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March 12, 2025

Subject Independent Director’s Opinions on the Shareholding and Management Restructuring Plan of Bangchak Sriracha Public Company Limited and Delisting of Bangchak Sriracha Public Company Limited’s Shares from the Stock Exchange of Thailand

Dear: Shareholders of
Bangchak Sriracha Public Company Limited

The meeting of the board of directors of Bangchak Sriracha Public Company Limited (the “**Company**” or “**BSRC**”) No. 3/2568, held on February 20, 2025, considered the Company’s shareholding and management restructuring including related matters (the “**Company’s Restructuring**”), and resolved to propose the 2025 Annual General Meeting of shareholders to approve the Company’s shareholding and management restructuring plan (the “**Company’s Restructuring Plan**”) and the delisting of the Company’s shares from being listed shares on the Stock Exchange of Thailand (the “**SET**”)

In this regard, the independent directors of the Company, namely (1) Mr. Suthep Wongvorazathe, (2) Mr. Somchai Kuvijitsuwan, (3) Mr. Veerasak Kositpaisal (4) Ms. Khaisri Utaiwan, (5) Ms. Prachit Hawat, (6) Pol. Lt. Gen. Chaiwat Chotima, and (7) General Warakiat Rattananont, have reviewed the details of the Company's Restructuring Plan and the delisting of the Company's shares from being listed shares on the SET, along with the independent financial advisor's opinion report prepared by Jay Capital Advisory Co., Ltd. (the “**Independent Financial Advisor**” or “**IFA**”) regarding the Company’s Restructuring Plan and the delisting of the Company's shares from being listed shares on the SET. The opinion of the independent directors of the Company is in accordance with the opinion of the IFA, as follows.

1. Reasons and appropriateness of the Company's Restructuring Plan and the delisting of the Company’s shares from being listed shares on the SET

The independent directors of the Company have expressed the opinion that the implementation of the Company's Restructuring Plan and the delisting of the Company’s shares from being listed shares on the SET at this time is appropriate and reasonable, in accordance with the objectives of the Company’s Restructuring Plan. Specifically, the aim is to enhance the operational efficiency of the Company, strengthen financial performance, and reduce the complexity of the shareholder structure and internal organizational structure within the Bangchak Corporation Public Company Limited and its affiliated companies (“**Bangchak Group**”). This is consistent with the strategic plan of the Company to solidify the foundation of Bangchak Group in maintaining its leadership in the energy sector of Thailand as follows:

(1) Enhancement of competitiveness and business expansion opportunities

The Company and Bangchak Corporation Public Company Limited (“**BCP**”) operate in similar businesses. The Company’s Restructuring will enhance its ability to expand business and increase its competitiveness in the energy industry, as well as create new opportunities that will lead to long-term sustainable growth. This will be achieved through the integration of production capacity, knowledge, and production planning processes via the Single Linear Programming (Single LP) system, which is an advanced production planning tool, as well as the continuous integration of resources and expertise from both the Company and BCP. Furthermore, it will improve flexibility in production planning to meet the needs of both BCP’s and BSRC’s customers in overall. The centralized management approach will enable BCP and BSRC to manage crude oil more efficiently, functioning as a single company.

(2) Increased Operational Agility

The Company's Restructuring with a centralized management approach will reduce redundancy in operational processes, thereby increasing efficiency within the Bangchak Group. Additionally, the Company's Restructuring, which includes delisting the Company's shares from the SET, will reduce the obligations to comply with regulations associated with being a listed company, which may be redundant. This will streamline the Company's operations, resulting in greater overall agility in management and enabling a faster response to changes in the business environment.

(3) Opportunity to Increase Liquidity and Investment in a Diversified Business

The Company's Restructuring, carried out through a Tender Offer for BSRC shares (as defined in Agenda 8.2 "*To consider and approve the Delisting of the Company's Shares from the Stock Exchange of Thailand*" of the 2025 Annual General Meeting Agenda), with the purchase price paid in BCP's newly issued ordinary shares, provides an opportunity for the Company's shareholders to increase their investment liquidity by holding shares in BCP. BCP is a large company with a strong financial position and a steadily growing performance. Furthermore, BCP operates businesses beyond petroleum refining and distribution, such as clean energy generation and the production of bio-based products that align with the transition to sustainable energy use. This represents an opportunity for investment in a company with more diversified business risks.

2. Appropriateness of the Share Swap Ratio

The independent directors of the Company are of the opinion that the Company's Restructuring, in accordance with the Notification of the Capital Market Supervisory Board No. TorChor 34/2552 re: Rules Regarding the Offering for Sale of Newly Issued Securities with a Tender Offer for Existing Securities of a Listed Company for Shareholding and Management Restructuring, dated 3 August 2009 (as amended), through the Tender Offer for BSRC shares (as defined in Agenda 8.2 "*To consider and approve the Delisting of the Company's Shares from the Stock Exchange of Thailand*" in the agenda of the 2025 Annual General Meeting of Shareholders), with BCP offering to purchase the shares with newly issued ordinary shares of BCP (share swap), at a share swap ratio of 1 newly issued ordinary share of BCP for 6.50 ordinary shares of BSRC, is an appropriate share swap ratio. This ratio is within the range of the share swap ratios assessed by the IFA, which was based on the fair value of BCP's ordinary shares, using the Sum of the Parts Approach (SOTP), and the fair value of BSRC's ordinary shares, using the Discounted Cash Flow Approach (DCF). This evaluation resulted in a share swap ratio ranging from 1 newly issued ordinary share of BCP for 6.36 to 6.87 ordinary shares of BSRC.

3. Impact of the Restructuring Plan on the Company and Shareholders

Impact on the Company

The delisting of the Company's shares from being listed shares on the SET will result in the Company losing the benefits of being a listed company, including:

- (1) Opportunity to raise capital through the issuance of common shares on the SET: The Company will still have cash flow from its ongoing operations and will have other sources to raise capital to support the business operations and future investment expansion of the Company, aside from raising funds through the stock market. These alternatives include raising funds through BCP, a publicly listed company and the major shareholder of the Company, borrowing from financial institutions, and issuing bonds.
- (2) Exemption from including dividend income from Thai companies or mutual funds in taxable income (subject to the specified conditions): As a result, the Company will no longer receive the tax exemption on dividend income from companies where it holds less than 25.0% of the total shares with voting rights.

Impact on the Company's shareholders

The Company's shareholders who accept the Tender Offer for BSRC shares

- (1) The Company's shareholders accepting the Tender Offer for BSRC shares will become shareholders of BCP that has a wider variety of business operations and lower volatility when compared with the Company but with the financial position, operating results and dividend policy that are different from those of the Company. Therefore, there may be different investment risks. However, as explained in the objectives, reasons and necessity for the Company's Restructuring, the benefits from the Company's Restructuring will strengthen both the Company and BCP in several aspects, especially, enhancing the efficiency in the production process of various finished oil products from both refineries according to the overall market demand. As a result, this will increase the opportunity to generate benefits for shareholders of both the Company and BCP.
- (2) The Company's shareholders will receive BCP's newly issued ordinary shares, which are listed and traded on the SET. Therefore, such shares can be traded with more flexibility than the Company's ordinary shares after the Company's Restructuring and delisting of the Company's Shares from being Listed Shares on the SET. (Please refer to the details of the impacts from BCP's restructuring on BCP's shareholders, as shown in the Shareholding and Management Restructuring Plan of BCP, available for viewing on www.bangchak.co.th or www.set.or.th)
- (3) Shareholders of the Company who accept the Tender Offer for BSRC shares will become shareholders of BCP, which may be affected by the financial position and performance after the Company's restructuring as follows:

If the Company's Restructuring is successful and under the assumption that BCP has acquired 100.0 percent of the Company's issued and paid-up ordinary shares, BCP will recognize the financial position and all operating results of the Company, from current recognition based on the shareholding ratio of 81.7 percent of all issued and paid-up shares of the Company (based on the date for determination of shareholders entitled to attend the 2025 Annual General Meeting (Record Date) as of 6 March 2025). Please review the details of BCP's financial statements before the Company's Restructuring and BCP's pro forma consolidated financial statements after the Company's Restructuring, assuming that all BSRC shareholders who accept the Tender Offer for BSRC shares (as defined in Agenda 8.2 "*To consider and approve the Delisting of the Company's Shares from the Stock Exchange of Thailand*" of the 2025 Annual General Meeting Agenda) under the section " The impact of the Company's Restructuring on the Company and its shareholders " in the Shareholding and Management Restructuring Plan of Bangchak Sriracha Public Company Limited, as attached in Enclosure 13 of the Invitation to the 2025 Annual General Meeting of Shareholders.

Following the Company's Restructuring, BCP's financial statements will not undergo any material changes, as BCP's latest consolidated financial statements already reflect its 81.7 percent shareholding in BSRC as a subsidiary. Therefore, after the restructuring, the financial statements will merely reflect BCP's increased shareholding in BSRC to 100.0 percent, constituting an adjustment to the shareholders' equity section, with the following details:

- Increase in issued and paid-up capital by THB 97,209,185.0 (97,209,185 common shares at a par value of 1.0 baht per share)
- Increase in share premium and other paid-in capital by THB 3,231.0 million
- Decrease in non-controlling interest in BSRC by THB 7,786.4 million

Additionally, based on BCP's articles of association, BCP's shares are transferred with no restriction, unless such share transfer causes BCP to have shares held by non-Thai persons exceeding 25.0% of total issued and paid-up shares, or any non-Thai person holding shares exceeding 5.0% of total issued and paid-up shares. According to the Company's articles of association, its shares are transferred with no restriction. Based on the date for determination of shareholders entitled to attend the 2025 Annual General Meeting (Record Date) as of March 6, 2025 and BCP's shareholders lists as of February 10, 2025, the Company estimated that foreign shareholding in BCP following the Company's Restructuring will not exceed 20.1¹, which remains within the 25.0% of total paid-up shares of BCP.

However, if upon the completion of the Tender Offer for BSRC shares, foreign shareholding in BCP exceeds 25.0% of the total paid-up shares of BCP, BCP will not be able to register certain share transfers that violate its articles of association. Consequently, any BCP shares held by foreign investors exceeding this limit will not carry certain shareholder rights, including the right to attend shareholder meetings, the right to receive dividends, the right to subscribe to newly issued shares in proportion to shareholding etc. BCP will register shareholdings in the shareholder register based on the proportionate allocation of newly issued ordinary shares. Foreign shareholders may hold BCP shares through non-voting deposit receipts (NVDRs). NVDRs holders will continue to receive full financial benefits equivalent to holding BCP shares, including dividends, but will not have noting right at BCP shareholder meetings. In addition, shareholders can monitor the foreign shareholding levels in BCP and BSRC via the SET website.

Additionally, the share swap transaction constitutes a sale of the Company's shares by its shareholders to BCP, with the consideration paid in newly issued BCP shares. As a result, shareholders may be subject to income tax on capital gains arising from the sale of the Company's shares. Individual shareholders will be exempt from personal income tax on such capital gains. Corporate shareholders incorporated under Thai law may be subject to corporate income tax on capital gains, calculated based on their respective cost basis. Foreign corporate shareholders will be subject to tax obligations depending on their acquisition cost and the tax exemption conditions under the applicable double taxation treaty between Thailand and the country in which they are tax residents (if applicable). However, under the corporate restructuring plan, where BCP acquires the Company's ordinary shares through the Tender Offer for BSRC shares by offering BCP's newly issued ordinary shares as consideration, the Company has been informed that BCP will provide support for the withholding tax liability arising from capital gains on the sale of the Company's shares for foreign corporate shareholders, provided that such foreign entities are tax residents in jurisdictions that do not qualify for an income tax exemption under a double taxation treaty with Thailand.

Please refer to additional details under the section "*Impact of the Company's Restructuring Plan on the Company and Shareholders of the Company*" in the shareholding and management restructuring plan of Bangchak Sriracha Public Company Limited as outlined in the attached Enclosure 13 of the Invitation to the 2025 Annual General Meeting of Shareholders.

The Company's shareholders who do not accept the Tender Offer for BSRC shares

The Company's shareholders who did not accept the Tender Offer for BSRC shares (as defined in Agenda 8.2 "*To consider and approve the Delisting of the Company's Shares from the Stock Exchange of Thailand*" of the 2025 Annual General Meeting Agenda) may be affected by the fact that the Company's shares are not listed shares on the SET as follows:

- (1) The Company's ordinary shares will no longer be traded on the SET, so there is no reference market price. As a result, shareholders who do not accept the Tender Offer for BSRC shares will lack liquidity in trading the Company's shares;

¹ Based on the assumption that all foreign shareholders of the Company accept the Tender Offer for BSRC shares (as defined in Agenda 8.2 "*To consider and approve the Delisting of the Company's Shares from the Stock Exchange of Thailand*" in the agenda of the 2025 Annual General Meeting of Shareholders) and receive an allocation of BCP's newly issued common shares.

- (2) The Company's shareholders that are individual shareholders will lose the right to be exempted from income tax on capital gain and the Company's shareholders (both individual shareholders and juristic persons) will no longer be exempted from duty stamps from transferring the Company's shares; and
- (3) The Company's Shareholders will receive significantly less information on the Company than they had received as shareholders of a listed company. However, the Company's shareholders continue to have the right to receive and access the information subject to disclosure under the Public Limited Company Act, including the information to be further disclosed by BCP as the Company remains a subsidiary of BCP under the securities law.

In this regard, the independent directors of the Company deem it appropriate to present the above opinions to the 2025 Annual General Meeting of Shareholders, which will be held on April 9, 2025, for the shareholders' consideration. The opinions of the independent directors of the Company are provided as part of the information for shareholders' decision-making. The final decision rests with the discretion of the shareholders. Shareholders should consider the opinion of the IFA in conjunction with their decision to approve the related agenda items.

Please be informed accordingly.

Sincerely,

(.....)

Mr. Suthep Wongvorazathe
Independent Director

(.....)

Mr. Somchai Kuvijitsuwan
Independent Director

(.....)

Mr. Veerasak Kositpaisal
Independent Director

(.....)

Ms. Khaisri Utaiwan
Independent Director

(.....)

Ms. Prachit Hawat
Independent Director

(.....)

Pol. Lt. Gen. Chaiwat Chotima
Independent Director

(.....)

General Warakiat Rattananont
Independent Director