

(Translation)

**Minutes of Annual General Meeting of Shareholders for the year 2018  
of  
Bangkok Aviation Fuel Services Public Company Limited**

**Time and Place**

Held on 26 April 2018 at the Ball Room, Queen Sirikit National Convention Center, No. 60 New Ratchadapisek Road, Khwaeng Klongtoey, Khet Klongtoey, Bangkok Metropolis.

**List of Directors in attendance**

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|--|---|
| 1. Mr. Palakorn Suwanrath                | Chairman, Independent Director  |
| 2. Mr. Pachara Yutidhammadamrong         | Independent Director, Chairman of Audit Committee and Remuneration Committee Director   |
| 3. Mr. Visut Montriwat                   | Independent Director, Chairman of Remuneration Committee, and Audit Committee Director  |
| 4. Mr. Aswin Kongsiri                    | Independent Director, Chairman of Nominating and Corporate Governance Committee, and Chairman of Risk Management Committee                                    |
| 5. Mr. Pipat Purnananda                  | Independent Director, Audit Committee Director, and Risk Management Committee Director  |
| 6. Mr. Nitinai Sirismatthakarn           | Director  |
| 7. Mr. Peratak Autadej                   | Director  |
| 8. Mr. Rungroj Sivachan                  | Director  |
| 9. Mr. Phipawat Sitthichaikasem          | Director  |
| 10. Squadron Leader Pongtorn Thepkanjana | Director  |
| 11. Mr. Surachai Piencharoensak          | Director  |
| 12. M.R. Supadis Diskul                  | Director, Executive Chairman, Remuneration Committee Director, Nominating and Corporate Governance Committee Director, and Risk Management Committee Director |
| 13. Mr. Prakobkiat Ninnad                | Director, Managing Director, Nominating and Corporate Governance Committee, Remuneration Committee Director, and Risk Management Committee Director           |

**Executives**

- |                            |  |
|----------------------------|--|
| Mr. Amnuay Pahuvanich      | Advisor to the Executive Chairman, Managing Director, Thai Aviation Refuelling Co., Ltd.   |
| Mr. Charoen Charusalaipong | Advisor to the Executive Chairman, Managing Director, Fuel Pipeline Transportation Limited |
| Miss Yuphadee Tongaroonsri | Managing Director, Intoplane Services Co., Ltd.  |
| Mr. Nattapol Narkuam       | Managing Director, BAFS Innovation Development Company Limited                             |
| Miss Prapis Ruthairung     | Finance and Accounting Director  |

**Auditors**

Miss Thipawan Nananuwat	EY Office Limited
Miss Yuwaman Pissawong	EY Office Limited

**Legal Advisors**

Mr. Thiti Kumnerddee	Kompass Law Ltd.
Mr. Nitiroj Matra	Kompass Law Ltd.
Miss Meena Jitkati	Kompass Law Ltd.

**Preliminaries at approximately 14.00 hrs.**

Mr. Palakorn Suwanrath, Chairman presided over the meeting. The Chairman asked Mrs. Parndao Sukhyanga, Company Secretary, to inform the Meeting regarding the number of shareholders attending the Meeting and the quorum.

The Company Secretary, informed the Meeting that, 177 shareholders attended the Meeting in person, holding altogether 6,987,140 shares, and 207 shareholders attended the Meeting by proxy, holding altogether 503,983,945 shares, totaling 384 shareholders attended the Meeting, holding altogether 510,971,085 shares, equivalent to 80.1528 % of the Company's total outstanding 637,496,153 shares. The quorum was thus formed in accordance with the Articles of Association. Then, the Chairman declared the Meeting open.

Then, the Company Secretary, introduced the Board of Directors, executives, auditors, and legal advisor to the Meeting. There were 13 directors out of 14 directors attending the Meeting, equivalent to 92.85 %. In addition, the Company Secretary, made a statement to the Meeting regarding the procedures for conducting the Meeting that the Meeting has already commenced but registration was still open. Accordingly, the result of voting for each agenda item may differ from one another. The documents used for the Meeting comprised the Meeting Invitation Notice and its Enclosures having been released via the Company's website on 22 March 2018 and having already been sent to the shareholders on 3 April 2018. In this connection, the Company provided the opportunity for the shareholders to propose the agenda and list of directors during 17 October 2017 to 17 January 2018. In such time, no shareholder proposed any agenda or list of directors.

Afterwards, the Company Secretary explained in brief, in respect of the procedures for casting votes that, one share had one vote. In regard to the passing of resolution at each item of agenda, if there was no shareholder voting in objection to the proposal or abstaining from voting, it would be deemed that the Meeting approved or agreed with the proposed resolution. If any shareholder objected, disapproved or wished to abstain from voting, he/she was requested to use the ballots provided by the Company and to identify themselves by standing up or raising hand for the Company's officer to collect the ballots. In counting the votes, all votes of the shareholders who attended the Meeting would be deducted by the votes in objection and in abstention, the remaining votes would be deemed as the approved votes. Any ballot which did not show clear intention of shareholder in regard to the voting, it would be deemed as a void ballot. Regarding the appointment of proxy, every shareholder was unable to split his/her vote in respective agenda unless the foreign shareholder appointing custodian in Thailand to be his/her securities custodian was able to split his/her vote for respective agenda. In the case where the shareholder authorized his proxy in writing to attend the meeting and such proxy voted

according to the shareholder's intention in advance, the Company would record and add such vote (whether affirmative, negative vote or abstention vote) with the vote result of respective agenda. The Company would count the ballots and checked the marks when it was the consideration of each agenda only. The Chairman would inform the shareholders the time for sending the ballots and the closing time to receive the ballots in order that the Meeting was rapidly conducted and after the voting of each item of agenda, the result would be declared by the Chairman in next agenda. In addition, every shareholder's ballot would be collected at the adjournment of the Meeting. In the Annual General Meeting of Shareholders today, the Company did not give any souvenir in order to comply with the guideline which the supervisory agencies asked for cooperation from the listed companies. However, the Company had prepared the snack for all shareholders attending the Meeting.

In addition, for the sake of transparency in vote counting, the Company invited Miss Meena Jitkati, legal advisor of Kompas Law Ltd., and also invited 1 more shareholder to be the witnesses of vote counting. Miss Supaporn Meekaewnoi, shareholders' proxy, volunteered to be the witnesses for vote counting, thus, the Company Secretary invited them to be at the counting desk.

The Chairman then conducted the Meeting in accordance with the following agenda:

**Agenda 1 To Approve the Minutes of the Annual General Meeting of Shareholders for the year 2017**

The Chairman asked the Meeting to consider the Minutes of the Annual General Meeting of Shareholders for the year 2017 held on 27 April 2017 and the Company had completely prepared such Minutes within 14 days as from the date of the Annual General Meeting. The Minutes had been released on the Company's website ([www.bafsthai.com](http://www.bafsthai.com)) and had been sent to the shareholders together with the Meeting Invitation Notice.

The Chairman asked the Meeting whether there was any shareholder requesting any amendment. Then, as there was no shareholder proposing any amendment, the Chairman informed the Meeting of the method of vote casting for this agenda and asked the Meeting to resolve such matter.

**RESOLUTION:** The Meeting considered the matter and resolved that the Minutes of the Annual General Meeting of Shareholders for the year 2017 be approved by the unanimous vote of the shareholders who attend the meeting and cast their votes as follows:

Approved	519,040,637 votes	equivalent to 100.0000%
Disapproved	0 vote	equivalent to 0.0000%
Abstained	0 vote	
Voided	0 vote	equivalent to 0.0000%

**Agenda 2 To Acknowledge the Report of the Board of Directors regarding the Performance of the Company in the Year 2017 and Future Operation Plan**

The Chairman explained that the Company has already prepared the report of the Board of Directors regarding the Company's performance of the year 2017 and the future operation plan considered and approved by the Board of Directors' Meeting No.1/2018, whose the details appeared in the Annual Report of the year 2018 having already been sent to the shareholders together with the

Meeting Invitation Notice. The Chairman then asked the Managing Director to report the matter to the Meeting.

The Managing Director reported to the Meeting the performance of the Company in brief, stating that the Company operated the business of storage and refueling of aviation fuel at Suvarnabhumi Airport, Don Mueang Airport, Samui Airport, Sukhothai Airport, and Trat Airport. The Company had 4 subsidiaries namely (1) Thai Aviation Refueling Company Limited - TARCO, in which the Company holds 90% of shares, operating the business of aviation fuel transportation via Hydrant pipeline at Suvarnabhumi Airport, (2) Intoplane Services Company Limited, in which the Company holds 83.3% of shares, operating the business of labor support for storage and refueling of aviation fuel at Samui Airport, Sukhothai Airport, and Trat Airport, (3) Fuel Pipeline Transportation Limited - FPT, in which the Company holds 75% of shares, operating the business of aviation fuel transportation via underground pipeline from Bangchak Oil Refinery and Fuel Storage at Chong Nonsi to the Company's Fuel Storage, (4) BAFS Innovation Development Company Limited (BID), in which the Company holds 100% of shares, operating the business of conducting the study, analysis, research, development, improvement, designing, manufacturing, and distribution, including providing rights and services on innovation and technology.

In 2017, although the growth of Thailand tourism business and aviation business were continuously increased, the refueling volume of flights, especially at Don Mueang Airport was increased less than expected due to the increase of excise tax for domestic aviation, causing domestic airlines decreased the volume of reserved fuel in each flight. Moreover, the management measures of Zero-Dollar Tour, and the closing of runway in Suvarnabhumi Airport for reconstruction, were the factors affecting the volume of aviation fuel of the Company's Group to be lower when compared to the past year, which was increased by 1.6% only. However, the volume of fuel for all products of fuel pipeline transportation business operated by FPT was increased by 3%, causing 3,581 Million Bath of the total revenue of the Company's Group, which was increased by 0.5% from the past year. Moreover, the revenues by business were classified into 80% from refueling business and 20% from fuel pipeline transportation business.

In 2017, net profit of shareholder's equity of the Company's Group was 971 Million Baht, which was decreased by 11.5% or 126.5 Million Baht from the net profit of the year 2016 in the amount of 1,097 Million Baht, representing the net profit margin at 28.3%. This was because, in 2016, the Company's Group gained other revenue from special items, in the amount of 76.4 Million Baht while there was no special item in 2017. Therefore, the performance of the Company's Group was decreased compared to the past year. However, excluding special items, the net profit of shareholder's equity in 2017 was decreased by 6.3% or 65.4 Million Baht. The net profit margins by business were classified into approximately 87% from refueling business and approximately 13% from fuel pipeline transportation business.

In 2018, the business performance was expected to be increased from 2017, during January-April 2018, the Company forecasted that the volume of aviation fuel would be increased by

5.4% from 2017. In this regard, it was increased by 0.5% in January, 2.6% in February, 9.5% in March, and it was expected to be increased by 9.7% in April.

According to the statement of comprehensive income for the year 2017, the key items could be summarized as follows;

1. The total revenue was 3,581.3 Million Baht, which was increased by 0.5%, in line with the growth of volume of aviation fuel and total volume of fuel transported via pipeline serviced by FPT, while other revenues (excluding 58.9 Million Baht of special items) were decreased by 16.3%, mainly due to lower interest causing 3,640.2 Million Baht of the total revenues (excluding special items), which was increased by 0.1%. In 2016, the revenues from special items were 76.4 Million Baht, which was from the compensation for the breakdown of pipeline at Phaya Thai Station, amounting to 47 Million Baht including interest, and 29.4 Million Baht from debt balance revising, which was from the removal of pipeline in the electric train construction area at Tao Pun Station. However, in 2017, there was no revenue from such items, causing the total revenue of 3,604.2 Million Baht, which was decreased by 1.9%.

2. The cost of services and operating expense was 2,189.8 Million Baht, which was increased by 3.1%, resulted by the increase of depreciation and amortization, personnel expense, and remuneration for permission to operate the business of aviation refueling.

3. The net profit of shareholder's equity was 970.6 Million Baht, which was decreased by 11.5% causing the net profit margin of 28.3% and the net profit per share of 1.52 THB. However, excluding the revenue from special items, the 2017 net profit of shareholder's equity was decreased by 6.3%.

The statement of financial position of the Company's Group as of 31 December 2017 could be summarized as follows;

1. The total assets were 12,414.4 Million Baht, which was increased by 2.1%. Such increase was mainly fallen into fixed assets for expansion of investment in High Pressure Pipeline Transportation Project, phase 2 of TARCO and Northern Pipeline Expansion of FPT.

2. The total liabilities were 4,844.7 Million Baht, which was increased by 1.2%, mainly due to the increase of account payable and other non-current assets. Moreover, the long term loan of the Company's Group was decreased by 282.3 Million Baht from 2016.

3. The shareholder's equity was 7,569.7 Million Baht, which was increased by 2.7%, causing the Debt to Equity Ratio (D/E Ratio) in 2017 was 0.64:1 compared to 0.65:1 in 2016.

4. The book value per share was equivalent to 11.87 THB, which was increased from 11.56 THB per share in 2016 at the rate 2.7%.

The Company focused to be the sustainable fuel service company. Other than good financial performance, the Company also conducted the corporate good governance and anti-corruption, and performed other operations in sustainable aspects, which could be summarized as follows;

1. The Company was certified as Thailand's Private Sector Collective Action Coalition against Corruption (CAC) since 2014. Moreover, in 2017, the Company was certified to renew the status thereof for another 3 years.

2. The Company provided the knowledge for directors, executives, and employees through many activities such as seminar, and CG Day activity. Moreover, in 2017, the Office of the Securities and Exchange Commission (SEC) issued the new CG Code. In this regard, Mr. Rapee Sucharitakul, the Secretary-General of the SEC was invited to give knowledge to the Company's directors.

3. The Company conducted seminars to provide knowledge on Ethics for Business Partner and Anti-Corruption Policy to ensure that the Company's partners understand and acknowledged the business practices to operate the business with the Company. In 2017, there were 23 partners, and the partners were invited to attend the declaration of intention for Anti-Corruption in Private Sector Program.

4. Regarding sustainable aspect, the Company adhered to the business operation for energy stability which affected the economy of Thailand aviation industry. This would be the organization to carry the value to all interested people throughout the supply chain in a well-balance manner which covered the economic, social, and environmental dimensions.

5. The Company continuously operated business in sustainable aspect by formulating 5-year sustainable strategies (2016-2020), which was comprised of 8 core plans. Then such core plans were integrated with the United Nations' Sustainable Development Goals (SDGs).

In the past year, the Company was determined to carry out its operation according to its the strategic plan on sustainability, and it resulted in the progress in 3 dimensions namely economy, society, and environment. For social dimension, the Company coordinately performed the operations with the society nearby Don Mueang Airport Fuel Storage, Suvarnbhumi Airport Fuel Storage, and Living Quality Development of Students in Lampang Project. For environmental dimension, the Company performed the operations under the working plan which would be achieved under the policy on environmental dimension to reduce the pollution from Carbon dioxide to be the Carbon Neutral Company. Therefore, the Company was praised as one of "Model Organizations" to create the worth and value of both itself and society, which had been guaranteed by various awards namely consecutive 3-year of Thailand Sustainability Investment (THSI), SET Sustainability Awards 2017 as Outstanding Sustainability Awards from the Stock Exchange of Thailand, whereas the Company was the only one

among listed companies with market capitalization of 10,000 – 30,000 Million Baht, and consecutive 3-year (2015-2017) of ESG Rating on the list of ESG100, which had been evaluated on the basis of outstanding performance in environmental, social, and governance aspects.

In respect of the overall operation in 2017, the Company complied with the strategic plan on sustainability covering 3 dimensions to achieve the vision that “Sustainable development in energy Services with awareness of quality, safety, and environment”.

The Chairman informed the Meeting that this agenda did not require voting, because it was for reporting to the shareholders. The Chairman asked the Meeting whether the shareholders had any queries.

Mr. Wiriya Supphachariyavichai, shareholder, inquired about Phase 2 of Suvarnabhumi Airport Development Project, the construction of Satellite Terminal for 28 bays, which TARCO had received the rights to invest in the construction and to lay the Hydrant pipeline with the completed date in 2019. He inquired on the time that Airports of Thailand Public Company Limited (AOT) would allow TARCO to operate the construction and provide services. Moreover, he inquired about the progress of the permission to provide services at U-tapao International Airport.

The Managing Director explained that the laying of Hydrant pipeline at the Satellite Terminal must be operated prior to other construction parts, and TARCO had already operated the same as planned. Upon the completion of other construction parts, the pipeline could be extended to the Satellite Terminal.

Mr. Nitinai Sirismatthakarn, Director, further explained that the laying of underground pipeline had already completed. In this regard, the construction in phase 2 was expected to be completed by November 2019 according to the previous schedule. However, according to the criteria of International Civil Aviation Organization (ICAO), the Commissioning shall be tested and some tests may take a long time, that was, the Refrigeration System, which the water was required for flushing process, took around 1 year to complete the test. Although some construction parts were delayed, the test thereof did not take a long time; therefore, it did not affect the service commencing date. The construction of Satellite Terminal for 28 bays was expected to be completed by November 2019, and the test thereof was expected to be completed around mid-2020, therefore, the service commencing date would be around mid-2020 according to the previous schedule.

The Managing Director replied to the query about U-tapao International Airport that such project was operated under structural frame of the Eastern Economic Corridor (EEC). At present, EEC office was already established, and the Company submitted the proposal for operations; however, there was no concrete progress. In this regard, the Company presented all projects to all related sectors, and continuously monitored the progress with the Director of U-tapao International Airport and EEC office. The Company presented that our strong point was the Open Access System, which allowed all fuel companies to transport the fuel into the airports. Moreover, the Company’s shareholders were fuel

companies and Thai Airways International Public Company Limited as the service users, and the Company was financially ready for the investment. Also, EEC had an urgent issue on funding for all infrastructures to establish the airport city. Therefore, it was expected that the Government would conduct the activities in various sectors, not only airport aspect. The Company still closely monitored the result of proposal submission. If there was any sector directly responsible therefor, the Company was ready to conduct the discussion on this issue, which may be the good opportunity for the Company to operate the business.

Mr. Wiriya Supphachariyavichai, shareholder, inquired about the innovation of BAFS Innovation Development Co., Ltd. (BID) other than those presented in the Opportunity Day and Production Plan for Sale.

The Managing Director asked the Managing Director of BAFS Innovation Development Company limited (BID) to explain the matter to the Meeting.

The Managing Director of BAFS Innovation Development Company limited (BID) explained that, in the Opportunity Day, BID had presented KVT Voice, which was the signal device in order to conduct the campaign for KVT, emphasizing on safety of BAFS Group's employees for refueling. Moreover, LED Fiber Optic was the device to lighten the pipeline and dispenser. This was because, the dispenser was sometimes parked at the bay with insufficient light, and it may cause an accident. However, this problem could be solved by LED Fiber Optic. BID would fit out the LED Fiber Optic with all 80 dispensers. At present, this product was distributed to companies in BAFS' Group only. Moreover, such product was admired by Japan Airlines.

The Managing Director further explained that, currently, there were many BID's products which were under the process of patent registration; therefore, they could not be presented to the Meeting at this time. However, it was expected that more products could be presented in the Opportunity Day or the next meeting. The creation of products or innovations would support the Company's advancement, save cost, and increase operational safety. Upon capacity usage, the marketing plan would be further considered to increase revenues for BAFS Group.

Mr. Arvut Boonthayos, shareholder, asked for the estimation of the yield of the Northern Pipeline System of FPT and the standard to set service rates of the Company when compared to other service providers in other airports both domestic and abroad, as well as the reason why the Company cannot adjust the price.

The Managing Director explained that recognition of the revenue of FPT will start when the construction and the laying of pipeline is finished. It is divided into 2 phases. Phase 1 is the fuel storage in Pichit Province which is estimated to be finished at the end of 2018 and when the commissioning is finished, it is expected to be in process and able to show the revenue at the beginning of 2019. Phase 2 is the fuel storage in Lampang Province, including the pipeline which connects fuel storage in Pichit Province to the fuel storage in Lampang Province. It is expected to be finished at the



end of 2019 and able to show revenue in 2020. Additionally, the Managing Director from Fuel Pipeline Transportation Limited was asked to provide further details to the Meeting.

The Managing Director from Fuel Pipeline Transportation Limited explained to the Meeting that recognition of the revenue at the beginning of the first phase can be estimated that the market share of the service users is at 22%. Currently, there is still profit but because of the high investment, as a result, the cash flow of the first phase of the operation is rather low. After 2 -3 years it should be able to return to gain profits dramatically.

The Managing Director explained to the Meeting concerning the service rate in the airport that the Company set the service rate based on the expenses of the operation as well as the competition state. The reason the Company does not adjust the service rate at Suvarnabhumi Airport is because the Company must think of the impacts. Moreover, if the service rate is too high, the various airlines may not afford the service, as can be seen from the case where the government increase the excise tax from 0.20 Baht per liter to 4.00 Baht per liter, the airline can choose to use less aviation refueling service in country and opt to use aviation refueling service from abroad. As for domestic airlines, they decrease their fuel reserve. For these reasons, the consideration of service rate increase must be done carefully. Additionally, competitions from neighboring countries must be taken into account. The Company must preserve the ability to compete of the country to support in making Thailand the true hub of the region. Nevertheless, the Company must think of the revenue and the turnover which will affect the Company's shareholders. In the past year, the Company was affected by the increase of excise tax but was compensated from the growth of the airport which had a high growth, with increasing flights and passengers that it is quite certain that this year the Company can still have worthwhile yield.

The Meeting acknowledged the report of the Board of Directors regarding the performance of the Company in the year 2017 and the future operation plan as proposed.

### **Agenda 3      To Consider Approving the Financial Statement for the Year 2017**

The Chairman stated to the Meeting that, the Board of Directors' Meeting No.1/2018 has considered and agreed with the financial statement for the year 2017, which was audited by the auditor and reviewed by the Audit Committee. The details were presented in the annual report for the year 2017 distributed to the shareholders together with the Meeting Invitation Notice (Enclosure 2, page 120-130). Therefore, the Chairman asked the Meeting to consider this agenda.

Then, the Chairman asked the Meeting whether the shareholders had any queries.

Miss Siriprapha Wongthammakhan, Shareholders' Right Protection Volunteer, Thai Investors Association, inquired about the details of assets, property, leasehold improvement and equipment in the Company's statement of financial position, which was increased from 4,892,914,102 Baht to 7,204,190,218 Baht, representing approximately 47%, and the liabilities and shareholders' equity, provision for long-term employee benefit, which was increased from 889,237,810 Baht to 939,313,354 Baht, representing approximately 19.39 % of the total liabilities. She asked whether the amounts of such items were too high or not because such items affected the shareholders.

The Executive Chairman asked the Finance and Accounting Director to explain this matter to the Meeting.

The Finance and Accounting Director explained this matter to the Meeting that, property, leasehold improvement and equipment was increased due to the investment increase of FPT and TARCO, which was under the construction of the pipeline laying to the Northern Region Project including the hydrant expansion project of Suvarnabhumi Airport, phase 2. With regard to the liabilities relating to the item of provision for long-term employee benefit, it complied with the accounting standard. The provision was increased due to the calculation of employees' service years which had increased.

The Executive Chairman further explained that, regarding the investment in the hydrant expansion project of Suvarnabhumi Airport, phase 2, the investment budget was in the amount of approximately 700 Million Baht. Currently, the investment had already been spent in the amount of approximately 600 Million Baht, which was less than the fixed budget. Regarding the pipeline laying to the Northern Region Project, it was another project where the high investment was needed. The Project value was in the amount of approximately 9,000 Million Baht. Currently, the investment had already been spent in the amount of approximately 8,000 Million Baht. The over 50% of Project's construction has already been completed. The target of construction completion is within this year. Regarding the laying of pipeline to the fuel storage located in Phichit Province, phase 1, it is expected that the commercial service will be rendered within the beginning of the year 2019. With respect phase 2, it is expected that the fuel storage located in Lampang Province will be completed at the end of the year 2019.

Mrs. Patchanee Harnpramulkul, shareholder, inquired about the criteria on the allocation of profit to become an "Other Reserve" item in the Company's statement of financial position.

The Managing Director asked the Finance and Accounting Director to explain this matter to the Meeting.

The Finance and Accounting Director explained this matter to the Meeting that, the reserve was for investment according to the Company's policy, the reserve's proportion was at approximately 10%.

There was no additional query of shareholder, therefore, the Chairman explained the method of vote casting for this agenda and asked the Meeting to resolve such matter.

**RESOLUTION:** The Meeting considered the matter and resolved to approve the financial statements for the year 2017 by the unanimous vote of the shareholders who attended the meeting and cast their votes as follows:

Approved	519,647,378 votes	equivalent to 100.0000%
Disapproved	0 vote	equivalent to 0.0000%
Abstained	10,000 votes	
Voided	0 vote	equivalent to 0.0000%

#### Agenda 4 To Consider Allocation of Profits, Reserve Fund and Dividend Payment

The Chairman asked the Managing Director to explain this matter to the Meeting.

The Managing Director explained to the Meeting that the meeting of the Board of Directors No. 1/2018 had resolved to approve the allocation of profits, reserve fund, and dividend payment as follows:

	(Unit: Thousand Baht)
Dividend for the year 2017	796,870
Reserve for Investment Expansion	85,506
General Reserve	85,506
Retained Earnings Carried Forward to 2018	1,056,117

The Company has the policy to pay the dividend to the shareholders at the rate of not less than 50% of its profit after corporate income tax, legal reserve and other reserves, at the rate of not less than 10% being calculated on the net profit according to the separate financial statement of the Company. However, the afore-mentioned rate of the dividend payment depends on the liquidity and the Company's business expansion plan.

Additionally, according to the performance of the Company in the year 2017, the Company paid dividend at the rate of 1.25 Baht per share. Due to the fact that there was an interim dividend payment on 6 September 2017 at the rate of 0.22 Baht per share, therefore, the dividend this time was proposed to be declared at the rate of 1.03 Baht per share. In this connection, the name list of the shareholders entitled to receive the dividends will be fixed on 7 May 2018 and the dividend payment date would be 21 May 2018. In addition, there was the information compared with the rate of dividend payment of the previous year according to the details as follows:

Year	Dividend Payment (Million Baht)	Dividend per Share (Baht)	Dividend Payout Ratio on Net Profit (The Company's separate financial statement )	
			Before Reserve Deduction	After Reserve Deduction
2017	796.9	1.25	93	116
2016	956.2	1.50	68	85
2015	701.2	1.10	82	103
2014	561.0	1.10	81	102
2013	510.0	1.00	61	76

The details appeared in the Enclosure 2, page 69-70.

The Executive Chairman explained this matter to the Meeting that, the Company's profit was decreased when compared with the year 2016, as a result, the dividend in the year 2017 was decreased. However, if we considered the percent of net profit, it was clearly that, in the year 2017, the Company had paid the dividend at a higher rate.

The Managing Director explained to the Meeting that, in 2016, the Company declared to pay special dividend because the Company gained a profit from selling out FPT's shares. The special dividend was declared at the rate of 0.25 Baht per share and the dividend paid

from the Company's performance was at the rate of 1.25 Baht per share. Thus, the dividend was paid at the total rate of 1.50 Baht per share. Although the performance in 2017 was not as good as that in the previous year, but the Company still paid the dividend from the Company's performance at the same rate i.e. at the rate of 1.25 Baht per share. In calculating it in the form of percentage to net profit, the rate was increased from 68% to 93% (before reserve) and from 85% to 116% (after the reserve). This was because the Company's cash flow was good and the Company believed that the performance in 2018 would be good.

Mr. Chookiat Hanpramookul, shareholder, inquired about the amount of Company's each type of reserve consisting of legal reserve fund, reserve for investment, and general reserve, whether the amount was aligned with the regulations. He further inquired about the targets of reserve fund, and benefits of reserve fund.

The Managing Director asked the Finance and Accounting Director to explain this matter to the Meeting.

The Finance and Accounting Director explained to the Meeting that, in regard of legal reserve fund, the Company fully allocated the reserve funds according to the laws of 63,749,666 Baht. The current reserve for investment and general reserve amounted to 1,950 Million Baht. The Company has continued the policy to reserve not less than 10% of net profit to strengthen its financial status in which the Company could spend it for future investment and increase the Company's revenue.

The Managing Director additional explained to the Meeting that the reserve for investment and general reserve were invested in short-term basis such as government bond for interest return to the Company. However, the Company would consider the opinions of shareholders concerning reserve allocations.

The Executive Chairman added that the reserve was for future investment. The Company has had planned to invest in several projects to correspond to the Company's policy on energy business through sustainable and strong development in 2018. Therefore, the reserve fund had been still necessary, but the Company needed to consider and avoid the impacts on shareholders from investing in new businesses.

There was no additional query of shareholder, therefore, the Chairman explained the method of vote casting for this agenda and asked the Meeting to resolve such matter.

**RESOLUTION:** The Meeting considered the matter and resolved that the allocation of profits and reserve fund and dividend payment be approved by the unanimous vote of the shareholders who attended the meeting and cast their votes as follows:

Approved	519,659,116 votes	equivalent to 100.0000%
Disapproved	0 vote	equivalent to 0.0000%
Abstained	0 vote	
Voided	0 vote	equivalent to 0.0000%

**Agenda 5 To Consider the Election of Directors in place of those who Retired by Rotation**

Prior to the meeting of this agenda, the nominated directors left the Meeting, then, the Chairman asked the Company Secretary to report to the Meeting.

The Company Secretary reported to the Meeting that, in pursuant to Section 70 of the Public Company Act B.E. 2535 and Article 14 of the Company's Articles of Association, at every Annual General Meeting, one third of the directors will have to be retired by rotation and the directors who have been in the office the longest must be retired. The retiring directors are eligible to be re-elected. At this Meeting, 5 directors who will be retired by rotation are sequenced by alphabetical order as follows:

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|---|----------------------|
| 1. Mr. Nitinai Sirismatthakarn          | Director             |
| 2. Mr. Pachara Yutidhammadamrong        | Independent Director |
| 3. Squadron Leader Pongtorn Thepkanjana | Director             |
| 4. Mr. Phipawat Sitthichaikasem         | Director             |
| 5. Mr. Surachai Piencharoensak          | Director             |

The Company had provided opportunity to the shareholders to nominate the person who would be elected as the Company's director via news system of the Stock Exchange of Thailand and at Company's website ([www.bafsthai.com](http://www.bafsthai.com)) during 17 October 2017 until 17 January 2018 and there was no shareholder's nomination upon the due period of time. The Meeting of Board of Directors No.1/2018 has resolved to agree with the opinion of the Nominating and Corporate Governance Committee to nominate the directors who will be retired by rotation sequenced by alphabetical order as follows:

- |   |   |
|---|---|
| 1. Mr. Kongsiam Chinwanno               | to be Director                              |
| 2. Mr. Nitinai Sirismatthakarn          | to be Director for another term             |
| 3. Mr. Pachara Yutidhammadamrong        | to be Independent Director for another term |
| 4. Squadron Leader Pongtorn Thepkanjana | to be Director for another term             |
| 5. Mr. Surachai Piencharoensak          | to be Director for another term             |

The Nominating and Corporate Governance Committee had considered the composition of the Board of Directors and the Board Skill Matrix and found that, those nominees' qualifications, knowledge, competence, experience and expertise were suitable. In addition, those nominees' qualifications do not contravene the prescription of Charter of Nominating and Corporate Governance Committee and also their qualifications accord with the Company's Independent Director's definition which will benefit to the Company's management. Moreover, each nominee who will be appointed as the members in Sub-committees has the sufficient competence and their past performance indicated that they could perform well as Directors. Additional reason is that the Company operates a particular business, there is a recruitment limitation for person who has a particular knowledge, expertise and experience. Accordingly, the above-mentioned persons are suitable to hold office as the Independent Director and Directors of the Company.

In this connection, if the Meeting of Shareholders resolved to approve the appointment of Mr. Kongsiam Chinwanno to be director, it shall be deemed that the Meeting of Shareholders approved to change the names of directors who had the authority to sign to bind the Company in order

to be in line with the appointment of new directors, as follow: “M.R. Supadis Diskul, Mr. Prakobkiat Ninnad, Mr. Peratak Autadej, Mr. Nitinai Sirismatthakarn, Mr. Kongsiam Chinwanno, Mr. Rungroj Sivachan, Squadron Leader Pongtorn Thepkanjana, Mr.Surachai Piencharoensak, Mrs. Usanee Sangsingkeo, two out of nine directors jointly sign and affix the Company’s seal”

There was no shareholder query, therefore, the Chairman explained the method of vote casting for this agenda to the Meeting and asked the Meeting to resolve to appoint that five directors to be Directors for another term.

**RESOLUTION:**

The Meeting considered the matter and resolved to appoint 5 directors in replacement of those retired by rotation in Annual General Meeting of Shareholders for the year 2018 as follows:

1. Mr. Kongsiam Chinwanno to be Director with the details as follow:

Approved	519,210,691 votes	equivalent to 99.9147%
Disapproved	442,825 votes	equivalent to 0.0852%
Abstained	15,600 votes	
Voided	0 vote	equivalent to 0.0000%

2. Mr. Nitinai Sirismatthakarn to be Director for another term with the details as follow:

Approved	519,221,391 votes	equivalent to 99.9147%
Disapproved	442,825 votes	equivalent to 0.0852%
Abstained	4,900 votes	
Voided	0 vote	equivalent to 0.0000%

3. Mr. Pachara Yutidhammadamrong to be Independent Director for another term with the details as follow:

Approved	519,550,765 votes	equivalent to 99.9849%
Disapproved	78,451 votes	equivalent to 0.0150%
Abstained	39,900 votes	
Voided	0 vote	equivalent to 0.0000%

4. Squadron Leader Pongtorn Thepkanjana to be Director for another term with the details as follow:

Approved	474,826,341 votes	equivalent to 91.3717%
Disapproved	44,837,875 votes	equivalent to 8.6282%
Abstained	4,900 votes	
Voided	0 vote	equivalent to 0.0000%

5. Mr. Surachai Piencharoensak to be Director for another term with the details as follow:

Approved	519,221,391 votes	equivalent to 99.9147%
Disapproved	442,825 votes	equivalent to 0.0852%

Abstained	4,900 votes	
Voided	0 vote	equivalent to 0.0000%

The interested directors re-entered to the meeting room.

**Agenda 6 To Consider Appointing External Auditors and their Audit Fee**

The Chairman asked Mr. Visut Montriwat, member of Audit Committee, to report this matter to the Meeting.

Mr. Visut Montriwat, reported to the Meeting in brief that, pursuant to Section 120 of Public Company Act B.E 2535 and Article 37 (5) of the Company's Articles of Association, the shareholders at the Annual General Meeting are required to appoint the Company's auditors and determine the audit fees for every year. For this year, the Board of Directors' Meeting No. 1/2018 resolved to propose to the Meeting to consider appointing the external auditors and their audit fee for the year 2018 as follows:

1. Miss Vissuta Jariyathanakorn, Certified Public Accountant Registration number 3853, or
2. Mr. Termphong Opanaphan, Certified Public Accountant Registration number 4501, or
3. Miss Kosum Cha-em, Certified Public Accountant Registration number 6011

of EY Office Limited, either of whom may audit and express the opinion on the Company's financial statements. In this regard, the proposed auditors were approved by the Office of the Securities and Exchange Commission (SEC). The remuneration of auditor would be fixed at 1,391,000 Baht (excluding Out of Pocket Expenses). The remuneration comprised the audit fee of financial statements for 3 quarters in the amount of 140,000 Baht per quarter, totaling 420,000 Baht, the audit fee of annual financial statements was in the amount of 971,000 Baht, totaling 1,391,000 Baht, or increased by 5%. The Audit Committee has the opinion that, in the past financial year, auditors of EY Office Limited, had a plan to audit clearly. In addition, such auditors performed their duties with knowledge, professional competence. The auditors also attended the meeting with the Audit committee regularly and provided satisfied work quality. Moreover, the auditors must have additional work due to an application of new Thai Standards on Auditing in 2019 but there must be the action from the year 2018. Accordingly, the Audit Committee has the opinion that, the proposed audit fee was appropriate.

In order to comply with Regulation of Office of Securities and Exchange Commission with regards to the changing of the external auditor who had performed its duties to audit or reviewed, and expressed the opinion on the Company's financial statements for 5 years consecutively, as well as to have continuation in audit work, therefore, it was appropriate to appoint the Company's external auditors. The auditors had independency, with no relation to and/or no interest in the Company, its subsidiaries, executives, major shareholders or related persons.

Then, the Chairman asked the Meeting whether the shareholders had any queries.

There was no shareholder query, therefore, the Chairman explain the method of vote casting for this agenda and asked the Meeting to resolve such matter.

**RESOLUTION:**

The Meeting considered the matter and resolved to approve the appointment of the Company's external auditors for the year 2018 as follows:

1. Miss Vissuta Jariyathanakorn, Certified Public Accountant Registration number 3853, or
2. Mr. Termphong Opanaphan, Certified Public Accountant Registration number 4501, or
3. Miss Kosum Cha-em, Certified Public Accountant Registration number 6011

of EY Office Limited, either of whom may audit and express the opinion on the Company's financial statements, with the remuneration of 1,391,000 (exclusive of Out of Pocket Expenses). The remuneration comprised the audit fee of financial statements for 3 quarters in the amount of 140,000 Baht per quarter, totaling 420,000 Baht, the audit fee of annual financial statements was in the amount of 971,000 Baht. The resolution was approved by the unanimous votes of the shareholders who attended the meeting and cast the votes as follows: -

Approved	519,502,091 votes	equivalent to 100.0000%
Disapproved	0 vote	equivalent to 0.0000%
Abstained	213,900 votes	
Voided	0 vote	equivalent to 0.0000%

**Agenda 7 To Consider the Directors' Remuneration**

The Chairman asked the Managing Director to explain this matter to the Meeting.

The Managing Director explained this matter to the Meeting in brief that the Board of Directors' Meeting No.1/2018 agreed with the proposal of Remuneration Committee to fix the remuneration of Directors (Bonus) for the year 2017, in the total amount of 14,000,000 Bath. The criteria of consideration for the Directors' remuneration accords to the Directors' performance (Performance Base), in terms of the annual net profit and dividend payment to shareholders. The Remuneration Committee proposed to fix the remuneration of Directors (Bonus) for the year 2017, in the same amount as that of the year 2016 in the amount of 14,000,000 Bath. The monthly remuneration and the meeting allowance of the Board of Directors and sub-committee of 2018 shall be the same rate as that of the year 2017 according to the following details:

<b>Proposal</b>	<b>Existing Rate</b>	<b>Proposed Rate</b>
1. The Board of Director's Remuneration		
1.1 Monthly Remuneration		
- Chairman	45,000	Remain as ever
- Directors	30,000	Remain as ever
1.2 Meeting Allowance		
- Chairman	30,000	Remain as ever
- Directors	20,000	Remain as ever



2. The Audit Committee's Remuneration		
2.1 Monthly Remuneration		
- Chairman	37,500	Remain as ever
- Directors	30,000	Remain as ever
2.2 Meeting Allowance		
- Chairman	25,000	Remain as ever
- Directors	20,000	Remain as ever
3. The Remuneration of Sub-Committee i.e. Nominating and Corporate Governance Committee, the Remuneration Committee and the Risk Management Committee		
3.1 Meeting Allowance		
- Chairman	12,500	Remain as ever
- Directors	10,000	Remain as ever

Then, the Chairman asked the Meeting whether the shareholders had any queries.

Miss Monsicha Sriprom, a proxy, gave her opinion that the Board of Directors had transparently applied their knowledge, competency for the Company's management. As a result, the Company had gained profit and the shareholders have continuously received the return on investment every year although there had been many problems (i.e. SARS, Bird Flu, airports shutdown or political turmoil). Accordingly, she would like to encourage and to give moral support to the Board of Directors in order that the Board of Directors will apply their competency to gain the Company's profit. Then, the Company will be able to further pay more dividend to the shareholders.

The Chairman thanked her for such opinion and moral support.

There was no additional query of shareholder, therefore, the Chairman explained the method of vote casting for this agenda and asked the Meeting to resolve such matter.

**RESOLUTION:** The Meeting considered the matter and resolved to approve the remuneration of Directors (Bonus) for the year 2017 in the amount of 14,000,000 Bath and remained the monthly remuneration and the meeting allowance of the Board of Directors and sub-committee for the year 2018 as the same rate for the year 2017 as proposed, by the vote of not less than two-third of the total number of votes of Shareholders attending the meeting as follows:

Approved	519,435,646 votes	equivalent to 99.9460%
Disapproved	78,450 votes	equivalent to 0.0150%
Abstained	201,900 votes	equivalent to 0.0388%
Voided	0 vote	equivalent to 0.0000%

#### **Agenda 8 Other Matters (if any)**

There was no other agenda proposed by shareholder, therefore, the Chairman gave an opportunity to the shareholders to inquire and to give additional comments on the Company's business.

Mr. Chakrit Yosapol, shareholder, inquired about transfer of shares in TARCO and FPT. He asked whether the current proportion that was informed in Agenda 2 is the proportion that the shares have already transferred or not, and whether the Company has already recognized the revenue from the said Project or not.

The Managing Director explained that for the case of FPT, the Company transferred the sold shares to the investor since the date of entering into an agreement. Consequently, the proportion of the Company's shareholding in FPT was at 75% from the previous proportion i.e. at 90%. The transfer of shares was done before starting operation of the Northern Fuel Pipeline Transportation Project (NFPT). Therefore, the revenue of said project has not been recognized before the transfer of shares. For the shares of TARCO, the Company has not yet issued the shares to AOT.

The Executive Chairman further explained that for the case of TARCO, according to the Concession Agreement, the proportion of shareholding in TARCO will be increased to be 15% for AOT after the execution of the Agreement. The increase of shareholding is the consideration for that AOT granted TARCO to be the investor and the management of the Hydrant Pipeline Project of Suvarnabhumi Airport Phase 2 for 28 bays. Currently, the said Agreement has not yet been signed because it is on the process of the consideration of the Attorney General. So, the proportion of shareholding in TARCO has not been increased for AOT.

Mr. Arvut Boonthayos, shareholder, inquired about Revenue Sharing before deducting expenses to be paid for the Hydrant Pipeline Project of Suvarnabhumi Airport that why the revenue of Phase 1 is at 2% but the revenue of Phase 2 was increased to be at 18%. For the NFPT Project of FPT, it is expected that FPT will have total revenue by 35%, he inquired about the volume of fuel to be transported. He also suggested to add the item of expenses of each subsidiary in the annual report of the Company.

The Executive Chairman further explained to the Meeting that the increase of Revenue Sharing for AOT from 2% of revenue (before expenses) for Phase 1 to 18% of revenue (before expenses) for Phase 2, in the negotiation the Revenue Committee and the Board of Directors of AOT already explained that the share at 18% as stated could only be used with revenue from phase 2 only. If there should be another phase, the Company cannot pay at that rate because it would be too high investment.

As for the issue of estimate revenue of FPT, the Company had studied the possibility of fuel transportation via FPT's pipeline in comparison with the market share and car and train transportation which are the competitors in the market. The estimation was that the pipeline transportation in the first year, the second year and the third year could be at 22%, 30% and 50% respectively. After that, the ratio of fuel transported via the FPT's pipeline will be 70%. Therefore, the Company's revenue from FPT at 35% means the revenue from the fourth year of the commercial operation of the northern fuel pipeline system. The Executive Chairman also accepted to add the item of expense of the subsidiaries in the Company's annual report.

Mr. Wichai Techawiwat, shareholder, inquired about the ability and the condition of the competition in the aviation fuel market for 2018 because the Managing Director stated that there was competitor at Suvarnabhumi Airport and he also inquired about the service charges of the Company when compared with the service providers at other airports.

The Managing Director explained to the meeting that, at Don Mueang Airport, the Company has a 100% market share. For Suvarnabhumi Airport, the Company has 1 competitor with the Company's market share at 85 – 87%. Said competitor has the advantage of being a company with many businesses of the same kind abroad especially in Europe and America, so it has some client base. However, the Company has the strength because it has an alliance which is the home base airline (Thai Airways) and it also has big fuel companies as the Company's shareholders. Therefore, the Company has high market shares and forecasted that the said market share would not change much. As for the price of the service as explained in the Agenda 2 which is setting the rate for the Company's aviation refueling service, it must be compared with our neighboring countries especially Singapore and Hong Kong. In order to enable Thailand to become the Hub in Asia, there was not much difference between the Company's service rate and the neighboring countries' service rate. However, because Singapore has the advantage to the Company concerning the distance of fuel transportation from the oil company to the airport and Malaysia has the advantage of being supported by the government, these are the reasons why the Company's service rate was slightly higher than that of the neighboring countries.

Afterwards, as there was no additional query or opinion of shareholder, therefore, the Chairman informed the Meeting that the Board of Directors will manage the Company honestly, transparently, straightforwardly, by taking the interest of both Company and shareholders into consideration. In addition, the Board of Directors will operate the business in accordance with the good corporate governance, will fight the corruption and will compete with its competitors fairly (Fair play) and will be fair to Company's all business partners who are both state-enterprises and fuel companies. Then, the Chairman thanked all shareholders for devoting their time in attending the Meeting and declared the Meeting was adjourned at 15.55 hrs.

- Signature -  
(Mr. Palakorn Suwanrath)  
Chairman of the Meeting

- Signature -  
(Mrs. Parndao Sukhyanga)  
Company Secretary

- Signature -  
(Mr. Thiti Kumnerddee)  
Legal Advisor  
The person in-charge-of Minutes Preparation