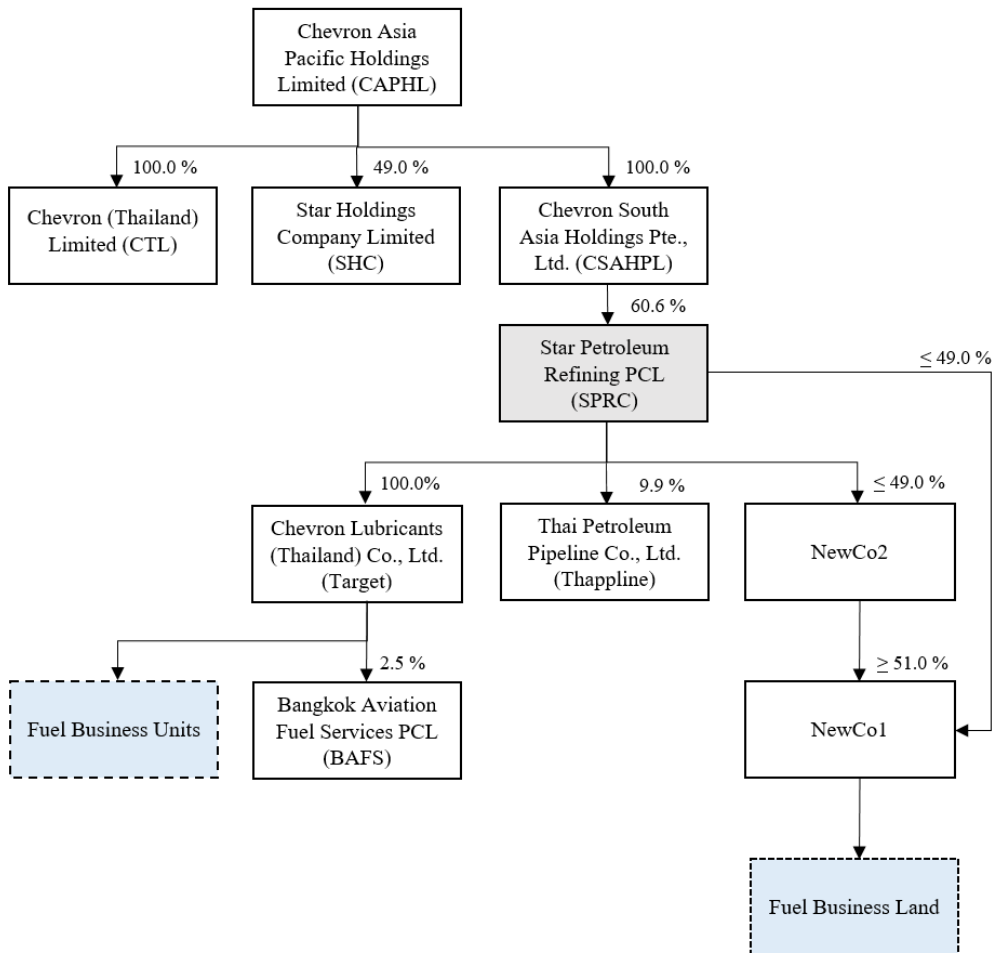
	<b>Loan agreement</b>	<b>Lease agreement</b>
Parties	<ul style="list-style-type: none"> <li>• Lender: The Company</li> <li>• Borrower: NewCo1 or NewCo2</li> </ul>	<ul style="list-style-type: none"> <li>• Lessor: NewCo1</li> <li>• Lessee: Target</li> </ul>
Key terms	<p><u>Total amount of loan(s):</u> not exceeding USD 28.2 million (equivalent to THB 1,006.6 million)</p> <p><u>Purpose of loan(s):</u> loan provided to NewCo1 will be used for the purpose of acquisition of the Fuel Business Land and loan provided to NewCo2 (if any) will be for the purposes of investment in shares of NewCo1.</p> <p><u>Interest rate:</u> in line with market rate at the time of the loan agreement</p>	<p><u>Term:</u> 3 years with option to extend</p> <p><u>Rental fee:</u> in line with market rate at the time of the lease agreement</p>

The shareholding structure of Target before and after the Fuel Business Investment Transaction is as follows:

Shareholding structure before the Fuel Business Investment Transaction



Shareholding structure after the Fuel Business Investment Transaction



#### 4) Conditions for the transaction

For the purpose of the Fuel Business Investment Transaction (which includes the Acquisition of Shares), the Company will enter into the Framework Agreement (the “FA”), the Agreement for the Sale and Purchase of the Target Shares and Thapline Shares (the “Shares SPA”) and, after its incorporation, NewCo1 will enter into the Land Sale and Purchase Agreement (the “Land SPA”). The FA will be entered into between the purchaser (i.e. the Company) and the sellers (i.e. CAPHL, CTN1, CTN2, SHC, and CTL) for the purpose of governing the overall transaction steps and relevant definitive agreements.

The key details of the Shares SPA and the Land SPA are as follows:

	Shares SPA	Land SPA
Parties	<ul style="list-style-type: none"> <li>• Purchaser: The Company</li> <li>• Seller: CAPHL, CTN1, CTN2</li> </ul>	<ul style="list-style-type: none"> <li>• Purchaser: NewCo1</li> <li>• Seller: SHC</li> </ul>
Sale shares/assets	<ul style="list-style-type: none"> <li>• Target Shares (100%)</li> <li>• Thapline Shares (9.91%)</li> </ul>	<ul style="list-style-type: none"> <li>• Fuel Business Land, including 19 plots of land with a total land area of 81 Rai 3 Ngan 36.1 Sq. Wah, further detail of which is set out in paragraph 6) III below.</li> </ul>
Purchase price and payment date	<ul style="list-style-type: none"> <li>• Target Shares               <ul style="list-style-type: none"> <li>(i) Base consideration in an amount of USD 16.8 million<sup>5</sup> plus the actual net working capital of the fuel business as at the closing date; and</li> <li>(ii) On the closing date of the Acquisition of Shares, the Company will pay the sellers an amount based on the estimated net working capital of the fuel business as at the closing date. After the closing date, the parties will prepare and review the final net working capital amount as at the closing date and adjust the payment (if any) to reflect the actual new working capital amount in accordance with the terms and conditions specified in the Shares SPA.</li> </ul> </li> <li>• Thapline Shares USD 45.0 million on the closing date</li> </ul>	<ul style="list-style-type: none"> <li>• USD 28.2 million<sup>2</sup> payment on the closing date for the sale and purchase of the Fuel Business Land, which will take place on the same day as the closing of the Acquisition of Shares.</li> </ul>
Key conditions precedent	<ul style="list-style-type: none"> <li>• The Company having obtained a shareholder resolution to approve the Fuel Business Investment Transaction and perform the Company’s obligations contemplated by the Share SPA; and</li> <li>• The completion of Internal Reorganization and the execution by the Target of certain ancillary and operative agreements, the key terms of which are set out in the summary table below.</li> </ul>	

<sup>5</sup> In the case that the agreed plots of land located at Songkhla Terminal (the “Songkhla Terminal Land”) are not transferred to NewCo1 because the relevant third-party consent is not obtained, the Fuel Business Investment Transaction will proceed on the basis that the Company will not be required to pay consideration for the Songkhla Termination Land and the terminal assets located at Songkhla Terminal. As a result, the total consideration for Target Shares will be reduced in an amount of USD 1.95 million and the purchase price under the Land SPA for the Fuel Business Land will be reduced in an amount of USD 4.34 million.

	Shares SPA	Land SPA
Long stop date	• 18 months after the date of the FA and the Shares SPA (6 December 2022)	
Termination	<ul style="list-style-type: none"> <li>• The Shares SPA and the Land SPA will be terminated upon the termination of the FA.</li> <li>• A party may terminate the FA by giving written notice to the other party following a termination event, which include: <ul style="list-style-type: none"> <li>○ an insolvency of the other party or its ultimate shareholder; or</li> <li>○ a change in control of the other party without prior written consent.</li> </ul> </li> </ul>	

As mentioned above, Target will enter into the following key ancillary and operative agreements prior to the Acquisition of Shares. A summary of these agreements is as follows:

	Parties	Services	Terms	Termination
Trademark License Agreement (the “TLA”)	<ul style="list-style-type: none"> <li>• Service Receiver: Target</li> <li>• Service Provider: Chevron Brands International LLC</li> </ul>	<ul style="list-style-type: none"> <li>• Exclusive license to use marks (e.g. Caltex, Techron, etc.) for permitted purposes in Thailand</li> </ul>	<ul style="list-style-type: none"> <li>• 10 years with option to extend for another 10 years</li> </ul>	<p>The TLA may be terminated if a termination event set out in the TLA occurs, including any of the following events:</p> <ul style="list-style-type: none"> <li>• either party materially breaches the TLA;</li> <li>• either party provides a written notice of termination to the other party any time after 5 years from the effective date of the TLA;</li> <li>• Service Receiver becomes bankrupt, insolvent or goes into liquidation; and</li> <li>• A change in control of the Service Receiver and the Service Provider does not provide its written consent or the Service Receiver does not provide notice prior to its change in control.</li> </ul>
Marketing Services Agreement (the “MSA”)	<ul style="list-style-type: none"> <li>• Service Receiver: Target</li> <li>• Service Provider: Chevron Singapore Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing, technical and other services relating to the retail business in Thailand</li> </ul>	<ul style="list-style-type: none"> <li>• 5 years with option to extend for another 5 years (subject to mutual agreement on fees and charges)</li> </ul>	<p>The MSA may be terminated if a termination event set out in the MSA occurs, including any of the following events:</p> <ul style="list-style-type: none"> <li>• if the TLA is terminated;</li> <li>• other party fails to comply material provision and fails to cure such non-compliance within 90</li> </ul>

	<b>Parties</b>	<b>Services</b>	<b>Terms</b>	<b>Termination</b>
				<p>days after the other party has given notice</p> <ul style="list-style-type: none"> <li>• other party takes any action to appoint a receiver, administrative receiver, administrator, trustee or similar officer over all or a material part of its assets or undertaking;</li> <li>• other party has a winding-up or administration petition;</li> <li>• other party gives written notice to the other party 90 days in advance; and</li> <li>• both parties agree to terminate the MSA.</li> </ul>
Aviation Marketing and Technical Services Agreement (the “AMSA”)	<ul style="list-style-type: none"> <li>• Service Receiver: Target</li> <li>• Service Provider: Chevron Singapore Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing, technical and other services relating to the aviation fuel business in Thailand</li> </ul>	<ul style="list-style-type: none"> <li>• 10 years with option to extend for up to 10 years</li> </ul>	<p>The AMSA may be terminated if a termination event set out in the AMSA occurs, including any of the following events:</p> <ul style="list-style-type: none"> <li>• other party fails to comply with any provisions and fails to cure such non-compliance within 30 days after the other party has given notice;</li> <li>• other party takes any action to appoint a receiver, administrative receiver, administrator, trustee or similar officer over all or a material part of its assets or undertaking;</li> <li>• other party has a winding-up or administration petition</li> <li>• Service Receiver is no longer insured or fails to maintain insurance coverage as required;</li> <li>• either party ceases its business or Service Receiver ceases to</li> </ul>

	Parties	Services	Terms	Termination
				hold any required license or permit to conduct its business; and <ul style="list-style-type: none"> <li>force majeure has prevented a party from performing its obligations for a period of more than 90 continuous days.</li> </ul>

**Note:** Chevron Brands International LLC and Chevron Singapore Private Limited are affiliates of Chevron

## 5) Calculation of the Transaction Value

When calculating the size of the Acquisition of Shares pursuant to the criteria as specified under the Notifications on Connected Transaction based on the reviewed financial statements of the Company ended 30 September 2022, the Acquisition of Shares is considered a connected transaction which is the asset or service related transaction having the size of the transaction value of USD 182.8 million (equivalent to THB 6,523.9 million) which is higher than 3% of the value of the net tangible assets of the Company as at 30 September 2022. Details of the calculation are as follows:

(THB million)	Target Shares	Thappline Shares	Total
Transaction Value	4,917.7 <sup>1</sup>	1,606.2	6,523.9
NTA of the Company <sup>2</sup>	41,702.5	41,702.5	41,702.5
<b>Percentage of the NTA of the Company</b>	11.8	3.8	15.6

**Notes:** 1/ Value used for calculating the transaction size of Target Shares is based on the sum of pro forma book value of Fuel Business Units and book value of Target as at 31 December 2021 which is higher than the consideration value of Target Shares including the value of the net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares (on the assumption that this would remain the same as the net working capital as at 31 December 2021<sup>6</sup>).

2/ Net tangible asset (NTA) of the Company is calculated based on the reviewed financial statements for the 9-month period ended 30 September 2022

For information of the shareholders, the total value of the Fuel Business Investment Transaction, comprising the value of the Acquisition of Shares (including the value of the net working capital of the fuel business operated by Target as at the closing date of the Acquisition of Shares (on the assumption that this would remain the same as the net working capital as at 31 December 2021<sup>7</sup>)) and the investment in shares of the New Companies and loan(s) to be provided to one of the New Companies, is approximately 18.1% of the value of the net tangible assets of the Company, calculated based on the reviewed financial statements of the Company for the 9-month period ended 30 September 2022.

## 6) Details of Assets to be Acquired

### I. General Information about Target (as-is basis, prior to the Internal Reorganization)

General Information	
Company Name	Chevron Lubricants (Thailand) Company Limited
Registered Number	0105555138899
Date of Incorporation	18 September 2012

<sup>6</sup> Please see Footnote 2.

<sup>7</sup> Please see Footnote 2.

<b>General Information</b>			
Registered Office	1404 Rama III Rd., Chong Nonsi, Yan Nawa, Bangkok, 10120		
Country of Incorporation	Thailand		
Registered Capital	THB 35,100,000		
Total Paid-Up Capital	THB 35,100,000		
Number of Shares	351,000 ordinary shares at par value of THB 100 per share.		
Type of Business	Target was registered for the purpose of buying, distributing, and selling lubricants. As at 31 December 2021, Target does not have any business activity.		
Board of Directors	1. Mrs. Puntip Vaivattana 2. Mr. Santisak Thaipat		
Shareholders (as at 29 April 2022)	1. Chevron Asia Pacific Holdings Limited 350,298 shares 2. CT Nominee Holdings (I) LLC, 351 shares 3. CT Nominee Holdings (II) LLC, 351 shares		
Remarks	It is contemplated that Target will increase its registered and paid-up capital and the number of its shares in connection with the Internal Reorganization. Following such increase of capital, its shares will continue to be held by its existing shareholders.  Any change to the registered and paid-up capital and the number of shares of Target will not result in any change of the consideration payable by the Company for 100% of shares in the Target as contemplated by the Fuel Business Investment Transaction.		
<b>Income Statement (THB thousand)</b>	<b>For the year ended 31 December</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total Revenues	13.36	4.94	16.97
EBIT	(18.61)	(26.92)	(16.31)
Net Income	(18.61)	(26.92)	(16.31)
<b>Balance Sheet (THB thousand)</b>	<b>As at 31 December</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total Current Assets	3,847.17	3,820.15	3,805.74
Total Non-current Assets	-	-	-
<b>Total Assets</b>	<b>3,847.17</b>	<b>3,820.15</b>	<b>3,805.74</b>
Total Current Liabilities	30.00	29.90	31.80
Total Non-current Liabilities	-	-	-
<b>Total Liabilities</b>	<b>30.00</b>	<b>29.90</b>	<b>31.80</b>
<b>Total Equity</b>	<b>3,817.17</b>	<b>3,790.25</b>	<b>3,773.94</b>

**Source:** Audited financial statements of Target for the years 2020 and 2021

The income statement and balance sheet of Target shown in the above table is based on the as-is basis (i.e. prior to the Internal Reorganization). Given the Fuel Business Units (excluding Thappline Shares and Fuel Business Land) will be transferred from CTL to Target as per the Internal Reorganization, the pro forma financial statements of the Fuel Business Units prepared in accordance to TFRS for NPAEs and reviewed by Deloitte Touche Tohmatsu Jaiyos Co., Ltd. are presented in the table below.

<b>Pro Forma Income Statement (THB million)</b>	<b>For the year ended 31 December</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total Revenue	123,477.11	83,036.50	86,975.56
Gross Profit	2,587.85	1,515.81	2,476.07
EBIT	780.28	(253.96)	952.40
Pre-tax Income	778.67	(254.58)	951.92

Pro Forma Balance Sheet (THB million)	As at 31 December		
	2019	2020	2021
Trade & Other Receivables	5,381.62	4,207.03	4,993.33
Inventory	2,775.68	2,185.29	2,819.59
Other Current Assets	-	150.21	172.48
<b>Total Current Assets</b>	<b>8,157.30</b>	<b>6,542.53</b>	<b>7,985.40</b>
Property, Plant, and Equipment	879.31	1,168.50	1,383.82
Other Non-current Assets	1,458.39	1,563.60	1,900.93
<b>Total Non-Current Assets</b>	<b>2,337.70</b>	<b>2,732.10</b>	<b>3,284.75</b>
<b>Total Assets</b>	<b>10,495.00</b>	<b>9,274.63</b>	<b>11,270.15</b>
Accounts Payable	6,374.57	4,966.76	5,345.31
Provision for Employee Benefit Plans	1,039.97	908.61	775.8
Other Current Liabilities	198.79	213.97	235.07
<b>Total Liabilities</b>	<b>7,613.33</b>	<b>6,089.34</b>	<b>6,356.26</b>

## II. General Information on Thappline

General Information	
Company Name	Thai Petroleum Pipeline Company Limited
Registered Number	0105534002696
Date of Incorporation	9 January 1991
Registered Office	2/8 Moo. 11 Lamlukka Rd., Latsawai, Lumlukka, Pathum Thani, 12150
Country of Incorporation	Thailand
Registered Capital	THB 8,479,000,000
Total Paid-Up Capital	THB 8,479,000,000
Number of Shares	<ul style="list-style-type: none"> <li>• 28,775,000 ordinary shares at par value of THB 100 per share (1 vote per 1 share)</li> <li>• 13,000,000 Class A preference shares at par value of THB 100 per share (2 votes per 1 share, and the dividend paid will be 2 times of the dividend paid to ordinary shares)</li> <li>• 43,015,000 Class B preference shares at par value of THB 100 per share (1 vote per 1,000 shares, and the dividend paid will be 1 time of the dividend paid to ordinary shares)</li> </ul>
Type of Business	Thappline provides transportation and distribution services of oil via pipeline system
Board of Directors	<ol style="list-style-type: none"> <li>1. Mr. Soonthorn Chursuk</li> <li>2. Mr. Paisan Udomkulwanich</li> <li>3. Mr. Racha U-thaichan</li> <li>4. Mr. Chumchanit Chitman</li> <li>5. Mr. Chatchawarn Hongcharoenthai</li> <li>6. Mr. Panun Prachuabmoh</li> <li>7. Mr. Chuchart Sriwanwit</li> <li>8. Mr. Pornchai Pongkoontrirut</li> <li>9. Mr. Chatapong Wungtanagorn</li> <li>10. Mr. Jaturong Worawitsurawatthana</li> </ol>
Shareholders (as at 22 April 2022)	<ol style="list-style-type: none"> <li>1. PTT Oil and Retail Business Public Company Limited <ul style="list-style-type: none"> <li>○ 11,661,500 ordinary shares</li> <li>○ 5,268,896 class A preference shares</li> <li>○ 17,326,412 class B preference shares</li> </ul> </li> </ol>



<b>General Information</b>			
	2. ESSO (Thailand) Public Company Limited <ul style="list-style-type: none"> <li>○ 5,980,000 ordinary shares</li> <li>○ 2,701,651 class A preference shares</li> <li>○ 8,836,954 class B preference shares</li> </ul> 3. The Shell Company of Thailand Limited <ul style="list-style-type: none"> <li>○ 4,316,250 ordinary shares</li> <li>○ 1,950,000 class A preference shares</li> <li>○ 6,342,646 class B preference shares</li> </ul> 4. Chevron Asia Pacific Holdings Limited <ul style="list-style-type: none"> <li>○ 2,877,500 ordinary shares</li> <li>○ 1,300,000 class A preference shares</li> <li>○ 4,228,430 class B preference shares</li> </ul> 5. Thai Oil Public Company Limited <ul style="list-style-type: none"> <li>○ 2,500,000 ordinary shares</li> <li>○ 1,129,453 class A preference shares</li> <li>○ 4,165,516 class B preference shares</li> </ul> 6. Kuwait Petroleum (Europe) B.V. <ul style="list-style-type: none"> <li>○ 1,438,750 ordinary shares</li> <li>○ 650,000 class A preference shares</li> <li>○ 2,114,042 class B preference shares</li> </ul> 7. SUSCO Dealers Company Limited <ul style="list-style-type: none"> <li>○ 1,000 ordinary shares</li> <li>○ 1,000 class B preference shares</li> </ul>		
<b>Income Statement (THB million)</b>	<b>For the year ended 31 December</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total Revenue	3,637.51	2,965.01	2,583.12
Gross Profit	2,542.82	1,987.70	1,651.95
EBIT	2,287.99	1,754.17	1,400.84
Net Income	1,830.66	1,370.91	1,091.42
<b>Balance Sheet (THB million)</b>	<b>As at 31 December</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total Current Assets	4,764.37	4,017.22	3,735.94
Total Non-current Assets	6,727.03	8,089.57	8,099.24
<b>Total Assets</b>	<b>11,491.40</b>	<b>12,106.79</b>	<b>11,835.18</b>
Total Current Liabilities	543.57	571.14	573.78
Total Non-current Liabilities	205.90	1,138.77	1,075.47
<b>Total Liabilities</b>	<b>749.47</b>	<b>1,709.91</b>	<b>1,649.25</b>
<b>Total Equity</b>	<b>10,741.93</b>	<b>10,396.88</b>	<b>10,185.93</b>

Source: Audited financial statements of Thapline for the years 2020 and 2021

### III. General Information on Fuel Business Land

<b>1. CORO-Khon Kaen Land</b>	
Purchased Property	1 plot of land with a total area of 2 Rai 1 Ngan 33.6 Sq. Wah
Location	Klang Muang Road, Nai Muang Sub-district, Muang Khon Kaen District, Khon Kaen, Thailand
Title Document	Land title deed no. 926
Land Owner	SHC
Appraised Value <sup>3</sup>	THB 93.36 million
Encumbrance	None
Land Usage	Location of gas station

<b>2. CORO-Bangkok Land</b>	
Purchased Property	1 plot of land with a total area of 1 Rai 80 Sq. Wah
Location	Phahon Yothin Road, Sam Sen Nai (Fang Nuea) Sub-District, Bang Sue District, Bangkok, Thailand
Title Document	Land title deed no. 2385
Land Owner	SHC
Appraised Value <sup>3</sup>	THB 480.00 million
Encumbrance	None
Land Usage	Location of gas station
<b>3. CORO-Phuket Land</b>	
Purchased Property	3 plots of land with a total area of 2 Rai 1 Ngan 94.1 Sq. Wah
Location	Pa Thong Road, Ka Thu Sub-District, Ka Thu District, Phuket, Thailand
Title Document	Land title deed no. 518, 2315, 2316
Land Owner	SHC
Appraised Value <sup>8</sup>	THB 93.45 million
Encumbrance	None
Land Usage	Location of gas station
<b>4. CORO-Pathum Thani Land</b>	
Purchased Property	1 plot of land with a total area of 5 Rai 31 Sq. Wah
Location	Phahon Yothin Road, Khlong Nueng Sub-District, Khlong Luang District, Pathum Thani, Thailand
Title Document	Land title deed no. 46569
Land Owner	SHC
Appraised Value <sup>3</sup>	THB 132.00 million
Encumbrance	None
Land Usage	Location of gas station
<b>5. Songkhla Terminal Land</b>	
Purchased Property	8 plots of land with a total area of 52 Rai 2 Ngan 39.9 Sq. Wah <ul style="list-style-type: none"> <li>• 4 plots of land with a total area of 24 Rai 18.6 Sq. Wah (fully-owned by SHC)</li> <li>• 4 plots of land with a total area of 28 Rai 2 Ngan 21.3 Sq. Wah (co-owned by SHC and United Industry Development Company Limited (“UID”))</li> </ul>
Location	Ranot-Songkhla Road (Highway no. 408), Sathing Mo Sub-District, Singhanakhon District, Songkhla, Thailand
Title Document	Land title deed no.: 1034, 46274 (16370), 47443 (24082), 47444 (24083) (SHC fully owned) 1044, 47445 (24089), 47446 (24090), 48620 (34170) (SHC co-owned)
Land Owner	SHC fully-owned & SHC co-owned with UID
Appraised Value <sup>3</sup>	THB 150.73 million <sup>9</sup>
Encumbrance	Servitude under land title deed no. 48620 (34170) comprises of a total area of 1 Rai 1 Ngan 12.1 Sq. Wah, which is given in favour of an adjacent landlocked plot of land (represented by the land title deed no. 21572).
Land Usage	Location for oil terminal

<sup>8</sup> The appraised values are based on the appraisal report prepared by Siam Imperial Appraisal Co., Ltd. in September 2022, an independent value appraiser approved by the Office of Securities and Exchange Commission.

<sup>9</sup> The appraised values are proportionate to SHC’s effective interest in the land.

<b>6. Suratthani Terminal Land</b>	
Purchased Property	5 plots of land with a total area of 18 Rai 57.5 Sq. Wah
Location	Paknam Ta Pi Road, Bang Kung Sub-District, Muang Surat Thani District, Surat Thani, Thailand
Title Document	Land title deed no. 6323, 6324, 6454, 6455, Tra Jong 98
Land Owner	SHC co-owned with Bangchak Corporation Public Company Limited
Appraised Value <sup>3</sup>	THB 86.99 million <sup>4</sup>
Encumbrance	None
Land Usage	Location for oil terminal

**Note:** UID is an affiliate of Esso (Thailand) Public Company Limited

#### 7) **The Total Value of Consideration and Terms of Payment**

The total value of consideration for the Acquisition of Shares will be the sum of (i) the base consideration for Target Shares and Thappline Shares in the amount of USD 61.8 million (equivalent to THB 2,205.8 million) and (ii) the value of the actual net working capital of the fuel business operated by the Target as at the closing date of the Acquisition of Shares.

In addition, as the Acquisition of Shares is part of the Fuel Business Investment Transaction, the total value of consideration for the Fuel Business Investment Transaction will also include the value of the investment in New Companies in an amount of not exceeding USD 28.2 million (equivalent to THB 1,006.6 million)

For illustration purposes, the net working capital of the fuel business as at 31 December 2021 was THB 2,350.1 million (equivalent to USD 65.8 million). On this basis, if the value of net working capital of the fuel business as at the closing date of Acquisition of Shares remains at the same level, the total value of the Fuel Business Investment Transaction will be as follows:

	<b>USD million</b>	<b>THB million</b>
Target Shares	16.8	599.6
Thappline Shares	45.0	1,606.2
<b>Total Base Consideration</b>	<b>61.8</b>	<b>2,205.8</b>
Net Working Capital <sup>/1</sup>	65.8	2,350.1
<b>Total Consideration for Acquisition of Shares</b>	<b>127.6</b>	<b>4,555.9</b>
Total amount of investment in New Companies	28.2	1,006.6
<b>Total value of the Fuel Business Investment Transaction</b>	<b>155.8</b>	<b>5,562.5</b>

**Note:** /1 Net working capital is the current assets (excluding the current portion of deferred marketing loan and prepaid charges) less the current liabilities (excluding the current portion of employee benefits). The value of the net working capital is based on the net book value of each item, except for the hydrocarbon inventory (i.e. fuel) which will be based on the market value in accordance with the terms and conditions specified in the Share SPA.

On the closing date of the Acquisition of Shares, the Company will pay the sellers and amount based on the estimated net working capital of the fuel business as at the closing date. After such closing date, the parties will prepare and review the final net working capital amount as at such closing date and adjust the payment to reflect the actual new working capital amount in accordance with the terms and conditions specified in the Shares SPA. The payments will be made in cash in USD in full without any instalments.

#### 8) **Basis Used for Determination of Consideration**

Basis for determining the value of the consideration is in accordance with result of the negotiation between the Company and Chevron based on sum-of-the-parts (SOTP) valuation by the Company's financial

advisor by using appropriate valuation methodology for each business or asset including: (i) discounted cash flow (DCF) method for the fuel business to be transferred to Target (inclusive of Fuel Business Land which are operating assets required for the operation of the fuel business), (ii) dividend discount model (DDM) for Thappline Shares, and (iii) publicly traded market price for BAFS shares.

## 9) Expected Benefits to the Company

The Fuel Business Investment Transaction will benefit the Company and the shareholders as follows:

### I. Secure downstream marketing and distribution of the Company's refinery business

The Company's core business involves the refinery of petroleum products. The largest customer of the Company is currently Chevron Group, which accounted for 43.2% of the Company's total revenue in 2021. The investment in fuel business is a strategic vertical business expansion that will allow the Company to secure the marketing and distribution of the Company's petroleum products to the end users in Thailand and lessen its reliance on Chevron.

### II. Business Expansion and Integration in Downstream Business

The expansion into downstream business will allow the Company to be able to manage and grow the downstream business. This will create opportunities for the Company to also expand and diversify its business into other non-fuel business, e.g. convenience stores, quick service restaurants, auto-related services and other commercial services. In addition, this will allow the Company to realize synergies from efficient integration of refinery and marketing & distribution business, e.g. fuel storage and other costs sharing.

### III. Realize revenue and profit from the Fuel Business

After the Fuel Business Investment Transaction, the Company shall be able to immediately realize revenue and profit from the marketing and distribution of fuel products and other related services.

## 10) Sources of Funds

The Company will use internal sources of funds from operating cash flows and/or external sources of funds by borrowing from financial institutions. If the Company decides to use borrowing from financial institutions, such borrowing shall not have any terms and conditions which affect the right of the shareholders such as dividend payment limitation.

## 11) Nature and Extent of Interests of the Connected Persons

CAPHL is an indirect major shareholder of the Company through 100% holding in CSAHPL, which is the major shareholder of the Company holding more than 10% of the total shares with voting rights of the Company. As of 25 August 2022, CSAHPL holds 60.56% of the total issued and paid-up shares of the Company. CTN1 and CTN2 are subsidiaries of Chevron, where more than 50% of the total shares in each of CTN1 and CTN2 are held by Chevron, which is an indirect major shareholder of the Company. Therefore, the Acquisition of Shares is considered a connected transaction pursuant to the Notifications on Connected Transaction.

The interested directors of the Company to the Acquisition of Shares are as follows:

Name	Position in the Company	Position in Chevron and its affiliates
Mr. Brant Thomas Fish	<ul style="list-style-type: none"> <li>Chairman of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>President, Chevron Singapore Private Limited</li> <li>Director, GS Caltex Corporation, South Korea</li> </ul>
Mr. Brian Monaco Sutton	<ul style="list-style-type: none"> <li>Director</li> </ul>	<ul style="list-style-type: none"> <li>General Manager (Finance), Chevron Singapore Private Limited</li> </ul>

Name	Position in the Company	Position in Chevron and its affiliates
Mr. Robert Joseph Dobrik	<ul style="list-style-type: none"> <li>• Director and Chief Executive Officer</li> </ul>	None
Mr. Ranga Rama Kumar Sreeramagiri	<ul style="list-style-type: none"> <li>• Director</li> </ul>	<ul style="list-style-type: none"> <li>• Director, CSAHPL</li> <li>• Vice President and Director, Chevron Singapore Private Limited</li> <li>• Director, Singapore Refinery Company</li> </ul>

**Note:** Chevron Singapore Private Limited, Singapore Refinery Company, and GS Caltex Corporation are affiliates of Chevron

**12) Directors Having an interest or Being Connected Persons Not Attending the Meeting and Not Entitled to Vote**

In the Board of Directors' Meeting of the Company No. 4A/2022, held on 6 December 2022, to approve the investment in the Fuel Business Investment Transaction, subject to obtaining approval of a meeting of shareholders of the Company which includes the Acquisition of Shares which is considered a connected transaction of the Company, a total of 4 directors of the Company, who were directors having an interest in the Fuel Business Investment Transaction (as shown in paragraph 11), did not attend the meeting when the meeting considered the agenda item regarding the Fuel Business Investment Transaction and did not vote on this agenda item.

**13) Opinions of the Board of Directors**

The Board of Directors' Meeting of the Company No. 4A/2022 is of the opinion that the Fuel Business Investment Transaction is proven to be fair, made on arm's length and does not lead to benefit transfer. In addition, the Board of Directors is of the view that the Fuel Business Investment Transaction is reasonable and beneficial to both the Company and its shareholders as follows:

1. the Fuel Business Investment Transaction will allow the Company to secure the marketing and distribution of the Company's petroleum products to the end users in Thailand and lessen its reliance on Chevron;
2. the Company will be able to grow the downstream business which will create opportunities for the Company to expand and diversify its business into other non-fuel business as well as allow the Company to realize synergies from efficient integration of refinery and marketing and distribution business; and
3. the Company will realize revenue and profit from the marketing and distribution of fuel products and other related services.

As a result, the meeting of the board of directors of the Company has approved the Company to enter into the Fuel Business Investment Transaction and related agreements and documents (where the completion of the Acquisition of Shares and the investment of New Companies are subject to approval of the meeting of shareholders of the Company).

**14) Opinions of the Audit Committee and/or Directors of the Company Which Are Different from Those of the Board of Directors**

None.