

(Translation)

**Minutes of the 2014 Annual General Meeting of Shareholders  
of  
PTT Public Company Limited**

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**Date, time and place of the Meeting**

The 2014 Annual General Meeting of Shareholders (the **Meeting**) was held on Thursday 10 April 2014, at 09.30 a.m., at EH 101 – 102, First floor, Bangkok International Trade & Exhibition Centre (BITEC) 88 Bangna-Trad Road (Km.1), Bangna, Bangkok.

**Before the Meeting**

PTT Public Company Limited (**PTT**) presented a safety instruction video and asked shareholders to cooperate by turning off their mobile phones.

**Beginning of the Meeting**

At the book closing date where the transfer of shares was suspended in order to determine the entitlement to participate the Meeting and the entitlement to receive dividends, PTT had a registered paid up capital in the amount of Baht 28,562,996,250, which is calculated into 2,856,299,625 ordinary shares issued with a par value of Baht 10. As the Meeting started, a total of 4,568 shareholders and proxies were present, consisting of 1,806 shareholders attending the Meeting in person and 2,762 shareholders by proxy, representing 1,817,397,942 shares, equivalent to 63.63 percent which is more than one-third of the total issued shares of PTT. A quorum was therefore constituted according to PTT's Articles of Association. The registration of the Meeting continued.

Mr. Parnpree Bahiddha-Nukara, Chairman of PTT's Board of Directors, presided over the Meeting as Chairman of the Meeting and declared the Meeting duly convened. He informed the Meeting that PTT welcomed all shareholders to the Meeting and this year is the 13th year after PTT was listed on the Stock Exchange of Thailand (**SET**) on 6 December 2001. He informed that PTT would like to thank all shareholders for their continued patronage and reiterated PTT's commitment to be an organisation with an integrated energy business operation as Thailand's leading energy company with good management, transparency and accountability, while enhancing its operational performance and increasing its competitive capabilities to bring the highest benefits to shareholders and all stakeholders in a balanced manner.

The Chairman then introduced the 15 directors and executive officers present at the Meeting and on the stage as follows:

**Directors**

- |    |                               |  |
|----|-------------------------------|--|
| 1. | Mr. Parnpree Bahiddha-Nukara  | Chairman of the Board of Directors   |
| 2. | Mr. Athapol Yaisawang         | Independent Director / Chairman of the Nomination Committee / Member of the Enterprise Risk Management Committee |
| 3. | Mr. Sihasak Phuangketkeow     | Independent Director / Member of the Corporate Governance Committee / Member of the Remuneration Committee       |
| 4. | Mr. Watcharakiti Watcharothai | Independent Director / Member of the Nomination Committee / Member of the Corporate Governance Committee         |

**(Translation)**

5.	Mr. Suthep Liumsirijarearn	Director
6.	Mr. Chitrapongse Kwangsukstith	Director
7.	Mr. Boonsom Lerdhirunwong	Independent Director / Chairman of the Audit Committee
8.	Professor Dr. Thosaporn Sirisumphand	Independent Director / Chairman of the Corporate Governance Committee / Chairman of the Enterprise Risk Management Committee
9.	Mr. Prasert Bunsumpun	Director / Member of the Enterprise Risk Management Committee
10.	Mr. Waroonthep Watcharaporn	Independent Director / Member of the Audit Committee
11.	Mr. Insorn Buakeow	Independent Director / Member of the Audit Committee
12.	Mr. Pailin Chuchottaworn	Director and Secretary to the Board of Directors / Member of the Nomination Committee / President & Chief Executive Officer

There were 3 directors, being Mr. Somchai Sujjapongse and Mr. Montri Sotangkul who were on official business trip overseas and Mr. Arkhom Termpittayapaisith who was attending an urgent meeting with the caretaker Prime Minister.

**Executive Officers**

1.	Mr. Surong Bulakul	Chief Financial Officer
2.	Mr. Nuttachat Charuchinda	Chief Operating Officer, Upstream Petroleum and Gas Business Group
3.	Mr. Sarun Rungkasiri	Chief Operating Officer, Downstream Petroleum Business Group

In addition, there were also other executive officers on the stage at the level of Senior Executive Vice Presidents, Executive Vice Presidents and executive officers from PTT Group who were prepared to provide further clarification and information in the event that any relevant queries were asked. Independent Directors would act as proxies for minority shareholders as well.

**PTT's Auditors and Legal Advisors present at the Meeting**

The Chairman introduced the 4 representatives from the Office of the Auditor General of Thailand, PTT's auditors, i.e. (1) Miss Sunan Wongmek; (2) Miss Mayuree Chantamart; (3) Miss Jintana Chayakul; and (4) Miss Kannika Sangteerawatporn. The Chairman also introduced the 4 legal advisors who were acting as the independent parties i.e. (1) Miss Piengpanor Boonklum; (2) Miss Sawita Peetawan from Weerawong, Chinnavat & Piengpanor Limited; (3) Mr. Arkrapol Pichedvanichok; and (4) Miss Manunya Thitinuntawan from Allen & Overy (Thailand) Co., Ltd. who would monitor the vote counting.

The Chairman informed the Meeting that PTT published the documents used at this Meeting on the Company's website and reported to the SET since 10 March 2014. PTT had also posted an announcement on its website inviting shareholders to propose important matters which they deem appropriate to be added as an additional agenda in the Meeting and to nominate qualified persons consistent with the Company's criteria to be elected as directors during 1 October 2013 to 31 December 2013. However, no shareholder proposed any agenda item and nominated any person in accordance with the criteria. In order for the Meeting to proceed smoothly, the Chairman asked the Company Secretary, Mrs. Wantanee Jaruke, to clarify today's Meeting procedures.

## (Translation)

Mrs. Wantanee Jaruke, the Company Secretary, informed the Meeting of the shareholders' voting procedures for each agenda as follows:

- A shareholder has a number of votes equal to the number of shares he/she or a proxy grantor holds. A shareholder may cast votes of approval, disapproval or abstention on each agenda item equal to the number of shares held by him/her or the person who granted him/her proxy, using the ballot received at the registration.

- In counting the votes, only the votes of disapproval and abstention in each agenda item will be counted by way of raising their hand to signify the Meeting staff to collect their ballots. Such disapproved or abstained votes will then be deducted from the total number of votes of shareholders present at the Meeting and the remaining number will be treated as approval for that agenda. If the majority of the votes cast approval and were in accordance with PTT's Article of Association regarding voting, it shall be deemed that the Meeting agreed or approved that agenda item, except agenda item 4, the election of directors to replace the retiring directors. In agenda item 4, the shareholders will be asked to cast their votes for each candidate on an individual basis by collecting the disapproval or abstention ballots first, followed by all the approval ballots to be in line with best practice in managing a shareholders' meeting. Shareholders who wish to leave early or be absent during any agenda item may exercise their rights by handing in their ballots in advance to the staff of their row.

- Before casting a vote for each agenda item, the Chairman will allow shareholders to ask questions relevant to that agenda item as appropriate. Shareholders who wish to ask questions are requested to stand at the microphone and raise their hand. Once the Chairman permits, the shareholders will be asked to state their name and surname before asking or giving an opinion every time. Their questions or opinion should be brief and relevant to the agenda in order to allow other shareholders to exercise their rights and so that the Meeting can be managed within the scheduled time. If a shareholder has a question that is irrelevant to the agenda item taking place, such question should be asked in the agenda item re: other matters at the end of the Meeting.

- Moreover, in case a question is asked in English, PTT has prepared interpreters to translate questions/suggestions into Thai and the Directors/Executive Officers will answer in Thai so that other shareholders in the Meeting will understand. The interpreters will also translate the response of the Directors/Executive Officers into English for the person who asked/suggested.

After the Meeting, PTT will ask to collect all ballots from shareholders as evidence by handing them to the staff collecting the ballots. All shareholders are requested to fill out the questionnaire distributed upon registration and return it to the staff at the exit so that PTT will review the feedback to improve the organization of the next shareholders' meeting. The Chairman was then asked to proceed with the Meeting.

The Chairman asked the Meeting to consider the matters in the agenda which consist of 7 agenda items as follows:

### **Agenda Item 1**

#### **To certify the 2013 AGM Minutes on April 11, 2013**

The Chairman informed the Meeting that PTT had sent the Minutes of the 2013 Annual General Meeting of Shareholders, held on 11 April 2013 (the **Minutes**) to SET, published on its website within 14 days after the meeting was held and sent to all shareholders together with the Notice of the Meeting. The Chairman asked the shareholders whether they would like to ask or comment. The questions and comments were summarized as follows:

**(Translation)**

**Mr. Pijan Sukhpharangsee,**  
a shareholder

asked and commented as follows:

1. What is the professional experience of the Chairman of the Board (Mr. Parnpree)? In what aspect is his opinion useful for PTT? When does his term start and end?
2. Does PTT have an independent and transparent policy in appointment procedure of the Chairman of the Board?
3. Page 4 of the Minutes does not state why Mr. Norkun Sitthiphong, former Chairman of the Board of PTT resigned from his position as a director. Also it does not include the political issues in relation to Mr. Julasing Wasantasing's acting as the Attorney-General in The minutes
4. Who is empowered to consider the salary of the President & CEO stated on page 18? Does the Ministry of Finance or The Ministry of Energy involved in the consideration?
5. In relation to an audit of state-enterprises conducted by the Office of the Auditor General of Thailand stated on page 23, why did it not include the audit of PTT group of companies?
6. What was the reason for the increase in remuneration in form of a bonus for PTT's directors stated on page 26? Was the bonus paid to the executives of Ministry of Finance and Ministry of Energy who acted as PTT's directors also increased?
7. PTT's Board of Directors should consider limiting directorship of PTT's directors to take a position as a director only at one state-enterprise in order to set a good example and to prevent exploitation from state-enterprise privatization.
8. Why was an executive officer from a private company appointed as a PTT's director as appeared in page 30 of the Minutes?
9. Why was Mr. Prasert Bunsumpun, a director of Intouch Holdings PLC\* appointed as a director of PTT as appeared in page 30 of the Minutes? Does the executive officer of Intouch Holdings PLC or its subsidiaries have related relationship with PTT?

*Remark: \*Shin Corporation PLC registered the change of the name to Intouch Holding PLC on 31 March 2014.*

**President & CEO**

clarified as follows:

1. The Chairman's (Mr. Parnpree) professional experience is set out in the annual report.
2. Mr. Norkun resigned from a position of a director due to his personal reasons.
3. The Remuneration Committee has a power to consider the salary of the President & CEO on an annual basis. The consideration must be proposed to a meeting of PTT's Board of Directors for approval. The President & CEO regarded as an interested person, would not be provided with information and must leave the meeting to ensure the transparency.

(Translation)

4. The Office of the Auditor General of Thailand has a duty as prescribed in the Organic Law on State Audit B.E. 2542 in relation to an audit and review of financial statements of “State-owned enterprise” as defined in the Budget Procedure Act B.E. 2502. For companies which do not fall within the scope of definition, auditors shall be considered and appointed by the shareholders in accordance with the company’s Articles of Associations.
5. In the shareholders’ meeting, the shareholders have a power to consider and appoint appropriate directors to replace directors retiring by rotation. In case of resignation of directors resulting in a vacancy of directorship, the Nomination Committee will nominate a candidate possessed of qualifications for PTT’s Board of Directors’ consideration and appointment. The replacement director will assume the position for the remaining term of the resigning director.

**Mr. Prasert Kaewduangtian,**  
a shareholder

asked if the shareholders’ meeting must certify the Minutes as he understood from a chairman of the board of a large listed company who informed the meeting that the law did not require certification of minutes of shareholders’ meeting.

**President & CEO**

clarified that listed companies including PTT Group have different practice on certification of minutes, however, this comment from the shareholder would be considered for establishment of a guideline for PTT Group.

**Miss Peangpanor Boonklum,**  
the legal advisor

further clarified that, in practice, the majority of listed companies in Thailand certified minutes, however, the Public Companies Limited Act B.E. 2535 had no provision on certification of minutes of shareholders’ meeting and therefore, there was no legal effect whether minutes was certified or not.

**Mr. Thara Chonpranee,**  
a shareholder

requested that the Minutes shall be amended and commented as follows:

1. The name of the shareholder in the Minutes should be amended from “Mr. Thara Sophanee” to “Mr. Thara Chonpranee”.
2. Page 6 of the Minutes should be amended by deleting “However, if the word "present in the meeting" is used, it should be used for proxies or people who are not shareholders but were present in the meeting”. This is because a proxy has rights to give opinion, ask questions or vote while a person who is present in the meeting has no such rights.
3. His comments on the appointment of directors re: application of a cumulative voting on page 31 of the Minutes should be amended by deleting “This is already a difference.” in item 2 and adding “shall be appointed as a director of the company” to item 3.

**Chairman**

thanked and apologized to the shareholders, then assigned the Company Secretary to amend the Minutes accordingly.

**Mrs. Chaweewan  
Rangsibrahamanakul,**  
a proxy

asked whether PTT’s audit team is an internal unit or outsourced from an external consultant and if it was outsourced from an external consultant, what the compensation was and where the audit report was disclosed.

(Translation)

**Mr. Boonsom Lerdhirunwong,**  
Independent Director /  
Chairman of the Audit  
Committee

clarified that PTT have established an internal audit team which consisted of approximately 50 employees who carried out an audit duty of PTT and PTT group of companies with regards to operation and finance for a specified period and an external consultant might be engaged in case of special circumstance.

**Mr. Prasert Bunsumpun,**  
Director / Member of the  
Enterprise Risk Management  
Committee

clarified on the point regarding his position as a director of PTT and Intouch Holdings PLC that he had been having experience working with PTT for over 30 years and he had been an executive and the President & CEO of PTT for over 8 years and therefore, he was familiar with energy sector. The 2013 annual general meeting of PTT's shareholders also resolved to approve him to be appointed as a director almost two years after the end of his term as the President & CEO of PTT. He was also appointed as a director of Intouch Holding PLC after the end of his term as the President & CEO of PTT.

**Mr. Natthaphop Charoenlap,**  
a proxy

commented that shareholders should ask only questions related to the agenda under consideration.

**Mr. Thong-in Sangngam,**  
a shareholder

commented as follows:

1. The Chairman should supervise the Meeting to ensure that questions raised during the meeting are related to the agenda under consideration.
2. Disclosure of the minutes of shareholders' meeting on the company's website within 14 days after the meeting date is not convenient for senior shareholders who cannot access information on the website. PTT should send minutes to those who asked questions or commented during the meeting for review which will reduce the time spent in the meeting.
3. PTT should provide lunch to the attendants at the time of registration rather than providing lunch at 10.30 hrs.
4. PTT should give a Baht 1,000 petrol voucher as a gift to shareholders who attend by themselves only.

**President & CEO**

clarified that the regulatory authority requested for cooperation from listed companies to reduce or discontinue giving gifts at an annual general meeting of shareholders and therefore PTT gave to the meeting attendants premium grade of Café Amazon coffee mugs and tote bags of Ramathibodi Foundation under the Royal Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn as a contribution to Ramathibodi Hospital.

**Mr. Hangchai Akkawasakul,**  
a shareholder

commented as follows:

1. PTT should consider having an agenda for acknowledgement of a minutes rather than certification of a minutes in the next shareholders' meeting and send minutes to those who asked questions or commented during the meeting for review as previously commented by the shareholder.
2. The questions of shareholders should be concise and political issues should not be discussed in a shareholders' meeting.

(Translation)

**Asst. Prof.  
Wiwatchai Kulamard,**  
a proxy

commented as follows:

1. Since PTT's international business generates low profit, PTT should consider having the oil trading business operated by PTT's employees instead of using a middleman in order to reduce costs.
2. PTT should consider and discontinue having a soccer team because it incurs high employee expenses, promotes gambling and has no benefit to shareholders.
3. It is not necessary for PTT to spend the CSR activities budget for over Baht 2 billion on advertisement given that PTT monopolizes the business. This amount should be distributed to shareholders.
4. Regarding the publicity that Thailand energy resource is running out, PTT is capable of survey and exploration of new energy resources and therefore PTT should participate in the bidding for concession plots in Thailand which is coming up, in order to generate profit equivalent to Petronas of Malaysia that generates profit over Baht 300,000 million.
5. Thailand does not need to consider Carbon Credit. Also instead of using Euro 5 petrol, we should use Euro 3 petrol like Malaysia because most people do not use expensive cars.
6. The executives should rectify the issue on the declining value of PTT share price and the image of the head office that is now barb-wired as it has reduced investors' confidence.

**Chairman**

requested that the President & CEO answer the questions on PTT's performance in Agenda 2 and asked if any shareholder had any further question or comment on agenda item 1. As there was no further question or comments, the Meeting was asked to vote on this agenda item.

**Resolution:**

The Meeting certified the Minutes by a majority of the total number of votes of the shareholders present at the Meeting and eligible to vote as summarized as follows:

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,075,982,238	99.98
2. Against	55,494	0.00
3. Abstained	267,492	0.02

**Remark:** While the Meeting was considering this agenda item, additional shareholders were present with 258,907,282 shares.

(Translation)

**Agenda Item 2**

**To certify the 2013 performance statement and approve the 2013 financial statement, year-end on December 31, 2013**

The Chairman stated to the Meeting that PTT had sent the 2013 annual financial statements and the 2013 corporate sustainability report to all shareholders in advance. The operating results for the year 2013 would be briefly reported again by a video presentation at this Meeting. After viewing the video presentation, the President & CEO would be asked to briefly clarify additional key information to shareholders, after which the shareholders would be granted an opportunity to ask questions and express opinions.

(The video presentation was played for about 10 minutes.)

**President & CEO**

reported to the Meeting on the operating results of PTT and its subsidiaries in 2013, compared to the operating results in 2012 as follows:

- Sales revenue was Baht 2,800,000 million, increasing by 2 percent from 2012.
- EBITDA was Baht 228,972 million, increasing by 0.5 percent from 2012.
- Total net profit was Baht 94,652 million. 31 percent or Baht 29,166 million of the total net profit was derived from PTT's operating results and the remaining 69 percent or Baht 65,486 million was attributable to the operating results of the companies in PTT Group, calculated according to the shareholding percentage. The total net profit decreased by 10 percent against the year 2012, which was due to the following factors:
  - The decline of PTT's operating results was mainly due to:
    - the Gas Business Unit's operating results declined because of an increase in feed cost, the decline in sales quantity resulting from the production suspension incident of the gas separation plant, unit 5, due to lightning accident from 14 August 2013 and an increase in a loss in NGV sales. Moreover, Oil Business Unit's operating results also declined because of a fall in sales profit of Diesel and Benzene products from a continuously increasing cost of Ethanol.
    - However, the International Trading Business Unit's operating results had improved from the previous year.
  - Moreover, in 2013, the operating results of PTT Group had remarkable improvements, which was mainly due to the following:
    - the improvements in PTTEP's operating results, which was mainly due to an increase in the average sales volume, the average selling price of PTTEP's products and a decrease in the cost of petroleum exploration.
    - the operating results of the Petrochemicals Business Unit and Refining Business Unit have slightly declined.



## (Translation)

- : the Gross Refining Margin (**GRM**) of Refining Business Unit increased partly due to a profit in oil stock while there was a loss in oil stock last year. The spread margin of aromatics and olefins sectors had improved compared to 2012, which was mainly due to the improvement of spread margin of Benzene, HDPE and Polypropylene.
- : However, the operating results of the Petrochemicals Business Unit and Refining Business Unit had decreased. The Petrochemicals Business Unit was affected by PTT Global Chemical Plc. (**PTTGC**)'s low-density polyethylene (LPDE) plant maintenance shut down, the lightning incident on PTT's gas separation plant, unit 5, which caused PTTGC to decrease the production capacity of the petrochemicals plant, and an increase of expenses from PTTGC's oil spill incident. Both Refining Business Unit and Petrochemicals Business Unit had a loss on exchange rate due to the depreciation of the Thai Baht against the US dollar while they had gain on exchange rate in the previous year. The overall operating results had slightly declined.
  - In 2013, gain on exchange rate of PTT and its subsidiaries was Baht 305 million, decreased from 2012 by Baht 7,129 million and the income tax of PTT and its subsidiaries was Baht 47,692 million, increased from 2012 by Baht 1,176 million, which had led the net profit of PTT and its subsidiaries to decline.
- The financial statement as of 31 December 2013 can be summarised as follows:
  - PTT and its subsidiaries have total assets of Baht 1.8 trillion, increasing by 11 percent from 2012, which was attributable from the following items:
    - : the current assets of Baht 523,144 million, increasing by 11 percent, which was attributable from the following:
      - an increase in trade accounts receivable of Baht 34,287 million, and
      - an increase in cash and cash equivalent of Baht 20,759 million.
    - : other assets of Baht 537,929 million, increasing by 6 percent, which was attributable from the following:
      - an increase of investments in net assets used for exploration and valuation of resources which were in the exploration period of PTTEP and goodwill from the acquisition of Natuna B.V
    - : the land, Buildings and equipments of Baht 740,649 million, increasing by 14 percent, which was primarily attributable from the following:

### (Translation)

- an increase of investments in net assets used for petroleum exploration and production of PTTEP relating to Sautica, PTTEP Australasia, Bongkot, Arthid and Natuna CA projects which derived from the acquisition of Natuna B.V in December 2013; and
  - the expansion of PTT's projects as to the investment in Nakornsawan pipeline and gas pipeline no.4 projects.
- The total liabilities were Baht 978,543 million, increasing by 9 percent, which was attributable from the following items:
    - an increase in current liabilities of Baht 19,404 million, which was primarily due to an increase in trade accounts payable and accrued income tax expenses of Baht 16,441 million and Baht 3,493 million, respectively. The accrued income tax expenses mainly derived from an increase in PTTEP's corporate income tax and petroleum income tax;
    - an increase in other non-current liabilities by Baht 28,362 million; and
    - an increase in long-term loans (including long-term loans due within 1 year) of Baht 468,507 million, increasing by Baht 31,163 million or 7 percent, which was mainly due to the issuance of THB and foreign currency debentures of PTT and PTTEP.
  - The shareholders' equity was Baht 823,178 million, increasing by 13 percent from 2012, which was mainly due to an increase in the annual net profit in 2013.
- PTT's financial structure remained stable with:
- : the net debt to equity ratio was 0.40:1, which was better than PTT's policy limit, i.e. not exceeding one time;
  - : the net debt to EBITDA was 1.4 times, which was better than PTT's policy limit, i.e. lower than two times.
  - : the interest coverage ratio was 12.5 times.

Note: The financial ratios were calculated according to the criteria determined by the Securities and Exchange Commission (SEC).

### Chairman

stated to the shareholders as follows: after the review of the 2013 operating results of PTT, including financial statements as set out in the annual report and financial report circulated in advance together with the Notice of this Meeting, followed by the video presentation: "Executive Summary of the 2013 Operating Results" and the brief summary of additional key information presented, the Chairman proposed that the Meeting acknowledge the report on the 2013 operating results of PTT and approve the audited financial statements for the year ended 31 December 2013, combined with the auditor's report which were certified according to generally accepted accounting principles, details of which are in the section of financial report as a part of the annual report. The Chairman asked whether any shareholders had questions or comments. The questions and comments were summarized as follows:

**(Translation)**

**Mr. Weera  
Chaiyamanowong,**  
a shareholder

incited the directors, executive officers and employees to bring the Company forward and asked the following questions:

1. What would be 2014 goal and business plan?
2. What would be the business tendency for 2014 compared to 2013?

**Mr. Somsak Kaensuwan,**  
a shareholder

commented that the profit in 2013 had decreased compared to the profit in 2012 due to 2 factors which were other income and gain on exchange rate and asked the following questions:

1. What were the exchange rates in 2013 and 2012?
2. What was the reason for the decrease in other incomes by approximately Baht 3,000 million as stated in the notes to the financial statements no. 33 page. 141?

**Mr. Wiwat Kusakul,**  
a shareholder

asked the following questions:

1. When compared to the stand-alone financial statements, what was the reason that the decrease in the income tax was greater than the decreased profits?
2. Which project or company did the losses from investments capital available for sale re-appraisal incurred? Were the losses marked-to-market price?
3. What was the reason for the comprehensive loss, net of income tax?

**Chairman**

asked the President & CEO and the CFO to clarify.

**President & CEO**

clarified the following issues:

1. In 2013, there were many events which had affected the operation of PTT and its subsidiaries, such as the lightning incident at the gas separation plant, unit 5 and the oil spill of PTTGC's pipeline.
2. The business goal of PTT is to create energy security and economic wealth for the country and to build sustainability of PTT regardless of any obstacles or incidents. In 2014, PTT would still carry on the business and investment to continuously create the energy security, such as creating the energy network, etc.
3. The 2014 business tendency would depend on energy price. For early-2014, the oil price remained steady, however, the events which could affect the oil price must be monitored.

**Chief Financial Officer**

explained as follows:

1. The foreign exchange rate had a 10 percent effect on PTT's operating results. In 2012 and 2013, the THB:USD exchange rate were 30.75:1 and 32.95:1, respectively.
2. The decrease of Baht 10 billion in the operating results was due to the following key issues:
  - 2.1 the fluctuation of foreign exchange rate;
  - 2.2 the increased price of natural gas, which affected the cost of LPG production; and
  - 2.3 the policy of price fixing for NGV despite of the growing consumption.

**(Translation)**

**Mr. Kongpat  
Thana-udomsuk,**  
a shareholder

suggested that PTT should carry out the CSR activities by funding the construction of facilities at Phramongkutklo Hospital, Queen Sirikit National Institute of Child Health (formerly known as Children Hospital) and Rajavithi Hospital. He also recommended that PTT convene a general meeting of shareholders twice a year because PTT was good in those arrangements.

**Mr. Thong-in Saeng-ngam,**  
a shareholder

commented as follows:

1. The notice convening the AGM, agenda item no.2, should show the information about the expenses and accumulated earnings, including the financial strengths of PTT. That was because the reading of an annual report or the use of a CD-ROM may be inconvenient for some shareholders.
2. In spite of a drop in profit, the performance of PTT remained satisfactory.
3. He proposed that the shareholders should take the lunch boxes from the time of registration.

**Chief Financial Officer**

explained that the decrease in the corporate income tax was greater than the decreased profit because the corporate income tax rate was reduced and PTT exercised the rights and privileges relating to its BOI-promoted businesses.

**President & CEO**

clarified that we allowed the shareholders to take the lunch boxes at 10.30 in order to avoid confusion over the distribution of premiums and refreshments. The President & CEO thanked the shareholder for his advice to include the information about the expenses and accumulated earnings, including the financial strengths of PTT, in the AGM notice.

**Mr. Jiraphand Buaboocha,**  
a shareholder

expressed concern regarding the Audit Committee as follows:

1. Considering that the Audit Committee attend the meeting with the auditor in order to review the scope, guidelines and plan of the auditor's annual audit, did such cooperation interfere in the auditor's independence? Did they have any suggestion from the meeting?
2. Were there any comment after review of risk management?
3. The Audit Committee reviewed the financial reports according to generally accepted accounting principles. Were there any unaccepted accounting principles? What degree of expertise in accounting and finance did the Audit Committee members have?

Regarding the Nomination Committee, what elements were included in the agenda of a meeting of the Nomination Committee. He also noted that there were only two attendees, i.e. the Chairman of the Nomination Committee and the President & CEO, at some meetings of the Nomination Committee.

The shareholder further asked questions about the financial statements as follows:

1. Why was the amount of cash under the 2013 consolidated financial statements high, compared to the 2012 consolidated financial statements?
2. Were there trade accounts receivable overdue for more than three years? How much was the overdue amount of those accounts

**(Translation)**

receivable? What kind of those accounts?

3. Why did the losses on impairment of assets and the losses on impairment of investments under the 2013 consolidated financial statements substantially decrease from 2012?

**Mr. Picharn Sukparangsi,**  
a shareholder

asked the following questions:

1. How many refineries did PTT Group own? How much refining capacity did those refineries have?
2. Was the oil trading business monopolised?
3. What was the policy of profit sharing between PTT Group's refinery members and the counterparties?
4. What was the collection procedure of the oil fund?
5. Did PTT Group study the differences between the concession and the production sharing methods in order to bring the utmost benefit to the country?
6. If PTT Group practises the anti-corruption principle, it should avoid appointing the representatives from the regulatory agencies, e.g. the Ministry of Finance and the Ministry of Energy, to hold the directorship in PTT Group.
7. Did PTT have a procurement policy that prevents corruption?
8. Did the oil trading business between PTT Group and the counterparties in Singapore involve any agencies that have an interest? Or, was there a conflict of interest relating to those oil trading transactions?
9. How much was the Public Relation budget for each member of PTT Group?
10. Did PTT Group have guidelines on transparency and legal compliance?
11. How much was the budget of advisory services provided by the individuals and advisory companies, both locally and abroad, in 2013 and 2014?
12. Why did PTT establish the regional operating headquarters in Singapore, despite the fact that PTT is a Thailand-based company?
13. How much was the registered capital of the Insurance Fund?
14. Was a captive investment company established abroad?
15. By receiving remuneration in the form of bonus payment of Baht 3 million would that act be regarded as a breach of the rules of the National Anti-Corruption Commission under which a government official is prohibited from taking a gift worth more than Baht 3,000?
16. Why did the minutes of meeting omit to state the names of shareholders holding more than 1% of the total shares in PTT?
17. Was there an improper outflow of cash or misappropriation within PTT Group?
18. What was the updated status of the oil spill in Australia?
19. What was the impact of the oil spill in Koh Samed, Thailand?
20. Was the transfer of the gas pipeline facilities to the State completed?
21. For what reason the Office of the Auditor General was not appointed as auditor of all members of PTT Group and its subsidiaries?

(Translation)

**Mr. Ritthichai  
Yibcharoenporn,**  
a shareholder

commented as follows: after reviewing the report on the operating results in 2012, he noted that PTT could have a significant increase in profit if there was no depreciation of the EMG and Montara Projects. In respect of the operating results in 2013, the EBIT significantly decreased because of the impairments. For instance, the coal business had been severely depreciated and the price of coal tended to decrease. In relation to the Big-Long-Strong Policy which would strengthen PTT's standing, he asked whether and how PTT Group would implement a cost management policy to make profits.

**Mrs. Paweena Sarojwisuth,**  
a shareholder

commented and asked questions as follows:

1. She appreciated the arrangements of this Meeting and was satisfied with taking a lunch box at noon.
2. Did PTT have a benchmark in doing business?
3. Did PTT negotiate with the public sector relating to resolve its obligation to bear the costs of NGV and LPG?
4. She appreciated that PTT could maintain the current level of income and ensure the national energy security.
5. She expected for the appreciation in the price of PTT shares.

**Chairman**

asked the Chairman of the Audit Committee and the Chairman of the Nomination Committee to clarify the relevant matters to the shareholders.

**Mr. Boonsom  
Lerdhirunwong,**  
Chairman of the Audit  
Committee

explained as follows:

1. The Audit Committee and the auditor had a meeting once every three months to discuss the key issues on the financial statements. However, the auditor's independence is always deemed the most important.
2. It was required by law that the review of financial reports by the Audit Committee was conducted in accordance with generally accepted accounting standards.
3. All members of the Audit Committee have specialised qualifications in accounting and finance as required by applicable rules, while many of whom have extensive expertise in businesses.

**Mr. Watcharakiti  
Watcharothai,**  
Member of the Nomination  
Committee and the Corporate  
Governance Committee

explained that the Nomination Committee carefully reviewed the qualifications of board directors and committee members. The agenda of the Nomination Committee mainly related to the selection of candidates to be appointed as board directors and committee members. However, in several cases, even the meeting had been called with prior notice, some committee members were unable to attend the meeting as there were urgent work commitments.

**President & CEO**

clarified the following issues:

1. There are six large refineries and many small refineries nationwide. PTT is currently holding shares in five refineries and preparing to gradually reduce its equity in those companies.
2. PTT has clear rules and regulations regarding the appointment of directors, e.g. a director of PTT must not concurrently hold the directorship in more than three state-owned enterprise.
3. PTT Group's oil trading business is transparent, accountable and in line with the general practice.

**(Translation)**

4. PTTRTC (or the regional treasury centre) in Singapore was established because PTT had many business transactions abroad which relate to the foreign currencies. PTTRTC in Singapore was established to facilitate the financial service management. Such establishment was in line with the common practice of leading companies in general.
5. It was the government who was in charge of studying the concession system as it was a matter of policy-making. The energy business is a free market business. Therefore, an opportunity is made available for any international company to join the bidding for the concession.
6. No legal claim arose in relation to the oil spill incidents in Australia.
7. Regarding the oil spill incident at Koh Samed in Thailand, PTTGC already took action to recover the affected area into its normal condition and would continue to carry out its commitments to preserve natural environment.
8. Regarding the transfer of the gas pipeline facilities to the State, the Supreme Administrative Court issued the orders twice affirming that PTT completed its action as required by the court's judgment and that a claimant's petition must be dismissed.
9. The Office of the Auditor General was appointed as the auditor of PTT and all of its subsidiaries, in which PTT holds more than 50% of the total shares. That was in accordance with applicable laws. The Office of the Auditor General is also responsible for auditing the consolidated financial statements.

The President & CFO stated that if there were additional questions, the shareholders could put them in writing and pass them to the management for further review in order to condense the discussion time at this Meeting.

**Chief Financial Officer**

explained as follows:

1. Demand for gas consumption is now significantly growing. Therefore, coal will become a core source of fuel which would strengthen the national energy security in the future. Although the current price of coal tended to decrease, the coal quality is good.
2. Regarding the formation of PTTRTC in Singapore, he added that PTT currently has approximately 300 subsidiaries, one-third of them are abroad. Therefore, PTTRTC was established to support the international trading business and manage the foreign exchange risks.
3. There were impairment transactions in 2012, but there were no records of those transactions in 2013.
4. The total amount of trade accounts receivable overdue for more than three years did not exceed Baht 100 million. The Credit Management Committee always monitored bad debts to keep them in control.
5. The cash transactions under the 2013 consolidated financial statements were higher in value than those transactions in 2012 because an oil reserve was increased from 5 percent to 6 percent in 2013 as required by law. As such, it was necessary to have an increased cash reserve in order to manage the cost of inventory.

(Translation)

6. The insurance fund was established to insure PTT's assets and properties. In 2013, the expenses were incurred due to the damage arising from the lightning that affected the tools and equipment of the gas separation plant, unit 5. After combined with the income, the net performance of the insurance fund was negative.

**Asst. Prof. Wiwatchai  
Kulamard,**

a proxy

commented as follows:

1. The government planned to dissolve the oil fund in order to shift its support to other policies. The shareholder's concern was that the Chairman, who was the former deputy head of the political party who ruled government and the Minister of Energy, would support the government's plan, and that could affect the price of PTT shares.
2. He proposed that the shareholders should pay the petrol at the same rate as the export price.
3. He supported the purchase of land owned by IRPC Public Company Limited to establish Rayong Institute of Science and Technology. However, he did not agree with the establishment of such a new institute because the department of energy was already available in various existing institutes such as Chulalongkorn University and King Mongkut' Institute of Technology. The shareholder suggested the granting of scholarships instead and commented that it was inappropriate for Mr. Pailin Chuchottaworn to be involved with this project.

**Mr. Sitthichoke Boonwanich,**

a shareholder

asked the following questions:

1. Did PTT plan to construct underground oil terminals to ensure the energy security by asking for financial support from the government?
2. Would the Board of Directors' remuneration be maintained at the same rate for two years?
3. What was the updated status of a legal dispute between PTT and Rayong Purifier Public Company Limited (RPC)?
4. How much did PTT spend on the CSR projects in each year? What was the supervisory policy on those projects? As for the promotional campaign at Khao Yai, was it appropriate?
5. Was there a fraudulent international oil trading transaction in which an executive officer of PTT was involved?

**Mr. Apichai  
Chokchuleekorn,**

a shareholder

admired the good arrangements of the AGM of PTT and asked whether and how the management had the remedial or preventive measures to deal with the case that the gas separation plant, unit 5 was affected by the lightning.

**Chairman**

clarified that he had work experience in the economic area and his former employers were government bodies, corporate entities and political parties. Now, it was a good opportunity for him to have been appointed as the Chairman of the Board of PTT. He assured all the shareholders that the performance of his duties would be free of political interference. As a state-owned enterprise of which the Ministry of Finance is the major shareholder, PTT committed itself to conducting the business to ensure the balance between the shareholders and the general public and to enhance the national energy security, even though there would be difficulties, both locally and abroad.



**(Translation)**

**President & CEO**

clarified as follows:

1. PTT uses three criteria as a benchmark:
  - 1.1 Size – The goal is to become a large global company ranked in Fortune 100. At present, PTT is ranked 81. The need to be ranked in such list is because PTT wants to be able to compete in energy sourcing.
  - 1.2 Sustainability – Currently, PTT and two companies within PTT Group are ranked in Dow Jones Sustainability Indices (DJSI). This shows that these companies are organizations that place important on environment under the good governance principle.
  - 1.3 Performance – PTT aims to be the top quartile performance company. At the moment, this is an issue because PTT must bear the costs of NGV and LNG since their selling price does not reflect the actual costs.
2. Regarding lightning incident at the gas separation plant No. 5, PTT already had insurance. Another preventative measure is to change the design of the plant to prevent similar incident.
3. Regarding NGV and LNG costs, Ministry of Energy is trying to solve this issue. If the selling price can be adjusted to cover the actual costs, it is expected that the share price will increase accordingly.
4. He affirmed the transparency of PTT's operation. If an offence is found, the Audit Committee and the management will conduct an investigation until the case is finalized.
5. Oil fund is a juristic person established under the law and supervised by Ministry of Energy. Its objective is to create balance of energy price. PTT is not involved in the management of this fund.
6. Regarding sale of petrol to shareholders at a different price from the price set for public, if PTT did so, it would be illegal because energy is a controlled goods and the price must be according to the market mechanism.
7. Rayong Institute of Science and Technology was established to contribute to Rayong province because PTT has conducted several businesses in Rayong province.
8. The government's policy requires increase of oil reserve from 5 percent to 6 percent which incurs costs to PTT although it creates energy security. Strategic petroleum reserve in the same manner as those set up in other countries is administered by the government.
9. Rayong Purifier Public Company Limited case is under consideration of the arbitration and the civil court. Please see further details in Form 56-1.

**Mr. Chakaphan Saelee,**  
a shareholder

asked as follows:

1. Compared with 2012, why did the income tax in the consolidated financial statement increase in 2013 despite of the decrease in the corporate income tax?
2. Is remuneration of directors considered income under Section 40(1) or 40(2) of the Revenue Code?

(Translation)

**Mr. Wiwat Kuskul,**  
a shareholder

asked as follows:

1. How does the exercise of the right and privileges under the BOI affect the corporate income tax payable? Do the projects entitled for tax privileges such as the Power and Stream Production for Bangchak Refinery project belong to PTT?
2. How long is the period for purchase of gas that has been paid for by advance payment in the amount of over Baht 5 billion paid as reported in the stand-alone financial statements?
3. The notes for land, building and equipment in the financial statements present items of PTTEP which are advance payments on behalf of foreign governments for Vietnam 16-1 Project and Vietnam 9-2 Project which have been returned in full in form of petroleum product sharing in proportion to the investment ratio. What is the form of the return, in form of petroleum or cash?

**Mr. Basant Kumar Dukar,**  
a shareholder

commented as follows:

1. Welcome the Chairman to the Board of PTT, a company that has gained reputation for the country and ranked in Fortune 500.
2. Admire the operations in terms of operating cash flow and investment in PTTEP because PTTEP makes good profit.
3. Please consider increasing capital gain for the share price.
4. Admire the performance of the President & CEO as well as the CFO for bringing PTT to be ranked in Fortune 500.

**Mr. Suparerk Aramkijpotha,**  
a proxy

requested that the meeting time should be punctual and shareholders should ask questions related to the agenda under consideration.

**Chief Financial Officer**

clarified as follows:

1. Regarding tax, PTT received substantial BOI tax benefit particularly the effective tax rate for 2013 which was 1 percent. However, as presented in the consolidated financial statements, the subsidiaries did not receive BOI tax benefits. This will be explained in details after the meeting.
2. Advance payments were made in the past in accordance with the gas sale agreement for purchase of gas, at the time, that could not be delivered. The purchase was for at a minimum volume specified in the agreement (Take-or-Pay). PTT would be entitled to receive gas paid for under the agreement on an annual basis (Make-up Right) without time limitation.

**Mr. Somchai**  
**Thitiakrurungroj,**  
a shareholder

asked as follows:

1. Are the details of donation presented in the financial statements? Which organization was the donation made to and how much?
2. How much was the budget for rehabilitation of oil spill incident in Koh Samed? Was this presented in the financial statements?

**Mr. Pichian**  
**Amnartworaprasert,**  
a shareholder

welcomed Dr. Parnpree to PTT's Board and admired the performance of the President & CEO who enabled PTT to become a Fortune 500 company and asked as follows:

1. The current situation between Russia and Ukraine may affect the price of crude oil. How is PTT prepared for this?

(Translation)

2. Does PTT have a plan to solve the problem regarding shortage of natural gas in the next 7-10 years, for example, importing LNG or purchasing gas from other countries or investing in LNG storage tank? If it does, how will this affect PTT's investment?

**Mr. Chonlawich Boon-apha,**  
a proxy

requested that shareholders asked questions related to the agenda as Agenda 2 has been on-going for considerable amount of time.

**Mr. Kijja Khuwijitkanjana,**  
a shareholder

asked about the trend for the return for investors in the next 3-5 years.

**Mr. Chatchai Khunngam,**  
a shareholder

commented that PTT should give petrol voucher as a gift because this year PTT held a meeting at a venue that was quite far which cost more for travelling. Also shareholders were representatives of PTT to clarify on behalf of PTT regarding defamatory comments from the society.

**President & CEO**

clarified as follows:

1. PTT discontinued giving petrol vouchers and changed to other souvenirs as requested by the regulatory authority.
2. He apologized for inconvenience to the shareholders for holding a meeting of the PTT group companies at a venue that was farther than the venue in the previous year. However, it was due to the company's concern on welfare and safety of shareholders. If there was no protest, PTT would have had the meeting at the previous venue.
3. The budget allocated for rehabilitation of Koh Samed came from PTTGC which was in the amount of Baht 1 billion. This is presented in Note 47 to the financial statements.
4. The situation between Russia-Ukraine might cause volatility of energy price in Europe. PTT is conducting a study on this issue.
5. Regarding preparation for the gas that would run out, PTT has prepared for construction of LNG Receiving Terminal, Phase 2 to receive 5 million tonnes of LNG. This, together with Phase 1, is capable of receiving up to 10 million tonnes of LNG.

**Mr. Prasert Bunsumpun,**  
Director / Member of  
Enterprise Risk Management  
Committee

clarified as follows:

1. PTT already returned the pipeline in accordance with the court order. The court issued two orders with which PTT has complied and therefore this is no longer an issue.
2. The court has already completed the consideration for PTT's privatization. Interested shareholders may read more on this in the document titled "The Truth...Privatization" which gives details and simple explanation. PTT distributed this document at the entrance of this AGM.

**Mr. Pitak Netpetchrachai,**  
a shareholder

asked as follows:

1. What is the goal in relation to expansion of alternative energy business? What types of alternative energy would be focused on?
2. What is PTT's performance goal before and after Thailand joins the AEC? Will there be an impact in terms of increase in competition?
3. What is the truth about PTT being granted concession for oil pipeline construction?

(Translation)

**President & CEO**

clarified as follows:

1. Ministry of Energy determined the goals related to alternative energy which is that 25 percent of total energy must be an alternative energy. The government supported the use of Bio-diesel and Bio-ethanol. PTT has constructed a plant to conduct such business by using rice straw as raw material for production instead of sugar. The government does not support the solar energy because the solar energy is not suitable for Thailand.
2. Regarding the policy after Thailand becomes part of the AEC, PTT aims to be an Asean energy company. As seen, PTT has established petrol stations in other countries such as Laos, Myanmar, Cambodia. Major competitor is Petronas of Malaysia. Petronas owns energy sources in Malaysia whereas PTT is merely an operator. PTT is confident that the company's performance is improving because its goal is to become a company with top quartile performance.
3. The news about PTT's being granted concession for oil pipeline construction is not true. In Thailand, THAPPLINE was established to be a representative of many oil production companies in order to consider construction of pipelines in various regions in order to unify oil prices throughout Thailand.

**Chairman**

asked if any shareholder would like to ask or comment on agenda item 2 further. As there was no further question or comment, the Chairman proposed that the shareholders vote on this matter.

**Resolution:**

The Meeting certified PTT's operating results of the 2013 financial year and approved the financial statements for the year ended 31 December 2013 by a majority of votes of the shareholders present and eligible to vote, as detailed as follows:

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,393,497,642	99.92
2. Against	74,653	0.00
3. Abstained	1,786,052	0.08

**Remark:** While the Meeting was considering this matter, additional shareholders were present with 319,053,123 shares.

(Translation)

**Agenda item 3**

**To approve the 2013 net profit allocation plan and dividend payment**

The Chairman asked the President & CEO to present this matter to the shareholders.

**President & CEO**

explained as follows:

- From the 2013 operating results, PTT derived a net profit of Baht 94,652 million which included a loss of Baht 19 million on the non-life insurance fund, with no additional statutory reserve because PTT's existing statutory reserve was already equal to 10 percent of its registered capital as required by law. Therefore, the net profit after the appropriation of reserve funds was Baht 94,671 million.
- PTT's net profit from its operating results in 2013 was Baht 94,652 million, which was equal to Baht 33.07 per share, decreasing by 9.52 percent when compared to the net profit in 2012 which was Baht 104,608 million, which was equal to Baht 36.59 per share. Therefore, PTT Board proposed the payment of dividends for the 2013 operating results at Baht 13.00 per share, divided into:
  - interim dividend payment for the first half of 2013 at Baht 5.00 per share, amounting to Baht 14,280 million, which was paid on 4 October 2013; and
  - dividend payment for the second half of 2013 to PTT shareholders whose names were in the share register on the record date set for determining the shareholders' entitlement to dividend payment on 10 March 2014, at Baht 8.00 per share, amounting to Baht 22,850 million, which would be paid on 23 April 2014.
- The dividend payout ratio was equal to approximately 39 percent of PTT's net profit (while the minimum payout ratio under PTT's policy is 25 percent). The dividend yield rate was equal to 4.5 percent of the price of PTT shares as at the end of 2013 (27 December 2013) i.e. Baht 286 per share.
- PTT paid the interim dividends at Baht 5.00 per share out of (i) its operating profits, the full amount of which is subject to 30 percent corporate income tax, amounting to Baht 1.00, (ii) net profits, which are qualified for a corporate income tax exemption, amounting to Baht 3.00, and (iii) dividends from PTTEP amounting to Baht 1.00, respectively.
- The dividends for the second half of 2013 at Baht 8.00 per share were paid out of PTT's operating profits as follows: (i) the amount of Baht 2.50 per share is derived from the net profits, the full amount of which is subject to 30 percent corporate income tax; (ii) the amount of Baht 3.50 per share is derived from the net profits from the business under the promotion of the Board of Investment (BOI) which are qualified for a corporate income tax exemption; and (iii) the amount of Baht 2.00 per share is derived from dividends paid by PTTEP which are qualified for a corporate income tax exemption, respectively.

**Chairman**

asked whether any shareholders had questions or comments. The questions and suggestions can be summarised as follows:

(Translation)

**Mr. Wiwat Koosakul**  
a shareholder

asked for the reason why there is difference in the total amounts of money paid as dividends in 2013 and 2012 as the amount of PTT's paid-up ordinary shares has remained unchanged at 2,856 million shares and the rates of dividend per share in both years are also equal at Baht 13 per share.

**Mr. Chakrapand Sae-li,**  
a shareholder

asked for the reason why PTT did not pay dividends out of the net profits which are subject to the highest tax rate first or pay dividends wholly out of the net profits, the full amount of which is subject to tax, to enable the shareholders to claim the tax credit benefit.

**Mr. Basant Kumar Dukar**  
a shareholder

commented that foreign investors would enjoy a tax benefit from double taxation avoidance agreements if dividends are made out of the net profits derived from the BOI promoted business and made a compliment to PTT on paying dividends out of the profits from a subsidiary as well.

**Mr. Somwang Poonsombat**  
a shareholder

commented that PTT should consider paying a dividend to the shareholders immediately, i.e. no longer than 2 – 3 weeks after closing the share register.

**Chairman**

requested that the CFO give explanation to the shareholders.

**Chief Financial Officer**

explained as follows:

1. The reason for the difference in the amounts of money paid as dividends in 2013 and 2012 is that certain foreign investors bought the shares from a wrong stock trading board. Therefore, they are not entitled to the dividend.
2. PTT considers paying dividends out of the net profits which are subject to different tax rates as PTT takes into account a balance in terms of benefit or preference between long-term and short-term shareholders.
3. PTT appreciated the shareholder who made a statement on the benefit of the double taxation avoidance agreement which foreign investors may enjoy.

**Mr. Wiwat Koosakul,**  
a shareholder

asked further about (i) the balance of the retained earnings derived from the net profits that are subject to 30 percent tax, and (ii) the number of years ahead in which such profits may be payable; and

expressed his views as follows:

1. Dividend payment out of the net profits derived from the BOI promoted business would benefit only major shareholders, while dividend payment out of the net profits, the full amount of which is subject to 30 percent tax, will benefit minor investors in terms of the tax credit, which could help boost spending power and economy.
2. PTT should consider paying all dividends out of the net profits, the full amount of which is subject to 30 percent tax, in the first place to ensure fairness to the shareholders who have bought and held PTT's shares since the past.

**Chief Financial Officer**

explained that after deducting dividends paid for the second half of 2013, (i) the balance of the net profits, the full amount of which was subject to 30 percent tax, would be approximately Baht 66,000 million, (ii) the balance of the net profits derived from the BOI promoted business would be approximately Baht 73,000 million, and (iii) the balance of dividends

**(Translation)**

received from PTTEP which are qualified for a corporate income tax exemption would be approximately Baht 74,000 million. Therefore, in paying dividends, PTT must properly allocate each source of the net profits in order to ensure fairness to both short-term and long-term shareholders.

**Chairman**

asked if any shareholder would like to ask or comment on agenda item 3. As there was no further question or comment, the Chairman proposed that the shareholders vote on this matter.

**Resolution:**

The Meeting approved the appropriation of the 2013 net profit and the dividend payment in respect of the 2013 operating results at the rate of Baht 13.00 per share, divided into: (i) the interim dividends in relation to the operating results of PTT and its subsidiaries for the first half of 2013, at the rate of Baht 5.00 per share, which were paid out of (a) PTT's retained earnings (the full amount of which was subject to 30 percent tax), (b) PTT's retained earnings which were qualified for a corporate income tax exemption, and (c) dividends received from PTTEP which were qualified for a corporate income tax exemption, in relation to dividends of Baht 1.00, Baht 3.00 and Baht 1.00 per share, respectively, which was paid to the shareholders on 4 October 2013; and

(ii) the dividends for the second half of 2013 to be paid at the rate of Baht 8.00 per share out of (a) PTT's retained earnings, (the full amount of which was subject to 30 percent tax), (b) PTT's retained earnings derived from the BOI promoted business which are qualified for a corporate income tax exemption, and (c) dividends received from PTTEP which were qualified for a corporate income tax exemption, in relation to the dividends of Baht 2.50, Baht 3.50 and Baht 2.00 per share, respectively. The dividends for the second half of 2013 would be paid to the shareholders whose names were in the share register on the record date set for determining the shareholders' entitlement to dividend payment, i.e. 10 March 2014. The dividend payment date was scheduled for 23 April 2014. The Meeting resolved to approve by a majority of votes of the shareholders present and eligible to vote, as detailed as follows:

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,394,596,220	99.97
2. Against	309,774	0.01
3. Abstained	510,779	0.02

**Remarks:** While the Meeting was considering this matter, additional shareholders were present with 58,426 shares.

(Translation)

**Agenda Item 4**

**Chairman**

**To elect directors in replacement**

The Chairman explained that the Nomination Committee consisted of 3 directors namely:

1. Mr. Athapol Yaisawang Chairman of the Nomination Committee
2. Mr. Watcharakiti Watcharothai Member of the Nomination Committee
3. Mr. Pailin Chuchottaworn Member of the Nomination Committee

➤ Under PTT's Articles of Association, at each annual general meeting of shareholders, one-third of the members of the Board of Directors or the nearest number to the one-third ratio shall retire from the office by rotation. This year, there were 5 directors who would retire by rotation namely:

1. Mr. Chitrapongse Kwangsukstith
2. Mr. Montri Sotankul
3. Mr. Thosaporn Sirisumphand
4. Mr. Sihasak Phuanketkeow
5. Mr. Athapol Yaisawang

➤ In order to comply with the principle of good corporate governance, the 5 retiring directors above who are regarded as the interested parties in this agenda item were asked to leave the meeting room until the consideration on this agenda item is completed.

➤ Under Article 32, Chapter 4 of PTT's Articles of Association, there must be at least 5 but not more than 15 directors, who shall be elected by the meeting of shareholders.

➤ As Mr. Athapol Yaisawang, Chairman of the Nomination Committee, who was regarded an interested party in this agenda item, had left the meeting room, Mr. Watcharakiti Watcharothai, the Member of the Nomination Committee, was asked to present this matter to the Meeting.

**Mr. Watcharakiti**

**Watcharothai,**

Member of the Nomination Committee

explained as follows:

- From 1 October 2013 to 31 December 2013, PTT has announced on its website inviting shareholders to nominate any persons who would be qualified to be a candidate for PTT's directors. However, no shareholder nominated any person in accordance with the specified criteria.
- The three members of the Nomination Committee have proceeded to select persons with suitable qualifications to be nominated as PTT's directors.



(Translation)

- The Nomination Committee has considered and selected persons who met the requirements of PTT's Board of Directors, which consisted of the qualifications, experience and expertise useful to PTT's operation, in accordance with the nomination process. In this regard, the nominated candidates must be qualified and be free of any prohibitions as set out in the laws on public company limited, the laws on standard qualifications of directors and employees of state-owned enterprise, and other relevant SEC and SET's notifications and cabinet resolutions.
- The Nomination Committee has considered, selected and nominated 5 persons to be elected as PTT's directors and has proposed to the meeting of PTT's Board of Directors for consideration where the 5 retiring directors who were regarded as the interested parties abstained from voting and were not present in the Meeting.
- The candidates who passed the nomination process to be proposed for an appointment as PTT's directors are as follows:
  1. Air Chief Marshal Prachin Chantong, Commander-in-Chief of the Royal Thai Airforce, an expert in management and political science;
  2. Mr. Montri Sotankul, Managing Director of Prestige Direct Marketing Co., Ltd., an expert in management, marketing, accounting and finance;
  3. Mr. Thosaporn Sirisumphand, Secretary-General to the Higher Education Commission, an expert in management and political science
  4. Mr. Sihasak Phuangkitkeow, Permanent Secretary of Ministry of Foreign Affairs, an expert in management, law, jurisprudence science and political science; and
  5. Mr. Athapol Yaisawang, Attorney-General, an expert in management, law and jurisprudence science.
- A brief profile of the nominated candidates was attached to the Notice of this Meeting.
- Candidates numbers 2 - 5, namely Mr. Montri Sotankul, Mr. Thosaporn Sirisumphand, Mr. Sihasak Phuangkitkeow and Mr. Athapol Yaisawang were the retiring directors who have been nominated for re-election as directors for another term. Candidate number 1, ACM Prachin Chantong, was a new candidate.

**Chairman**

asked if there is any shareholder who would like to ask questions or give opinions. Summary of questions and answers are as follows.

**Mr. Basant Kumar Dugar,**  
a shareholder

commented that 4 of 5 candidates hold a master's degree. Therefore, he recommended that the other candidate pursue a further study, e.g. an overseas short programme. In addition, for the directors who are in charge of managing the company to have a sense of responsibility in alignment with the shareholders and an incentive to maximise the share value, the directors should hold at least 1 percent of shares in compliance with the SEC regulations.

**(Translation)**

**Mr. Sittichok Boonyawanich,**  
a shareholder

asked that in nominating candidates for a company's director, he understands that normally directors of state-owned enterprise would be experts in many areas which might not be directly related to the core business of the company. As such, he would like further clarification on the expertise of ACM Prachin Chantong, i.e. whether he is an expert in an oil industry, as well as his professional experience. That was because the brief profile attached to the Notice of this Meeting merely reveals that he holds a doctorate degree in public administration from Rangsit University which was awarded in 2013. Therefore, there should be more information as to his military degrees. He just knew in general that he serves in the military. Nevertheless, he was pleased that a representative from the military would take part in PTT's management.

**Chairman**

requested that Mr. Watcharakiti Watcharothai, Member of the Nomination Committee, give explanation to the shareholders.

**Mr. Watcharakiti  
Watcharothai,**  
Member of the Nomination  
Committee/ Member of the  
Corporate Governance  
Committee

explained that ACM Prachin Chantong was nominated to be PTT's director because PTT's Board of Directors should consist of experts in various fields other than in science-related areas. As ACM Prachin Chantong possesses full qualifications and has knowledge and expertise in political science, it was appropriate to nominate him to take up this position. The board's secretary was asked to provide more information in relation to the profile of ACM Prachin Chantong.

**Chairman**

asked the President & CEO to further explain to the shareholders.

**President & CEO**

explained that another key reason for nominating ACM Prachin Chantong to be PTT's director was that at present PTT uses helicopters on a daily basis in its operations for transporting personnel to work at offshore platforms located in the Gulf of Thailand and Myanmar's territory as well as for exploring petroleum pipeline networks. Given the current situations, it was appropriate that PTT's Board of Directors be joined by a representative from the security forces. In addition, ACM Prachin Chantong has expertise in alternative energy as he completed his doctoral thesis on this topic.

**Mr. Somchai  
Thiti-akrurungroj,**  
a shareholder

commented that in the 2013 general meeting, there was a shareholder who made a remark concerning PTT's process of nominating candidates for a director or a higher position by raising an issue as to the propriety for PTT to nominate Mr. Vichet Kasenthongsri as the Chairman of the Board of Directors and to have Mr. Chulasingh Vasantasingh serve as a director. In that meeting, Mr. Vichet Kasenthongsri stated that he had won the nomination by presenting his visions to the Nomination Committee. However, after he had served on the Board of Directors briefly, he resigned as the Chairman to become Minister of Natural Resources and Environment instead. Therefore, the Nomination Committee should consider revising the criteria for nominating persons to serve as a director or a higher position in order to set out the rules or principles to maximise the company's value. With only a short term serving as a director, at which time a person is in a phase of study, there might not be substantial contributions made to PTT as yet. It is, furthermore, considered a loss of human resource. To consider nominating persons to serve as independent directors in this meeting, PTT should consider how those nominated persons could contribute to the company as well as what responsibilities they will be assigned to take.

## (Translation)

### **Chairman**

requested that Mr. Watcharakiti Watcharothai, Member of the Nomination Committee, give explanation to the shareholders.

### **Mr. Watcharakiti Watcharothai,**

Member of the Nomination  
Committee/ Member of the  
Corporate Governance  
Committee

said that those remarks made by the shareholders will be proposed to PTT's Board of Directors for further consideration.

### **Mr. Wiwat Koosakul** a shareholder

commented as follows:

1. As AMC Prachin Chantong holds a doctorate degree, it is believed that he must have completed his undergraduate education. However, detailed information should be provided for clarification; and
2. In terms of the meetings of the Board of Directors, certain directors attended 11 meetings out of 17 meetings in total (i.e. the attendance rate was 64 percent) which absences made up almost half of the total number of the board meetings held. Therefore, such directors should take this issue into account. On the other hand, Adjunct Professor Dr. Thosaporn Sirisumphand was absent twice (i.e. the attendance rate was 80 percent) which was considered acceptable as sometimes there could be another meeting scheduled at the same time. As for Mr. Sihasak Phuangketkeow who has full qualifications to serve as PTT's director, he attended 10 meetings out of 17 meetings in total (i.e. the attendance rate was 58.8 percent). On that basis, each director should place importance in attending the board meetings.

### **Chairman**

requested that the President & CEO to clarify.

### **President & CEO**

explained that PTT regularly holds a board meeting once a month, the date for which would be scheduled in advance, and each of the directors attends the meetings on a regular basis. However, in 2013, PTT scheduled 5 extraordinary board meetings to consider such urgent matters as the oil spill incident of PTTGC, a company in the PTT group. Therefore, it was necessary that such meetings were called on an urgent basis for which the meeting notice was distributed to directors just a few days before each meeting date, which resulted in certain directors being unable to attend the meetings. That was the key reason to explain why certain directors were absent from a number of meetings held.

### **Chairman**

asked if there was any shareholder who would like to ask questions or gave an opinion in relation to the agenda item 4. As there were no further questions or comments, the Meeting was asked to consider and elect 5 directors on an individual basis to replace the directors retiring by rotation according to the names proposed.

### **Resolution**

The Meeting approved the appointment of 1 new director and the re-appointment of 4 directors retiring by rotation for another term, by a majority vote of the total number of shareholders present and eligible to vote, as detailed below:

(Translation)

- (1) AMC Prachin Chantong, Independent Director (to replace Mr. Chitrapongse Kwangsukstith).

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,390,886,720	99.81
2. Against	3,546,427	0.15
3. Abstained	995,227	0.04

- (2) Mr. Montri Sotankul, Independent Director (to take a position for another term).

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,091,613,004	87.32
2. Against	302,876,384	12.64
3. Abstained	938,986	0.04

- (3) Adjunct Professor Dr. Thosaporn Sirisumphand, Independent Director (to take a position for another term).

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,390,651,795	99.80
2. Against	3,876,686	0.16
3. Abstained	899,893	0.04

- (4) Mr. Sihasak Phuangketkeow, Independent Director, (to take a position for another term).

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,077,462,502	86.73
2. Against	317,007,386	13.23
3. Abstained	958,486	0.04

(Translation)

(5) Mr. Athapol Yaisawang, Independent Director (to take a position for another term).

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,373,809,852	99.10
2. Against	20,664,952	0.86
3. Abstained	953,570	0.04

**Remarks:** While the Meeting was considering this agenda item, additional shareholders were present with 11,601 shares.

(Translation)

**Agenda Item 5**

**To approve the Board of Directors' remuneration**

The Chairman stated that the Remuneration Committee consists of 3 members namely:

1. Mr. Arkhom Termpittayapaisith Chairman of the Remuneration Committee
2. Mr. Sihasak Phuangketkeow Member of the Remuneration Committee
3. Mr. Somchai Sujjapongse Member of the Remuneration Committee

Mr. Sihasak Phuangketkeow, a member of the Remuneration Committee, was asked to clarify this matter to the Meeting.

**Mr. Sihasak Phuangketkeow,**  
Member of the Remuneration  
Committee

- The Remuneration Committee has applied the same practice in considering the remuneration for PTT's Board of Directors and other specific committees for 2014 by taking into consideration the following important factors:
- the practice of listed companies in the same industry, including other national and international leading companies;
  - the practice of the listed companies which are state-owned enterprise;
  - good corporate governance principle;
  - operating results;
  - size of business;
  - scope of responsibility of the Board of Directors of PTT; and
  - information on economic growth and inflation.

The Remuneration Committee would like to inform the results of its consideration as follows.

- The last annual general meeting of shareholders for 2013 has approved the review of the Board of Directors' remuneration to keep it in line with the continuously improved operating results of PTT. The previous year's approved rate remains appropriate, taking into account the current scope of duties and responsibilities of the Board of Directors and all other committees.
- Therefore, the Remuneration Committee considered it appropriate to maintain the remuneration of the Board of Directors and other committees for 2014 at the same rate as the amount approved in 2013. In addition, the Remuneration Committee proposed that the remuneration for the Enterprise Risk Management Committee, which was just appointed in 2013, and for other new committees which may be appointed in the future by the Board of Directors as it deems necessary and appropriate, be fixed to be equal to the remuneration paid to the Nomination Committee, the Remuneration Committee and the Corporate Governance Committee, as detailed below.

1. Monthly remuneration and meeting allowance for 2014

- The remuneration for the Board of Directors of PTT consists of:
  - monthly remuneration: Baht 30,000/month/director (same as the previous rate); and

(Translation)

- meeting allowance: Baht 50,000/meeting for those who attend the meeting only (same as the previous rate. The payment of meeting allowance is limited to 15 meetings per year.)
  - The meeting allowance for the specific committees appointed by the Board of Directors of PTT is the same as the previous rate, as follows:
    1. Audit Committee
      - Each member's monthly allowance is Baht 15,000/month.
      - A meeting allowance is Baht 15,000/meeting (for those who attend the meeting only) and the secretary of the meeting will receive a meeting allowance of Baht 7,500/month.
    2. Other 3 committees, which are the Nomination Committee, the Remuneration Committee, and the Corporate Governance Committee, will receive a meeting allowance of Baht 24,000/meeting (for those who attend the meeting only).
  - For the Enterprise Risk Management Committee, as a newly appointed committee in 2013, and all other new committees which may be formed in the future by the Board of Directors, a meeting allowance will be paid to each member who attends the meeting at the rate of Baht 24,000/meeting.
  - The remuneration of the Chairman of the Board of Directors and the chairmen of those committees will be 25 percent higher than the remuneration of the directors and members of those committees.
2. Bonus for the Board of Director of PTT for 2014
- The bonus was determined to reflect and relate to PTT's operating results or net profit, i.e. 0.05 percent of the 2014 annual net profit. However, the maximum bonus for each director will be Baht 3,000,000/director/year, which is the same as the previous rate. The bonus will be calculated based on the term that each director has been in office. The bonus for the Chairman will be 25 percent higher than the directors.

Therefore, the Chairman of the Remuneration Committee proposed that the Meeting consider and approve the directors' remuneration as proposed above.

**Chairman**

asked if any shareholder would like to ask questions or give an opinion. A summary of the questions and answers is as follows.

**Mr. Bansant Kumar Dugar,**  
a proxy

commented about the auditor's appointment that, in light of an increase in the auditor's fee, the books and accounts should be audited more frequently. In addition to the regular audit by the reputable auditor, PTT as a leading company in Thailand should also encourage for other agencies to examine its accounting.

**Chairman**

thanked for the shareholder's opinion. He said that the auditor issue would be discussed under the next agenda item in this Meeting.

## (Translation)

**Mr. Bansant Kumar Dugar,**  
a proxy

commented as follows:

1. He appreciated a policy to determine the directors' remuneration based on the Company's net profit, which could motivate the Board of Directors to perform their duties. However, while the maximum rate of remuneration was fixed at 0.05 percent of the net profit, he considered it unreasonable to limit the amount of remuneration to Baht 3,000,000 because, in his opinion, the directors deserve a higher amount of remuneration if their performance can bring a greater amount of net profit to PTT.
2. Regarding the Corporate Governance Committee and the Enterprise Risk Management Committee, he proposed an increase in their monthly remuneration or the payment of their remuneration more than once a year because those committee members must continuously perform their duties throughout the year, not only once at the end of the year.

**Mr. Narongchai Srisupawanich,**  
a shareholder

commented that the director's bonus should be based on the KPI results of each individual and partly on the indicated percentage of his/her records of meeting attendance, e.g. 70% of the total meetings. The shareholder also advised to set a particular condition, e.g. the current year's profit must be higher than the previous year's amount. Therefore, the KPI should be established, otherwise the bonus would become an automatic payment to the directors.

**Chairman**

invited Mr. Sihasak Phuangketkeow to clarify the matter to the shareholders.

**Mr. Sihasak Phuangketkeow,**  
Member of the Remuneration  
Committee and the Corporate  
Governance Committee

explained that the Remuneration Committee considered that the proposed amount was reasonable and reflected the operating results of PTT. Therefore, the bonus should be maintained at the rate of Baht 3,000,000. As for the shareholder's advice regarding the KPI-based bonus payment, the Remuneration Committee would propose this advice to the committee for its consideration in due course.

**Chairman**

asked the President & CEO to further clarify to the shareholders.

**President & CEO**

stated that as a current practice, the bonus payment is calculated from the service years during which each director has been in office. For all other companies in the PTT Group, this rule generally applies.

**Chairman**

thanked all shareholders and asked if anyone wished to ask additional questions or expressed any more opinions regarding this matter. As there were no more comments from the shareholders, the Chairman invited the shareholders to vote on this agenda item.

### Resolution

The Meeting approved by more than two-thirds of the total number of votes of the shareholders present, as detailed below:

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,377,012,121	99.23
2. Against	17,507,467	0.73
3. Abstained	948,086	0.04



**(Translation)**

**Remarks:** While the Meeting was considering this agenda item, additional shareholders were present with 39,300 shares.

(Translation)

**Agenda Item 6**

**To appoint an auditor and to determine the 2014 auditor's fee**

The Chairman stated that the Audit Committee consists of four members namely:

1. Mr. Boonsom Lerdhirunwong Chairman of the Audit Committee
2. Mr. Waroonthep Watcharaporn Member of the Audit Committee
3. Mr. Insorn Buakeow Member of the Audit Committee
4. Mr. Montri Sotangul Member of the Audit Committee

The Chairman asked Mr. Boonsom Lerdhirunwong, the Chairman of the Audit Committee, to clarify the matter to the shareholders.

explained as follows:

- Under the Organic Law on State Audit B.E. 2542 (1999), the Office of the Auditor General of Thailand is the auditor of governmental agencies, including state-owned enterprise.
- For 2014, the Auditor General of Thailand has proposed the auditor's fee of Baht 4,300,000, an increase of Baht 800,000 from 2013. The increase was due to a general rise in the salary rate of the Auditor General of Thailand (resulting in an increase in operational costs), the intensification of PTT's business risk and the complicatedness of its accounting and financial reporting.
- The auditor's remuneration of Baht 4,300,000 consists of the following:
  - quarterly audit fee of Baht 700,000 per quarter, an increase of Baht 100,000 for each quarterly audit; and
  - annual audit fee of Baht 2,200,000, an increase of Baht 500,000.The total increase from 2013 is Baht 800,000.
- The appointment of the Auditor General of Thailand as the auditor of PTT and the determination of the auditor's remuneration were respectively approved by the Audit Committee and the Board of Directors.

Therefore, the Chairman proposed that the Meeting consider and approve: (i) the appointment of the Auditor General of Thailand as PTT's auditor for the financial year ended 31 December 2014, and (ii) the auditor's fee of Baht 4,300,000 as considered by the Audit Committee.

**Mr. Boonsom Lerdhirunwong,**  
Chairman of the Audit Committee

**Chairman**

asked if anyone wished to ask additional questions or expressed any more opinions regarding this matter. As there were no more comments from the shareholders, the Chairman invited the shareholders to vote on this agenda item.

(Translation)

**Resolution**

The Meeting approved (i) the appointment of the Auditor General of Thailand as PTT's auditor for 2014, and (ii) the auditor's fee of Baht 4,300,000, as proposed by the Audit Committee and the Board of Directors after their review. The resolution was passed by a majority of votes cast by the shareholders present and eligible to vote, as detailed below:

<b>Votes</b>	<b>Number of votes cast (1 share = 1 vote)</b>	<b>Percentage of voting rights exercised by the shareholders present</b>
1. Approved	2,353,448,755	98.25
2. Against	29,786,087	1.25
3. Abstained	12,232,832	0.50

**Remarks:** While the Meeting was considering this agenda item, additional shareholders were present with 0 shares.

(Translation)

**Agenda Item 7**

**Other matters**

The Chairman stated that the Meeting has now reached agenda item 7 re: other matters as stated in the Notice of the Meeting. The Chairman then asked whether there are any shareholders or proxies who would like to propose other matters for consideration. A proposal of an agenda requires a total shares of no less than one-third of the total number of issued shares, i.e. 952,415,241 shares. The Chairman asked shareholders whether there are any questions or comments. The questions, answers and comments discussed at the Meeting are summarized as follows:

**Mr. Surakit Chamamahattana,**  
a representative from the Thai Investors Association

commented and queried as follows:

In relation to PTT's anti-corruption policies, the Thai Institute of Directors (IOD) has recently adopted Thailand's Private Sector Collective Action on Coalition Against Corruption and he has learnt that PTT has made a declaration of intent to join this program and that PTT is now in the process of preparing its guidelines and framework for certification by the IOD. He, on behalf of the Thai Investors Association, would like to sincerely thank the Board of Directors and management of PTT for deciding to make a declaration of intent to fight against corruption in all forms. This would, in addition to the benefits and interests to PTT, the stock exchange of Thailand and its investors, create a great benefit to Thailand. He then asked the Chairman to elaborate more on the preparation process and the principles to be adopted by PTT in the fight against corruption which will be processed further to the certification process by the IOD in order for PTT to become the entity which counters corruption in all forms.

**Chairman**

clarified that PTT has paid a great attention to the anti-corruption. Given the large scale of PTT's corporate organization, any ignorance to the anti-corruption could lead PTT to an undesired outcome. It has therefore become one of the priorities to the Board of Directors of PTT in setting and determining the anti-corruption policies to be implemented by PTT and its directors. The Chairman then asked Mr. Thosaporn Sirisumphand, Chairman of the Corporate Governance Committee, to clarify to the Meeting in further details.

**Mr. Thosaporn Sirisumphand,**  
Chairman of the Corporate Governance Committee/  
Chairman of the Enterprise Risk Management Committee

further clarified that PTT has at all times paid attention to the principles of good corporate governance and anti-corruption. In the international aspects, PTT has joined United Nations Global Compact and has complied with the guidelines of ASEAN CG Scorecard including the disclosure requirements under the guidelines of GRI and Dow Jones Sustainability Indices (DJSI). In Thailand, in addition to the implementation of the code of business ethics, PTT has made a declaration of intent to join Thailand's Private Sector Collective Action on Coalition Against Corruption and has paid attention to becoming a transparent organization. At the meeting of the Board of Directors no. 12/2013 which was held on 20 December 2013, the Board of Directors has already resolved to approve in principle the anti-corruption policies. PTT is currently in the process of preparing a self-questionnaire in relation to anti-corruption measures. Then it will further propose for review by the audit committee and will then enter into the certification process for certification

**(Translation)**

of PTT's status by Private Sector Collective Action Coalition Against Corruption Council, the latter of which is expected to take place in Q2 or early Q3. Thereafter, the Corporate Governance Committee will be responsible to ensure the implementation of the policies. The investors of PTT are thereby asked to be assured of the transparency and good corporate governance principles of PTT.

**Mr. Bansant Kumar Dugar,**  
a shareholder

commented as follows:

1. PTT should take a visit to meet offshore investors more often in order to promote foreign investment for PTT.
2. PTT should send a copy of the minutes of shareholders' meeting to the shareholders within 14 days in addition to the submission of minutes to the SEC and the SET. This is because in some cases the shareholders cannot access the websites.
3. PTT should have more detailed profile in respect of the members of the Audit Committee.
4. PTT should do "E-newsletter" as alternative channel for shareholders in receiving news and key updates.
5. He proposed that PTT should change to operate as Profit Centre rather than Cost Centre, and that PTT should organise more events in relation to the operations of PTT to help investors and third parties understand more about PTT's businesses.

**Mr. Chakrit Yossapol,**  
a shareholder

asked as follows:

1. The operating revenue of PTT in 2013 is higher than the operating revenue in the preceding year. However, the net profit in 2013 is relatively lower which is usual given a number of factors outside of PTT's control e.g. costs of natural gas. In relation to NGV, he noted that the amount of loss has been continuously increasing. He then asked how PTT has managed to deal with the loss incurred to NGV business.
2. What is the market share of PTT in oil retail market since there seems to be more competitors in the business recently? Is there any tendency that PTT's existing market share may be allocated to those competitors?
3. It appears that "Shale Gas" has become a trend which is likely to reduce a demand for oil. He wanted to know the management vision as to how PTT plans to cope with this change. Is there any adjustment to be made in order to reduce the revenue from oil sale which may be compensated by a corresponding adjustment to increase in other aspects?

**Mr. Chatchai Khun-ngam,**  
a shareholder

commented as follows:

1. In the past few years, it has been reported in the news that Thailand has abundant petroleum resources. It is deemed appropriate for PTT to provide software or to establish a television program to be used for active publicity for clarification of facts in relation to PTT.

**(Translation)**

2. Giving petrol vouchers as a gift is considered a moral support for shareholders and, therefore, he hope that PTT will reconsider giving such gift again.
3. Anti-corruption scheme as proposed by the Thai Investors Association is a good initiative because directors and executives must adhere to good corporate governance in order to gain trust from shareholders of PTT.

**Chairman  
President & CEO**

requested that the President & CEO clarify to the Meeting.  
clarified as follows:

1. Regarding the earlier question as to how to manage NGV, NGV is controlled by Ministry of Energy and in the past, there has been coordination on determination of NGV price which, at a minimum, must cover costs incurred to PTT. However, good news is that now LPG price is floating.
2. PTT has often been defamed that PTT monopolizes petrol sale which is not true because PTT's market share accounts only for 39% of the market.
3. Shale Gas, at present, is discovered and developed in the North America i.e. in the United States only. As a result, this has reduced the price of natural gas. However, it is difficult to transport natural gas because natural gas must be liquefied to be transported. Therefore, only the United States directly benefits from low price of Shale Gas. Indirect effect on Thailand is that LNG price that is used to be high has to be competitive with Shale Gas price. It is believed that in the future, the price of natural gas in form of LNG imported to substitute natural gas extracted from Thai Gulf will also reduce.

**Mr. Sittichok Boonwanich,**  
a shareholder

commented and asked as follows:

1. In determining a tax refund rate, it must be taken into consideration the consequence to investors because it affects their spending and life planning. Also it must be audited to ensure that no particular group of people benefits from this.
2. Regarding allocation of a budget for CSR activities, can shareholders propose a project to receive a budget?
3. Is it true that PTT's fund was seized in Egypt? Did PTT get the fund back?
4. Is it true that petrol delivered by PTT to the Royal Thai Air Force was purchased, by using the annual budget and it was sold at cost because it was a sale to a government agency? Is there any research in relation to the difference between petrol used for each type of aircrafts such as increased flying range?
5. How much budget that PTT has for holding an annual general meeting in each year?

**Mr. Somchai  
Thitiakrurungroj,**  
a shareholder

asked as follows:

1. It has been reported in the news that appointment of PTT's directors was connected to a political party or a political group. What is the approach to deal with this given that the political situation has changed which could be a risk to the organization due to the political impact?

(Translation)

2. Does PTT require a resolution from shareholders for donation? Is there any procedure for consideration of donation or is there any internal mechanism? In the past, which organization has received donation from PTT? What is the budget for this? Also what is the role of the Audit Committee in relation to donation by PTT, for example, is PTT related to the rice-pledging scheme?
3. What are PTT's and its affiliates' risk management plan and the plan in case of an accident during transport and transfer of petrol or other accidents?
4. The shareholders need PTT to publicize more information about PTT because PTT's current share price is Baht 300 per share when compared to the valuation price made by analysts which is Baht 400 per share. It is noted that if the executives conduct a roadshow on the company's performance and operating result, this information will be better known by the shareholders or the public which will consequently increase the share price.

**Mr. Waiwit Laoworawit,**  
a shareholder

commented that including an agenda regarding certification of the minutes was appropriate because, even if it was not required by law, PTT as a listed company must be transparent and certification of minutes gave an opportunity to the shareholders to express opinions. The shareholders could also comment and request for amendment before a minutes of the meeting was issued which would make the minutes more concise. However, in his opinion, the minutes of meeting should not be sent to all shareholders for certification because the certification should be made in a meeting and document sent by post might be lost.

**Chairman**  
**President & CEO**

requested that the President & CEO clarify to the Meeting.  
clarified as follows:

1. Regarding allocation of a budget for CSR activities, the shareholders may propose a project to PTT for consideration, however, it must be in accordance with the specified criteria because PTT is still a state-enterprise. Generally, suitable local projects do receive continuous support from PTT.
2. Regarding seizure of PTT's fund in Egypt, PTT has not involved in the seizure of the property in Egypt. In relation to PTT's investment in pipeline in Egypt, the investment was approximately Baht 15,000,000,000. Given the occurrence of the unrest, although PTT's pipeline is made from materials of good quality and it is in good condition and ready for use, at present, no gas is transported from Egypt to Israel because the Egyptian government is selling gas to public domestically. Therefore, the present book value of the pipeline has been reduced to Baht 4,000,000,000. It is likely that this pipeline will be used again in the future but the transportation route may be changed in order to reverse the transportation of gas from Israel to Egypt, in which case, PTT should have a possibility to rebook the reserved amount of Baht 10,000,000,000 as the book value of this investment.

**(Translation)**

3. Fuel delivered to the Royal Thai Air Force for use in aircrafts is different from fuel used in helicopters. Fuel quality depends on engines that are made in other countries. However, the Royal Thai Armed Forces and PTT have jointly made several developments such as the entire fleet of warships of the Royal Thai Navy is using PTT's fuel that has been the outcome of a joint research and which is suitable for the current model of engine of the warships used by the Royal Thai Navy.
4. It costs approximately Baht 7,000,000 to organize a shareholders' meeting for this year. Since there are special circumstances this year, the venue had been changed to BITEC Bang Na.
5. Regarding political issues, PTT as a state-enterprise is legally required to be politically neutral. For example, in several political events, PTT's employees behaved properly and although they could not enter the office to work as usual, the business continued. The bottom line is that Thai people still have energy to use. Regarding connection between a political party or a political group and the Board of Directors, please be informed that PTT's directors consist of representatives from various professions who are gathered to become a Board of Directors. It is therefore believed that these directors are neutral and they can drive PTT to achieve the goals.
6. Regarding donation, please be informed that last year, PTT has spent on donation in the amount of Baht 900,000,000 and it was within the power of the executives. PTT gives support nationwide within the expectation of the society. PTT's budget is audited by Office of the Auditor General of Thailand. Regarding, the rice-pledging scheme, PTT is not involved in any aspects. As informed earlier, PTT is required to comply with the law and remains neutral in terms of politics. Both the organization and the employees are state officials and therefore, they must remain themselves neutral.
7. Regarding the oil spill incident, it was not PTT's incident but it was the incident of PTT's subsidiary. Although it was a matter of the subsidiary, PTT did not ignore the issue. In 2013, PTT called an urgent meeting of the Board of Directors to specifically consider the incident. PTT assisted the subsidiary by all means including equipment, personnel and emotional remedy so that the subsidiary could go through with the incident smoothly. It has become an important lesson for PTT's affiliates and refineries.

**Chairman**

since the meeting has been going on for around five hours, if any shareholders have additional questions or comments, please query through PTT's website.

**Mrs. Sasithorn Simcharoen,**  
a shareholder

asked in relation to the gas used for tulip farming, whether PTT promoted commercial farming of tulips among farmers.

**Mr. Bansant Kumar Dugar,**  
a shareholder

commented in relation to transparency and audit of PTT that he believed that PTT as a listed company must be transparent and therefore the past performance could be audited.



**(Translation)**

**Mrs. Pornpilai Rojanasakul,**  
a shareholder

asked as follows:

1. Why was the shareholders' visit programme to PTT's business in Rayong cancelled?
2. Why was the petrol voucher as a gift given at the annual general meeting of the shareholders cancelled this year?

**Mr. Wiwat Kusakul,**  
a shareholder

commented as follows:

1. I admire the executives for giving an opportunity to the shareholders to ask any questions which shows that this is the most transparent management officers.
2. Regarding the scholarship and the education, He agreed to PTT's support for education in Rayong because a study shows that Rayong is a province that suffers from environmental loss at the highest level whereas it receives the least benefit from the tax in the country since most companies pay tax at their head offices and Rayong residents receive only wages and property tax. However, I do not agree to the establishment of educational institutions because residents of the entire province will be affected and it takes considerable amount of time for organization of education to complete. It will be more beneficial if this is a joint effort with other educational institutions such as Chulalongkorn University.
3. The cancellation notice was sent only one day prior to the date of the shareholders' visit programme to PTT's business.

**Chairman**  
**President & CEO**

requested that the President & CEO clarify to the Meeting.

clarified as follows:

1. Regarding the use of gas to plant tulips, PTT has been experimenting this for four years. When processing liquefied natural gas, the coldness had been released and wasted. So PTT uses it to plant winter plants. After the experiment, it appeared that this method could be used to plant some winter plants that are the most difficult to plant such as tulips or lilies. It was then developed to strawberry planting in Rayong. Now PTT is ready to pass on this know-how to people who are interested in planting winter plants. Persons who are interested can contact our natural gas separation plant in Rayong.
2. Please accept our apology for cancellation of the shareholders' visit programme to PTT's business in Rayong. It was due to certain political situations. However, when the situation resumes normal, PTT will inform shareholders again about the schedule.
3. Regarding educational institutions, at present, PTT Group supports education in various aspects such as nursing course, master degree project, doctorate degree project. Although Rayong is the highest GDP province in Thailand, Rayong youth still travel to study in Bangkok. PTT therefore has an idea to build good schools in Rayong, however, PTT will not be involved in the educational management such as children enrollment or teacher employment. All benefits will belong to Rayong and provinces in eastern region.

(Translation)

**Mr. Wichien Tansakul,**  
a shareholder

asked as follows:

1. What is PTT's plan to increase in the number of natural gas service stations for vehicles, given that Phuket needs large volume of NGV?
2. Gasoline 95 and 91 were cancelled but they are now back on sale, is this correct?

**Chairman**

requested that the Chief Operating Officer, Upstream Petroleum and Gas Business Group clarify to the Meeting.

**Chief Operating Officer,  
Upstream Petroleum and  
Gas Business Group**

clarified that at the moment, PTT suffers substantial loss from sale of NGV and therefore there is no plan to increase the number of natural gas service stations, particularly, in the western region because it is difficult to procure and, therefore, cannot be done at this moment.

**Chairman**

requested that the Chief Operating Officer, Downstream Petroleum and Gas Business Group clarify to the Meeting.

**Chief Operating Officer,  
Downstream Petroleum  
Business Group**

clarified that at present, only Gasoline 91 is cancelled and Gasoline 95 is still available for sale although the margin is very low because of the high cost.

**Chairman**

concluded that since the Meeting has proceeded with all the agenda items and no shareholders would like to ask questions or make comments further, he would like to close the Meeting and thank all shareholders for attending today's Meeting. He asked all shareholders to please return the ballots so that PTT may use them as evidence and return the questionnaire to the officials at the exit.

After the Meeting began at 9.30 a.m., additional shareholders arrived and registered for the Meeting. At the close of the Meeting, there were 7,409 shareholders attending the Meeting, divided into 3,079 shareholders who attended the Meeting in person and 4,330 proxy holders, amounting to a total of 2,395,490,574 shares, or 83.86 percent of the total issued shares. The Chairman thanked the shareholders and declared the Meeting adjourned.

**Closing of the Meeting:** 15.00 hrs.

Recorded by Mrs. Wantanee Jaruke

Proofed by Mr. Pailin Chuchottaworn

Signed \_\_\_\_\_ signed \_\_\_\_\_  
(Mr. Parnpree Bahiddha-Nukara)  
Chairman of PTT's Board of Directors

Signed \_\_\_\_\_ signed \_\_\_\_\_  
(Mr. Pailin Chuchottaworn)  
President & CEO/  
Director and Secretary to the Board of  
Directors