



Bor. Hor. 009/2014

17<sup>th</sup> March 2014

**Attention: President  
The Stock Exchange of Thailand**

**Subject : Disclosure on Tasco's Investment in the Malaysian Asphalt Refinery Project**

With reference to the Company's first announcement dated 15 May 2008 via the SET and the approval by the Board of Directors on 19 February 2014, Tipco Asphalt Public Company Limited ("the Company") is pleased to announce that

1. The majority and minority shareholders of Kemaman Oil Sdn Bhd ("KOC") and Kemaman Bitumen Sdn Bhd ("KBC") have signed and executed a Settlement Agreement on 11<sup>th</sup> March 2014 whereby,
  - a. TASCO INTERNATIONAL (Hong Kong) Company Limited ("TIHK" a 100% owned subsidiary of the company) would acquire all the remaining shares in KOC and KBC not yet owned by the Company and its subsidiaries from Aras Jalinan Sdn Bhd ("AJSB"), Multi Strategies Sdn Bhd (MSSB") and Specialist Oils & Emulsions Sdn Bhd ("SOE"), collectively referred to as "ARAS Group", at a lump sum consideration of Ringgit Seventy Five Million (RM 75,000,000.00) and the detailed payments are made up as follows:
    - i. Ringgit Forty Million Four Hundred Seventy Two Thousand Eight Hundred Fifty (RM40,472,850.00) for 31,350,000 shares of KOC or RM 1.29 per share (with net book value of RM 0.68 per share) held by AJSB of 20.63%. The purchase price was based on par value of RM 1 per share plus interest cost.
    - ii. Ringgit Thirty One Million Eight Hundred Eighty Seven Thousand Seven Hundred (RM31,887,700.00) for 24,700,000 shares of KOC or RM 1.29 per share (with net book value of RM 0.68 per share) held by MSSB of 16.25%. The purchase price was based on par value of RM 1 per share plus interest cost.
    - iii. Ringgit Two Million Six Hundred Thirty Nine Thousand Four Hundred Fifty (RM2,639,450.00) for 4,427,006 shares of KBC or RM 0.60 per share (with net book value of RM 0.60 per share) held by SOE of 1.40%. The purchase price was based on net book value of KBC's audited account 2013.



b. Settlement of Disputes

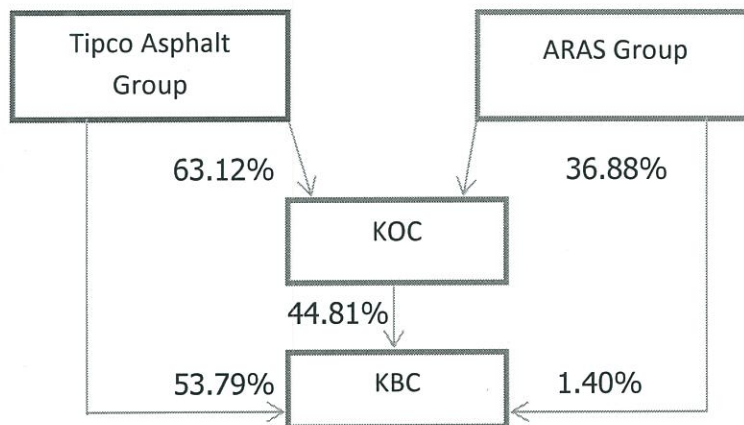
The ARAS Group and the Company and its subsidiaries irrevocably and unconditionally agrees and undertakes to release and discharge each other from any and all claims, actions, demands and other liability whatsoever which any party and/or its directors or nominees may have or may have had arising out of or in connection with the current litigation, the previous settlement agreements and the service agreement. In addition, both parties agreed to withdraw and discontinue the current litigation without any claim as to costs and without any rights to file any further claim against each other.

c. Settlement Date

The payment of RM 75 million to the ARAS Group took place on 17th March 2014 for all the shareholdings owned by the ARAS Group mentioned above.

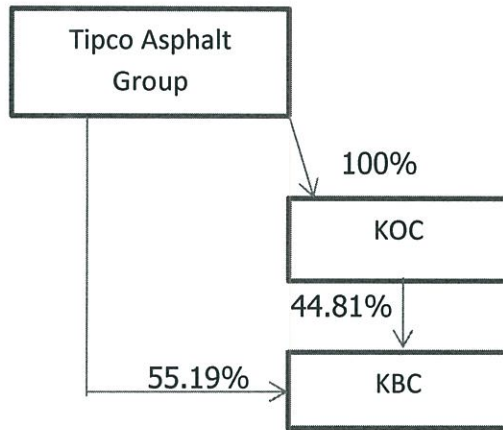
- 2. This transaction is not a connected person transaction.
- 3. Reference to the Investment Criteria – Total Consideration, the maximum percentage of additional investment and cumulative investment for 6 months are 3.70% and 7.97%, respectively.
- 4. Shareholding Structure before and after this Investment.

Before additional investment





After additional investment



This Settlement Agreement will enable Tipco Group to own 100% of shareholding in both KOC and KBC which own and operate the Malaysian asphalt refinery. In additions, all outstanding litigations will be withdrawn and discontinued by all parties.

Pleased kindly disseminate the above information to the members and interested parties accordingly.

Yours Sincerely,

Chaiwat Srivalwat  
Managing Director