



(Translation)

Minutes of the 2016 Annual General Meeting of Shareholders
of
PTT Public Company Limited

Date, time, and place of the Meeting

The 2016 Annual General Meeting of Shareholders (the “**Meeting**”) was convened on Monday 11 April 2016, at 09:30 a.m., at Bangkok Convention Center, 5th Floor, Central Plaza Ladprao, No. 1695, Phaholyothin Road, Chatuchak District, Bangkok Metropolis.

Before the Meeting

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

Beginning of the Meeting

At the closing date of the share register book for share transfer suspension in order to determine the shareholders who were entitled to participate in the Meeting and entitled to receive dividends, PTT had paid up capital of Baht 28,562,996,250, which was represented by 2,856,299,625 issued ordinary shares with a par value of Baht 10 per share. When the Meeting started, there were a total of 3,109 shareholders and proxies present, comprising 1,446 shareholders attending the Meeting in person and 1,663 shareholders attending by proxy, representing a total of 1,805,929,231 shares, equivalent to 63.23 percent, which was more than one-third of the total amount of issued shares of PTT. A quorum was thus constituted according to PTT’s Articles of Association and the registration of shareholders attending the Meeting continued.

Mr. Piyasvasti Amranand, Chairman of PTT’s Board of Directors, presided as the Chairman of the Meeting and declared the Meeting duly convened. He informed the Meeting that PTT welcomed all shareholders to the Meeting and that this was the 15th year since PTT shares were listed on the Stock Exchange of Thailand (the “**SET**”) on 6 December 2001. He informed the Meeting that PTT would like to thank all shareholders for their continued support and restated that PTT was committed to be an organization that operated an integrated energy business and was Thailand’s leading energy company with good governance, transparency and accountability, while enhancing its operational performance and increasing its competitive capabilities for the utmost benefit of the shareholders and all stakeholders in a balanced manner.

The Chairman then introduced the 16 directors and executive officers present at the Meeting and on the stage as follows:

Directors

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|---------------------------------|---|
| 1. Mr. Piyasvasti Amranand | Chairman of the Board of Directors / Independent Director |
| 2. Mr. Kittipong Kittayarak | Independent Director / Chairman of the Audit Committee |
| 3. Gen. Chatchalerm Chalermsook | Independent Director / Chairman of the Corporate Governance Committee |
| 4. Mr. Vichai Assarasakorn | Independent Director / Member of the Audit Committee |
| 5. Mr. Prasert Bunsumpun | Independent Director / Member of the Enterprise Risk Management Committee |
| 6. Mr. Don Wasantapruerk | Independent Director / Member of the Corporate Governance Committee |

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|----------------------------------|--|
| 7. Mr. Somsak Chotrattanasiri | Independent Director / Member of the Corporate Governance Committee |
| 8. Mr. Watcharakiti Watcharothai | Independent Director / Chairman of the Nominating Committee / Member of the Remuneration Committee |
| 9. Mr. Chanvit Amatamatucharti | Independent Director / Member of the Nominating Committee / Chairman of the Enterprise Risk Management Committee |
| 10. AM Boonsuib Prasit | Independent Director / Member of the Nominating Committee |
| 11. Mr. Chavalit Pichalai | Director / Member of the Enterprise Risk Management Committee |
| 12. Mr. Tevin Vongvanich | Director and Secretary to the Board / Chief Executive Officer and President |

There were two absent directors, namely, Mrs. Nuntawan Sakuntanaga, who was on an business trip overseas; and Mr. Somchai Sujjapongse, who had been requested to attend an emergency meeting.

Executive Officers

- | | |
|------------------------------|--|
| 1. Mr. Pitipan Teparimargorn | Chief Operation Officer, Upstream Petroleum and Gas Business Group |
| 2. Mr. Sarun Rungkasiri | Chief Operations Officer, Downstream Petroleum Business Group |
| 3. Mr. Wirat Uanarumit | Chief Financial Officer |
| 4. Mr. Chavalit Punthong | Chief Operation Officer, Infrastructure and Sustainability Management Business Group |

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

PTT's Auditors and Legal Advisors present at the Meeting

The Chairman introduced the three representatives from the Office of the Auditor General of Thailand, being PTT's auditors i.e. (1) Miss Mayuree Chantamart; (2) Miss Metawee Suaysom; and (3) Miss Jarawat Prueksa-suay. The Chairman also introduced the four legal advisors who were acting as independent parties i.e. (1) Miss Peangpanor Boonklum; and (2) Miss Kulnisha Srimontien from Weerawong, Chinnavat & Peangpanor Ltd.; (3) Mr. Anurak Ramanat; and (4) Mr. Gun Vasharkorn from South Asia Law Ltd., to act as voting inspectors.

The Chairman informed the Meeting that PTT had published the documents to be presented this Meeting on the Company's website and reported this to the Stock Exchange of Thailand on 10 March 2016. In addition, PTT posted an announcement on its website inviting the shareholders to propose matters they deemed important and appropriate to be included in the meeting agenda in the 2016 Annual General Meeting and to nominate persons whose qualifications met the criteria prescribed by the Company to be elected as directors during the period from 1 September 2015 to 30 November 2015. However, no shareholder had proposed any agenda item nor nominated any person in accordance with the prescribed criteria.

PTT had been listed on the Dow Jones Sustainability Indices (DJSI) for four consecutive years. This was proven that PTT was responsible for the society and environment in operating its businesses. Investment funds all over the world used the DJSI as an important criterion in making investment-decisions with the Company because they were assured that the organizations that were listed in these indices would generate healthy returns on a sustainable basis to the investors. Furthermore, PTT had put in place a number of practices for the management and reduction of greenhouse gas emission, a cause of "global warming". In addition, PTT

was one of ten leading organizations, in cooperation with the Board of Trade of Thailand and the Thai PBS TV Channel, to take part in the campaign “Sharing Water, Sharing Spirit to Fight Drought” aimed at reducing the use of water in office buildings and in production processes.

To ensure that the Meeting was carried out smoothly, the Chairman asked the Company Secretary, Mrs. Wantanee Jaruke, to explain the procedures for the Meeting.

Mrs. Wantanee Jaruke, the Company Secretary, explained the vote-counting procedures for each agenda item to the shareholders as follows:

- A shareholder would have the number of votes equivalent to the number of shares that he/she or a proxy grantor held. A shareholder might cast votes of approval, disapproval or abstention on each agenda item equivalent to the number of shares he/she or a proxy grantor held, using the ballot received at the registration.

- In vote-counting, only the votes of disapproval and abstention for each agenda item would be counted by way of the raising of hands to signify to the Meeting staff to collect ballots. Such disapproval or abstention votes, as well as the votes on invalid ballots (if any) would then be deducted from the total number of votes of shareholders present at the Meeting and the remaining number would be treated as votes for the approval of that agenda item. The vote counting would be calculated according to the total number of votes of shareholders present and entitled to vote, with the exception of agenda item 3, the election of directors to replace the retiring directors, in which the shareholders would be asked to cast their votes for each candidate on an individual basis by collecting the disapproval or abstention ballots first, followed by all of the approval ballots, in compliance with the best practice in convening a shareholders’ meeting. If the majority of the votes were cast for approval and this was in accordance with PTT’s Article of Association regarding voting, it shall be deemed that the Meeting had agreed or approved that agenda item. A shareholder who wished to leave early or was absent during any agenda item might exercise his/her right by handing in his/her ballots in advance to the staff-member stationed at his/her respective row.

A ballot is considered invalid if it casts a vote expressing a conflict of intent, such as a ballot on which more than one mark is placed or a ballot with any crossing-out without a signature thereon etc.

Before casting a vote for each agenda item, the Chairman would give an opportunity for the shareholders to ask questions relevant to that agenda item as appropriate. A shareholder who wished to ask a question was requested to stand at the microphone and raise his/her hand. Upon his/her being granted permission from the Chairman, the shareholder would be asked to state his/her name and surname before asking questions or giving an opinion on each occasion. Questions or opinions should be precise and relevant to the agenda item being considered in order that other shareholders would also have an opportunity to exercise their right and so that the Meeting would be conducted within the time frame. If a shareholder had any question irrelevant to the agenda item being considered, the Chairman might request that shareholder to ask such question during the consideration of the agenda item in respect of any other matters at the end of the Meeting.

In addition, after the Meeting PTT would ask every shareholder return the ballots to the staff for reference purposes.

The Chairman asked the Meeting to consider the matters comprising six agenda items as follows:

Agenda Item 1

To certify the 2015 operating performance and approve the financial statement for the fiscal year ending 31 December 2015

Chairman

- PTT had circulated the 2015 Annual Report, the 2015 Financial Statement, and the 2015 Sustainability Report to the shareholders in advance.
- Before Mr. Tevin Vongvanich, the President & CEO, would report the summary of the 2015 operating performance and other important information, the shareholders were invited to view the video presentation of the summary of the operating performance, after which the shareholders would be granted an opportunity to request further

information.

(The video presentation was shown and lasted about seven minutes.)

President & CEO

presented the information as below:

The 2015 operating performance of PTT and its subsidiaries can be compared with that of 2014 as follows:

Sales revenue

In 2015, the sales revenue for PTT and its subsidiaries had the sales revenue of Baht 2,026,912 million, a decrease of 22 percent from 2014, primarily due to the fall in the crude oil price of 47 percent from 2014. However, the overall sales volume of the PTT Group continued to grow.

EBITDA

Despite the 47 percent fall in the crude oil price from 2014, earnings before finance costs, income taxes, depreciation and amortization or EBITDA increased slightly. While the decrease in oil and coal prices affected the upstream business, the petroleum exploration & production business, and the coal business; the downstream business, the petrochemical and refining business witnessed a positive operating performance as a result of the following factors:

- 1) The gross refining margin (GRM) of the refining business increased, which was attributable to the increase of the spread margin of petroleum products and crude oil, coupled with the increase of refining capacity and the decrease in production costs.
- 2) The product to feed margin (P2F) of the aromatics business increased due to the decrease in fuel costs and production loss following the fall in the crude oil price and condensate price.
- 3) The performance of the olefins business declined due to the decrease in polymer product prices following the fall in the oil price, even though the sales volume and the production capacity increased.

As a result, the overall EBITDA increased by 3 percent from that of 2014.

Operating performance

Despite of the fall in crude oil prices of nearly 47 percent, the operating performance in 2015 dropped slightly by 15 percent from Baht 88,806 million in 2014 to Baht 75,881 million in 2015: this is an indication of the strength of PTT Group that is attributable to its fully-integrated business approach, from the upstream to the downstream business enable it to effectively maintain its operating capabilities. Therefore, despite the decline in the performance of the upstream business, the petroleum exploration & production business, and the coal business due to the fall in oil and coal prices, the overall performance was offset by the better operating performance of the downstream business, i.e., a slight decrease of 15 percent. The overview of the operating performance by core businesses can be described as followed:

➤ **Upstream business**

- The operating performance of the upstream business was affected by the fall in oil prices and coal prices.

➤ **Midstream business**

- The operating performance of the **natural gas business**: decreased due to:
 1. The loss of the natural gas business decreased due to the adjustment of the NGV price to be in line with the market mechanism, but the operating performance was affected by:
 2. The natural gas prices followed with a time lag;
 3. The drop in product selling prices in line with the decline in global product prices for every customer group, especially the drop in the selling prices for industrial customers in relation to the lower fuel oil reference price, while the natural gas prices had been adjusted at a slower pace; and
 4. The gas transmission pipeline business involved a compensation payment of Baht 3,400 million for the delayed construction of the fourth gas transmission pipelines.

➤ **Downstream business**

- The operating performance of the **international trading business** decreased as a result of the drop in the selling prices in line with the global oil market prices.
- **The operating performance of the oil business group witnessed a positive growth** as a result of:
 1. The increase in the sales volume following the increase in demand from the fall in oil prices;
 2. The increase in the margin following the fall in oil prices;
 3. The improved operating performance of the non-oil businesses in service stations.
- **The overall operating performance of the petrochemical and refining group witnessed a positive growth** due to:
 1. The product to feed margin (P2F) of the aromatics business increased due to the decrease in fuel costs and production loss following the fall in crude oil prices and condensate prices; and
 2. The performance of the olefins business declined due to the decrease in polymer product prices following the fall in oil prices.

- **The operating performance of the refining business group witnessed a positive growth due to: the significant improvement of the gross refining margin (GRM) as a result of:**

1. The increase of the spread margin of the petroleum products and crude oil;
2. The increase of refining capacity; and
3. The decrease in production costs.

Net income

- However, the net income in the financial statement was Baht 19,936 million, a decrease from the operating performance of Baht 75,881 million. This was mainly as a result of the impairment of the assets of PTT Group which was a non-recurring item and did not affect the cash flow. This was only an accounting entry to reflect the asset value to be as close as possible to the present value.
- In 2015, PTT and its subsidiaries recognized the loss of impairment of assets of PTT Group of Baht 54,698 million from:
 1. Baht 32,573 million by PTTEP, mainly from the Montara Project and the Mariana Oil Sands Project;
 2. Baht 19,428 by PTTER; and
 3. Other special expenses of Baht 1,247 million, mainly from the compensation payment of Baht 3,400 million for the construction of the fourth gas transmission pipelines, net from the disposal of investment in Bangchak Petroleum Public Company Limited (BCP) of Baht 2,300 million.

The financial position of PTT and its subsidiaries as at 31 December 2015 was as follows:

- **Total assets of Baht 2.17 trillion, a decrease of Baht 76,355 million from 2014 or 3 percent, attributable to:**
 - : Fixed assets: A decrease of Baht 51,919 million in property, plant, and equipment (net) + other non-current assets due to:**
 1. **An increase in loss on impairment of fixed assets of Baht 36,070 million, resulting in a decrease in fixed assets:**
 - Assets related to petroleum exploration and production;
 - Assets related to the exploration and evaluation of resources and coal mines;
 - Assets related to the palm business;
 - Myriant Project of PTTGC; and
 - Related goodwill.

2. **Long-term investment of Baht 26,812 million, a decrease** from the disposal of investment in:
 - > BCP in 30 April 2015; and
 - > SPRC on 3 December 2015
3. During the year, PTT and its subsidiaries made **investment in various projects, a net increase of Baht 10,963 million**, for example:
 - PTT: The Fourth Gas Transmission Pipeline Project;
 - IRPC: Upstream Project for Hygiene (UHV);
 - PTTLNG: LNG Terminal Phase 2 Project;
 - TOP: Construction of new small power plants

: Current assets and cash: Cash and cash equivalents and other current assets of Baht 24,436 million, a decrease mainly due to:

1. Inventories, a decrease of Baht 35,710 million, from a decrease in prices and petroleum product inventory due to the decrease in the market prices and the legal reserve;
 2. Accounts receivable, a decrease of Baht 34,555 million due to the decrease in the product prices from the previous years; and
 3. An increase of Baht 29,968 million in cash and cash equivalents and current investment from:
 - > Cash inflow from operation; and
 - > Disposal of investment in BCP and SPRC
- **Total assets of Baht 1,086,309 million, a decrease of 9 percent due to:**
- Long-term loans (including the current portion) decreased by Baht 64,167 million or 9 percent due to:
 - > Repayment of the long-term loans and redemption of debentures of Baht 136,890 million, mainly from PTT, PTTEP, PTTGC, and TOP; and
 - > In addition, during the period there were additional long-term loans of Baht 48,141 million, mainly from PTTGC, IRPC, and TOP.
- **Shareholders' equity of Baht 1,087,687 million, an increase of 3 percent from 2014 of 26,261 million, mainly due to:**
- > An increase in profit; and
 - > An increase in the translation of the financial statement differences caused by the depreciation of the Baht (mainly from PTTEP whereby the functional currency in the financial statements is in US dollars).

Financial structure: PTT's financial structure became more stable than that of the previous year as follows:

- **The net debt to equity ratio** was **0.3 :1**, an improvement from **0.4 : 1** in 2014, which was better than PTT's policy of not exceeding 1;
- **The net debt to EBITDA ratio** was **1.1**, an improvement from **1.5** in 2014 which is less than 2 as specified in PTT's policy due to the decrease of liabilities from payment of long-term loan and redemption of debentures of **Baht 136,890 million**; and
- **The interest coverage** was **9.5**, a decrease from **10.9** in 2014 due to the decrease in the cash flow from operating activities. Despite the decrease in liabilities, the finance costs increased due to the interest from the Hybrid Bond of PTTEP.

In addition to the operating performance reported to the shareholders, PTT has an investment plan for the next five years (2016-2020) in **the total amount of Baht 296,649 million** giving emphasis on enhancing the national energy security, mainly for investment in the following projects:

- > The construction of natural gas transmission pipelines in the infrastructure business;
- > The construction of LNG terminals for the import of LNG for use as a national energy source.

Remarks: The financial ratios are computed based on the formula specified by the Securities and Exchange Commission.

Chairman

Informed the shareholders as follows: given that the shareholders had been informed of the report of the 2015 operating performance of PTT, as well as the financial statement from the annual report and the financial reports circulated in advance along with the Notice of this Meeting, and followed by the video presentation on "Summary of the 2015 Operating Performance" and the additional summary of information presented, the Chairman then asked the Meeting to consider and certify PTT's 2015 operating performance, acknowledge the future plan, consider and approve the financial statements for the year ending 31 December 2015 and the auditor's report which had been certified by the auditor in accordance with the generally-accepted accounting principles, as detailed in the annual report and the financial report. The Chairman then asked whether the shareholders had any questions or comments. The questions and comments are summarized as follows:

Mr. Wiwat Kuskul,
a shareholder

commented as follows:

1. He would like to give compliments for PTT's effort in reduction of certain costs even though the sales revenue decreased.
2. He asked PTT to maintain its operating standards, as after the privatization he had witnessed PTT's significant development.
3. PTT should launch public relation activities in order for the public to have an understanding of oil prices, excise tax, etc. and the country's oil price situation. The drop in oil prices would encourage uneconomical use by the public.

and asked the following questions:

1. Why the selling and administrative expenses (the financial statements for the Company) had significantly increased?
2. The 2015 profit and loss statements (the financial statements for the Company) showed PTT's earnings before income tax was Baht 13,557 million, and PTT paid Baht 4,003 million in tax while PTT's earnings before tax in 2014 were Baht 48,828 million but PTT paid only Baht 3,772 million in tax. He, therefore, asked what was the cause of this situation;
3. What were the reasons for incorporating subsidiaries of PTT Exploration and Production Public Company Limited (PTTEP) in the Cayman Islands?

Mr. Supot Phongkidakarn,
a shareholder

asked what steps had PTT taken in preparation for the increased use of electric vehicles or hydrogen vehicles or the increased use of alternative energy such as shale oil and shale gas which would reduce the demand for oil, LPG, and NGV?

Mr. Ritthichai
Yibchareonporn,
a shareholder

asked questions as follows:

1. What was the investment plan to strengthen national energy security and generate profit to the Company? The analysis of EBITDA and earnings revealed that the profit derived by the international trading business was minimal despite the Contango situation. Was the operation of PTTEP considered actually effective as the effectiveness of PTTEP's operation should be evaluated by the proven reserve and production costs?
2. Was there any analysis conducted for applying the hydraulic fracturing technique as it had been found that this technique would reduce costs?
3. What were the impacts of the new accounting standards on the operations?

Chairman

explained as follows:

1. It was evident that PTT did not gain huge profit as perceived by the public. PTT had shouldered the energy-price subsidies in compliance with the government policy, such as by fixing NGV prices below cost in the past, which translated into more than Baht 120,000 million, or the LPG price subsidy to the low-income group whereby PTT was the only company to do so. This was reflected in the financial indicators.
2. The decrease in the proven reserve of PTTEP was a result of the delay of the 21st round of petroleum concession bidding and the ambiguity of the expiring concession of PTTEP and Chevron, which were the country's major energy source, and had an impact on the national energy security. If the current concession was not renewed, the natural gas reserve would be diminished within the next six to seven years. Therefore, proper arrangements had to be prepared at least five to six years in advance to ensure continuous gas production. The shareholders were encouraged to provide support and create understanding to the public in order to drive the public sector to formulate a sustainable energy policy.

The Chairman, then, asked the President & CEO and the Chief Financial Officer to explain the financial matters to the shareholders.

President & CEO

explained as follows:

1. With respect to the incorporation of entities in the Cayman Islands, there was only one company, Subic Bay Energy Co., Ltd., in which PTT directly held shares, as a joint venture with Coastal, and this company had been dissolved. With respect to the subsidiaries of PTTEP in the Cayman Islands, this was the normal practice of the exploration and production business which required that companies be incorporated in each area where concessions for exploration were granted. It also included the acquisition of businesses which involved entities incorporated in the Cayman Islands.

PTTEP had implemented a policy in line with that of PTT in refraining from incorporating any new entity in the Cayman Islands and should the exploration of petroleum source prove unsuccessful, the existing entity would be dissolved. The dissolution would take some time due to the liquidation process and would be further subject to consideration by the government in that particular country. In addition, PTTEP had implemented a policy to dissolve more companies incorporated in the Cayman Islands and the dissolution process was well underway.

2. PTT had arranged for technological research to be conducted in order to prepare itself for the use of electric vehicles or hydrogen vehicles. At present, there were four charging stations. During the initial phase, there might be a limitation on the driving range and the battery charging time. In addition, PTT had developed service stations to offer a full range of services with convenience stores, coffee shops, and restaurants to meet the changing lifestyles.
3. The analysis of EBITDA and the EBITDA margin was based on the nature of each business. For example: the exploration and production business was a capital-intensive business. Once the business generated income, it would require a smaller amount of operating expenses. Therefore, the EBITDA margin for this business was high. On the other hand, the international trade business would yield a lower EBITDA because it involved sale and purchase transactions, and hence a lower margin.
4. The business which PTT mainly operated in order to build a foundation for its growth and sustainability was the infrastructure business, to which a major part of the budget of Baht 300,000 million for the next five years was to be allocated. Half of the budget would be allocated to the construction of the gas transmission pipelines and LNG terminals to accommodate the import of LNG to keep pace with the diminishing energy sources from the expiring concession.

For other businesses, an overview of PTT's business operations was as follows:

- Oil business: Introduction of new products, the business expansion

overseas, and business expansion. For example, the introduction of the Texas Chicken restaurant brand, the expansion of the Café Amazon franchise, the launching of the boat noodle business by franchising in order to give an opportunity for small vendors to generate income.

- Petrochemical and refining business: Given the cyclic-business pattern, the business in 2015 was showing an upward trend and the outlook in 2016 continued to be positive. Accordingly, PTT Group, comprising of a number of companies, would seek opportunities for business expansion when the window of opportunity opened.
- Exploration and production business: The business operation in 2015 faced difficulties due to the continuing fall in oil prices. Notwithstanding the foregoing, PTTEP's financial position remained solid and it had not made any recent investment in any other energy source, such as deep water exploration, as had other oil companies. As a result, the impact of lower oil prices on PTTEP was offset, to some extent, compared to other oil companies. Additionally, PTT and PTTEP would make a joint investment in low-cost areas or sources in order to increase the reserve.
- Gas business: PTT continued to give priority to the gas business and had formulated an investment plan in advance.

The President & CEO, then, asked the Chief Financial Officer to explain the financial figures to the shareholders.

Chief Financial Officer

explained as follows:

1. The reasons for the significant increase of the selling and administrative expenses in 2015 were attributable to the sea-freight costs from the international trade business and the donation for charities. Important donations were PTT Group's support in the establishment of the Vidyasirimethi Institute of Science and Technology and Kamnoetvidya Science Academy, as well as the donation to the State Railway of Thailand for the landscape improvement project near PTT's head office, and the compensation payment for the delayed construction of the fourth gas transmission pipelines from which PTT would be reimbursed by the contractor.
2. The increase in tax in the financial statements for the Company despite the decrease in earnings before income tax compared with 2014 was attributable to two main factors:
 - 2.1 The impairment of assets and the provision of doubtful accounts were not considered as tax expenditure;
 - 2.2 The decrease of the BOI privileges for the gas separation plants.
3. The implementation of the new financial reporting standard (TFRS Pack 5) did not have any significant impact on the profit and loss statements. However, the income decreased slightly due to the deduction of the income from sales between related parties, but the statement of the financial position showed that the assets, liabilities, and equity had increased. Complying with the new standards would better reflect the operating performance and would significantly

reflect the operating performance of its subsidiaries.

Mr. Somsak Kaensuwan, a shareholder

asked what was the estimated profit for 2017?

Mr. Ritthichai Yibchareonporn, a shareholder

asked the following questions and commented as follows:

1. Did PTT have any plan for applying hydraulic fracturing for the import of LNG in the future?
2. PTT should seek investors for the import of LNG.
3. What was PTT's approach to the management of the upstream business and the downstream business?

Mr. Wiwat Kuskul, a shareholder

commented as follows:

1. The shareholders should ask questions that were directly related to the agenda item being discussed in order to save time.
2. He had a doubt in respect of the accounting entries and felt that the impairment of assets should be provided in suspense accounts and should not be subject to tax calculation.

Miss Suporn Pathumsuwanwadi, a shareholder

commented as follows:

1. Please convey the message to the Office of the Securities and Exchange Commission (the "SEC") and the Thai Investors Association regarding the no-gifts campaign for meetings, that they should also ask what the shareholders wanted and, instead, that there should be a campaign on saving other costs such as costs for training at the SEC, etc. rather than saving on gifts.
2. The security measures in the Meeting were too strict.

Mr. Hangchai Akkawatsakul, a shareholder

commented that a shareholder should not spend more than five minutes in asking questions and the Chairman should exercise control of the Meeting.

Mr. Weerachai Kiatwimol, a shareholder

made a remark on corporate governance and transparency should PTTEP still incorporate companies in the Cayman Islands.

Asst. Prof. Wiwatchai Kulamard, a proxy

asked and commented as follows:

1. Why did PTT allocate a high budget for CSR in providing support to public relations through the media? PTT should spend its money prudently. For example, PTT continued to pay the same bonus to the employees while cutting the expenses on gifts for the shareholders.
2. He did not agree with the Petroleum Act B.E. 2514 (1971).
3. He did not agree to PTT's granting support to the Rayong Institute of Science & Technology (RAIST) Foundation and Rayong Science Academy (RSA) Foundation because it was not directly related to the business. Furthermore, he requested that the children of shareholders should have an opportunity for education without paying any expenses.

Mr. Benchaphon Wongwandee, a proxy

asked what PTT company had made investment in Vietnam.

President & CEO

explained as follows:

1. With respect to the estimated profit, please be informed that a company listed on the Stock Exchange could not give any estimated profit because this would violate the good corporate governance principles. Please note that the reason for the decrease of the profit in 2015 was the impairment of assets due to the fall in crude oil prices. If the crude oil prices in 2016 remained at the current level, there would be no impairment of assets and the operating performance would reflect the actual operation.
2. The hydraulic fracturing technique would reduce production costs. PTT had prepared itself for investment and also sought investment opportunities. Furthermore, investment-decisions must embrace the upstream business and the downstream business and attention must be given to transfer pricing, that is, PTT operated its business in compliance with good corporate governance, adhered to the principle of transparency, and had in place a mechanism for fixing prices on an arm's length basis.
3. The no-gifts campaign was a campaign initiated by the SEC and the Thai Investors Association.
4. Confirmed that it was PTTEP's policy that it would definitely not incorporate any more companies in the Cayman Islands.
5. The CSR budget and the budget for public relations involved different objectives: the CSR budget was intended for activities for society, communities, and the country.
6. There might be a misunderstanding about the employee bonus amount.
7. The support to schools or universities was intended to create balance. While PTT aimed to generate returns to the shareholders, it also had a duty to be responsible to society, communities, and the country. PTT believed that the focus on the development of education, technology and innovation would enhance the country's competitiveness and lead to the country's sustainable growth.
8. Investment in Vietnam was a study on investment made through a company in PTT Group.

Chief Financial Officer

explained that the impairment of investment would not be recognized as deferred tax because it was a long-term investment. Therefore, the time to exercise the right as tax expense could not be fixed. However, it would be a tax benefit in the future.

**Mr. Chaiwat
Dechjejaruwat,**
a proxy

commented that the Meeting had spent a long time on Agenda Item 1 and should move on to the next agenda item.

Mr. Basant Kumar Dugar,
a shareholder

commented as follows:

1. He gave his support to the management for performing their duties and was confident that the members of the Board of Directors and the management would lead the organization on the road of success.
2. Thailand was not a tax haven. However, it was not always wrong to

use countries that were tax havens for tax planning purposes.

3. PTT was a respectable company and had been accepted as a member of Thailand Private Sector Collective Action Coalition against Corruption (“CAC”). Furthermore, PTT was the only Thai company that was listed in the world’s top 100 major corporations in Fortune 100 and had credit worthiness.

Chairman

explained as follows:

1. Incorporating companies in a tax haven was a matter of tax planning a normal business practice. In addition, PTT’s auditor was the Office of Auditor-General (OAG) who would scrutinize thoroughly. Therefore, the shareholders were advised to check the facts of the news sourced from social media.
2. Despite the high cash flow, in making any investment-decision, PTT would exercise prudence and consider whether an investment would be worthwhile before making any decision.

**Mr. Thirayut
Phibunrujananon,**
a proxy

commented that he respected the opinions of the shareholders but the Meeting had spent a long time on Agenda Item 1, and the Chairman should move on to the next agenda item.

**Mr. Pitak
Natepetcharachai,**
a shareholder

asked whether there was any update on returning the pipelines that had been in the press.

Chairman

clarified the return of gas pipelines and explained that PTT had duly returned the pipelines to the Ministry of Finance in compliance with the judgment of the Supreme Administrative Court. The Administrative Court had issued orders several times to confirm the judgment as follows: first on 26 December 2008; secondly on 3 March 2009; thirdly 12 November 2012; and fourth on 12 December 2014. However, on 21 May 2015, the Foundation for Consumers filed a petition with the Supreme Administrative Court to revoke the court order dated 26 December 2008. On 7 April 2016, the Supreme Administrative Court rendered the judgment that such petition requested the Court to decide or adjudicate on the case or issue and the Supreme Administrative Court had decided that PTT had duly returned the pipelines in accordance with the judgment, and therefore, it was prohibited for the Court to initiate a trial on a matter already decided. The Court, then, dismissed the petition.

Mr. Adirek Pipatpattama,
a shareholder

commented as follows:

- According to Bangkok Biz Newspaper on 5 April 2016, the Chief Ombudsman filed a complaint with the Central Administrative Court claiming that PTT had failed to return the natural gas transmission pipelines in compliance with the judgment of the Supreme Administrative Court. On the same day, Mr. Chaisit Trachotham, the Chairman of the State Audit Commission, gave an interview stating that PTT had failed to deliver some parts of the onshore and offshore pipelines to the Ministry of Finance.
- Therefore, if the OAG, as PTT’s auditor, shared the same opinion as stated in the news, these obligations or contingent liabilities should be incorporated in the notes to the financial statements but this

information was not incorporated.

- Mr. Adirek remarked that whether or not the OAG performed its duties with conflict of interest, if the OAG, as the auditor, had suspicions, it should inform the PTT Management rather than hold a press conference. Moreover, given that PTT was a listed company on the Stock Exchange of Thailand (SET), any news should be publicized via the website of the SET in compliance with the relevant regulations of the SET and the SEC.

He asked what steps the Company should take in order to handle this type of circumstance in the interest of the shareholders in general.

Chairman

invited the OAG to answer the questions of the shareholders.

Miss Mayuree Chantamart,
a representative from OAG

explained that with respect to the return of the gas pipelines, the OAG had prepared another report, separate from the 2008 financial statements.

Chairman

asked would OAG respond to the question of the appropriateness of the press conference which violated the regulations of the SET and the SEC, and how PTT's management planned to handle this matter.

Miss Mayuree Chantamart,
a representative from OAG

explained that she would rather not respond to this question as this was the policy of the OAG.

President & CEO

explained that the Organic Law on State Audit B.E. 2542 (1999) required the OAG to act as the auditor of government authorities and state enterprises, including PTT. However, new legislation, which would apply to state enterprises listed on the SET, was currently under the consideration process. Under this new legislation, the OAG would still be required to act as the auditor.

With respect to the remark of the shareholder on the conflict of interest, the President & CEO stated that he would bring this matter to the attention of the policy group for further consideration.

Mr. Chonlawit Boonarpa,
a proxy

commented that the Meeting had spent two hours on Agenda Item 1 and asked the shareholders to raise questions related to financial matters and stated that the Meeting should move on to the next agenda item.

Mr. Wicha Chokpongpan,
a proxy

Commented that a message should be conveyed to the Prime Minister for business recovery in order that the share price would increase. The proxy asked that PTT check the schools where activities had been carried out ten years ago.

Chairman

asked if any shareholder would like to ask or make any comment on Agenda Item 1. As there were no further questions or comments, the Chairman proposed that the shareholders vote on this matter.

Resolution:

The Meeting certified PTT's operating performance for the year 2015, acknowledged the action plan in the future, and approved the financial statements for the year ending 31 December 2015 by a majority of votes of the shareholders present and entitled to vote, as detailed below:

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approved	2,297,004,998	99.9960
2. Disapproved	56,637	0.0025
3. Abstained	30,920	0.0013
4. Invalid	5,600	0.0002

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 491,168,924 shares.

Agenda Item 2

To approve the net profit allocation for the Year 2015 and the dividend payment

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

President & CEO

explained as follows:

- From the 2015 operating performance, PTT's net profit was Baht 19,936 million.
- In 2015, PTT allocated Baht 46 million (as a reserve for the non-life insurance fund for insuring a business specific to the Company by allocating the net profit derived from the operating performance and the return from the fund each year to the non-life insurance fund).
- However, in 2015 no additional statutory reserve was allocated from the profit 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 allocation of the reserve fund was Baht 19,890 million.
- The amount of the reserve for the non-life insurance fund was from item 31.2 of the notes to the financial statements as at 31 December 2015.
- PTT's net profit from its operating performance in 2015 was Baht 19,936 million, which was equal to Baht 6.73 per share.
- Therefore, PTT's Board of Directors proposed the payment of dividends for the 2015 operating performance at Baht 10.00 per share, which was equal to 148.6 percent of the PTT's net income, divided into:
 - interim dividend payment for the first half of 2015 at Baht 6.00 per share, amounting to Baht 17,138 million, which was paid to the shareholders on 25 September 2015; and
 - dividend payment for the second half of 2015 to PTT shareholders whose names were in the share register on the record date set for determining the shareholders' entitlement to dividend payment on 7 March 2016, at Baht 4.00 per share, amounting to Baht 11,425 million, which would be paid on 29 April 2016.
- However, if losses from the impairment of assets were excluded, the payout ratio was equal to 38.5 percent, which was in line with the PTT's average payout ratio in the past.
- The dividend payment at Baht 10 per share was equal to the dividend yield rate at 4.1 percent of the price of PTT shares as at the end of 2015 (30 December 2015) at Baht 244 per share.
- As at 31 December 2015, PTT's retained earnings (the financial statements of the Company) was Baht 338,558 million, which was sufficient for dividend payment.
- The interim dividend payment at Baht 6.00 per share and the dividend payment for the second half of 2015 at Baht 4.00 per share were paid out from the appropriated retained earnings from the BOI promoted activities during the tax exemption period.

- Chairman** asked whether any shareholders had any questions or comments. The questions, responses, and suggestions can be summarized as follows:
- Mr. Basant Kumar Dugar,**
a shareholder suggested as follows:
1. Tax benefits granted by the BOI in order to obtain tax exemption privileges for the shareholders in foreign countries, for example the shareholders in Singapore and Indonesia.
 2. The dividend payment should be in the form of a stock dividend.
- Mr. Somsak Kaensuwan,**
a shareholder asked as follows:
1. In 2015, the loss on foreign exchange was Baht 5,900 million, what was the foreign exchange rate fixed at that time?
 2. What was the foreign exchange rate for 2016?
- Chairman** invited the President & CEO and the Chief Financial Officer to explain this matter.
- President & CEO** explained as follows:
1. The 2016 foreign exchange figure was based on an assumption and would be adjusted according to the actual rates. The baht was weakening in 2015; currently it has begun to be more stable. The President & CEO asked the Chief Financial Officer to clarify further details.
 2. With respect to tax benefits from BOI, the foreign shareholders may benefit from international treaties, whether it be in Singapore or Malaysia, by means of tax credits in that particular country.
 3. PTT would take the suggestion of dividend payment in the form of a stock dividend into consideration.
- Chairman** asked whether any other shareholder had any question.
- Mr. Somchai Jensatirapan,**
a shareholder asked as follows:
1. Why were the dividends paid out of the retained earnings from the BOI promoted activities during the tax exemption period? The dividend should be paid out of the profit from the activities subject to the corporate income tax at the rates of 30 percent or 20 percent.
 2. To what extent was the cash balance of Baht 300,000 million subject to the corporate income tax at the rates of 30 percent and 20 percent?
- Chief Financial Officer** explained as follows:
1. The balance of the profit from the BOI promoted activities under the tax exemption period was Baht 80,000 million. The investment promotion period would occasionally expire, as well as the privileges.
 - Dividend payment out of the profit from the BOI promoted activities while the tax exemption period had not yet expired was not subject to personal income tax and not subject to withholding tax while no tax credits was granted.
 - If PTT paid dividends out of the profit from the BOI promoted activities after the tax exemption period had expired, the shareholders would be required to include the dividends in their personal income tax calculations. The dividends would be subject to withholding tax and no tax credit could be used in dividend tax

calculations. Therefore, in the interests of the shareholders, PTT paid dividend out of the profit from the BOI promoted business during the period the tax exemption period had not yet expired.

3. The 2015 exchange rate was fixed Baht 36.5 to 1 US dollar and the 2016 exchange rate was at a similar level and the exchange rate was still fluctuating in the short term.

Chairman

asked if any shareholder would like to ask or give any comment on Agenda Item 2. As there were no further questions or comments, the Chairman proposed that the shareholders vote on this matter.

Resolution:

- The Meeting approved the dividend payment for the 2015 operating performance at Baht 10.00 per share, divided into:
 - interim dividend payment for the first half of 2015 at Baht 6.00 per share, which was paid on 25 September 2015 from the appropriated retained earnings from the BOI promoted activities during the tax exemption period.
 - dividend payment for the second half of 2015 at Baht 4.00 per share from the appropriated retained earnings from the BOI promoted activities during the tax exemption period.

In this regard, the dividend shall be paid to the PTT shareholders whose names appeared in the share register on the record date set for determining the shareholders' entitlement to dividend payment on 7 March 2016. The dividend payment was scheduled to be made on 29 April 2016.

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approved	2,301,856,644	99.9969
2. Disapproved	11,237	0.0005
3. Abstained	51,285	0.0022
4. Invalid	10,000	0.0004

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 4,831,011 shares.

Agenda Item 3

To elect directors in replacement of those who were due to retire by rotation

The Chairman explained that the Nominating Committee consisted of the following three directors, namely:

- | | |
|----------------------------------|--------------------------------------|
| 1. Mr. Watcharakiti Watcharothai | Chairman of the Nominating Committee |
| 2. AM Boonsuib Prasit | Member of the Nominating Committee |
| 3. Mr. Chanvit Amatamatucharti | Member of the Nominating Committee |

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

1. Mr. Piyasvasti Amranand;
2. Mr. Somchai Sujjapongse;
3. Gen. Chatchalerm Chalermasukh;
4. Mr. Don Wasantapruerk; and
5. Mr. Prasert Bunsumpun.

- Under Article 32, Chapter 4 of PTT's Articles of Association, there must be at least five but not more than 15 directors, who shall be elected by the meeting of shareholders.
- Mr. Watcharakiti Watcharothai, Independent Director and Chairman of the Nominating Committee, was asked to present this matter to the Meeting.

Mr. Watcharakiti

Watcharothai,

Chairman of the Nominating Committee

explained as follows:

- From 1 September 2015 to 30 November 2015, PTT had an announcement on its website inviting the shareholders to nominate any persons who would be qualified to be a candidate for PTT's directorship. However, no shareholder nominated any person who was qualified in accordance with the specified criteria.
- The three members of the Nominating Committee had proceeded to select the persons appropriately qualified to be nominated as PTT's directors.
- The Nominating Committee had considered and selected the persons to be members of PTT's Board of Directors, whose qualifications, experience and expertise would be beneficial to PTT's operation in accordance with the nomination process. In this regard, the nominated candidates must be fully qualified and free from any prohibited characteristics as set out in the laws governing public limited companies, the law governing standard qualifications of directors and employees of state enterprises, and other relevant notifications of the SEC and the SET as well as Cabinet resolutions. The selected persons had been approved by the State Enterprise Policy Office (SEPO).

- The Nominating Committee had considered, selected, and nominated five persons to be elected as PTT's directors and proposed the same to the meeting of PTT's Board of Directors for consideration, during which the five retiring directors who were regarded as interested parties abstained from voting.
- The candidates who passed the nomination process to be proposed for appointment as PTT's directors were as follows:
 1. Mr. Piyasvasti Amranand: Chairman of the Board, Energy for Environment Foundation, an expert in energy / petroleum / engineering / management/ marketing and economics
 2. Mr. Somchai Sujjapongse: Permanent Secretary of the Ministry of Finance, an expert in management / marketing / accounting / finance and economics
 3. Gen. Chatchalerm Chalermsook: Formerly Chief of Staff, Royal Thai Army, an expert in management and political science
 4. Mr. Don Wasantapruet: An expert in energy / petroleum/ engineering and management/marketing
 5. Mr. Prasert Bunsumpun: Chairman of Thailand Business Council for Sustainable Development (TBCSD), an expert in energy / engineering / management/ marketing and accounting / finance
- A brief profile of the nominated candidates was attached to the Invitation to the 2016 Annual General Meeting of Shareholders;
- Candidate numbers 1 – 5, namely Mr. Piyasvasti Amranand, Mr. Somchai Sujjapongse, Gen. Chatchalerm Chalermsook, Mr. Don Wasantapruet, and Mr. Prasert Bunsumpun were the directors due to retire by rotation who had been nominated for re-election as directors for another term.

Chairman

asked whether the shareholders had any questions or comments. The questions and comments are summarized as follows:

Mr. Somsak Khaensuwan,
a shareholder

commented that the current number of directors of the Board of Directors of 15 should be reduced to between 12 and 13.

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

asked the following questions regarding the criminal records of the past ten years of the persons who had been nominated as directors as detailed in the Notice of this Meeting:

1. Did the Nominating Committee check with the Criminal Court as to whether the candidates had been adjudicated as having committed a criminal offence, or whether he/she has any pending criminal litigation? The term "pending criminal litigation" did not mean that the criminal case must be final or the Supreme Court has rendered judgment. Special attention should be paid to criminal cases nos. 1284/2559 and 1285/2559. [Remark: The Company had checked the information at a total of six major courts as follows: 1. Criminal Court; 2. Bangkok South Criminal Court; 3. Thonburi Criminal Court; 4. Bangkok North Municipal Court; 5. Bangkok South Municipality Court; and 6. Thonburi Municipality

Court. Criminal cases nos. 1284/2559 and 1285/2559 cited by the proxy were not found.]

2. How the Board of Directors would take responsibility if it was found that there was pending criminal litigation against the candidates for directorship positions, considering that the Board of Directors had informed the Meeting that there was no pending criminal litigation. Would the Board of Directors face criminal charges under the Criminal Code on the basis of instructing an official to record false information?

Mr. Basant Kumar Dugar,
a shareholder

commented as follows:

1. Training should be provided to the Board of Directors to ensure competitiveness at an international level.
2. Given that State Enterprise Policy Committee (SEPO) had approved the directors who were nominated for directorship positions for another term, due consideration should be given to their decision-making.

**Mr. Watcharakiti
Watcharothai,**
Chairman of the Nominating
Committee

explained that in nominating candidates for directorship positions, the qualifications of the directors were evaluated three times prior to proposing the list of such candidates to the shareholders for consideration as follows:

- Consideration and verification of the qualifications by the Legal Department
- Consideration of the qualifications by the Nominating Committee
- Consideration of the qualifications by PTT's Board of Directors

Chairman

commented that, according to the law, a director shall not be subject to a final judgment to serve a prison sentence, with the exception being where such punishment was a result of an offence committed out of negligence or a petty offence. The term 'pending criminal litigation' means a lawsuit accepted for trial by the Court. He then asked the legal advisor to give further clarification in this regard.

**Miss Peangpanor
Boonklum,**
the legal advisor

explained as follows:

1. The legal advisor confirmed the clarification given by the Chairman of the Nominating Committee and the Chairman. According to the Public Limited Companies Act or the Standard Qualifications of Directors and State Enterprise Employees Act, a director shall be deemed unqualified only upon the Court having issued a judgment on the case. Therefore, the fact that a lawsuit had been filed against a director did not constitute that such director had a prohibited characteristic.
2. The type of declaration form used by PTT was considered stringent because it did not only require a director to confirm that he or she had never been adjudged to have committed a criminal offence, but also that there were no pending criminal proceedings against him or her, which refers to the stage that the Court has accepted a lawsuit for trial. The Chairman of the Nominating Committee clarified that this information had been verified.

Mr. Weerachai Kiatwimol,
a shareholder

commented that the Board of Directors should establish a policy to finalize this issue.

Chairman

asked if any shareholder wished to ask further questions or make further comments regarding Agenda Item 3. As there were no more questions or comments from the shareholders, the Chairman invited the shareholders to consider and elect five directors on an individual basis to replace the directors retiring by rotation from the names proposed above.

Resolution:

The Meeting approved the re-appointment of the five directors who were due to retire by rotation for another term, by a majority vote of the shareholders present and entitled to vote, as detailed below:

(1) Mr. Piyasvasti Amranand, Chairman of the Board of Directors and Independent Director (taking the position for another term)

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present and casting their votes
1. Approved	2,300,981,602	99.9339
2. Disapproved	1,428,042	0.0620
3. Abstained	93,980	0.0041
4. Invalid	200	0

(2) Mr. Somchai Sujjapongse, Director and Member of the Remuneration Committee (taking the position for another term)

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present and casting their votes
1. Approved	2,222,051,394	96.5059
2. Disapproved	80,309,460	3.4879
3. Abstained	137,970	0.0060
4. Invalid	5,000	0.0002

(3) Gen. Chatchalerm Chalermsook, Independent Director and Chairman of the Corporate Governance Committee (taking the position for another term)

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present and casting their votes
1. Approved	2,295,484,744	99.6952
2. Disapproved	6,854,310	0.2977
3. Abstained	162,070	0.0070
4. Invalid	2,700	0.0001

(4) Mr. Don Wasantapruek, Independent Director and Member of the Corporate Governance Committee (taking the position for another term)

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present and casting their votes
1. Approved	2,300,919,748	99.9312
2. Disapproved	1,424,741	0.0619
3. Abstained	159,335	0.0069
4. Invalid	0	0

(5) Mr. Prasert Bunsumpun, Independent Director and Member of the Enterprise Risk Management Committee (taking the position for another term)

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present and casting their votes
1. Approved	2,289,140,830	99.4196
2. Disapproved	13,225,724	0.5744
3. Abstained	124,270	0.0054
4. Invalid	13,000	0.0006

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 574,658 shares.

Agenda Item 4

Chairman

To approve the Board of Directors' remuneration for 2016

explained that the Remuneration Committee consisted of two members, namely;

- | | |
|----------------------------------|--------------------------------------|
| 1. Mr. Somchai Sujjapongse | Member of the Remuneration Committee |
| 2. Mr. Watcharakiti Watcharothai | Member of the Remuneration Committee |

Mr. Watcharakiti Watcharothai, Member of the Remuneration Committee, was asked to clarify this matter to the Meeting (on behalf of the Chairman of the Remuneration Committee who resigned).

Mr. Watcharakiti Watcharothai,
Member of the
Remuneration Committee

explained that the Remuneration Committee had applied the same practice in considering the remuneration for PTT's Board of Directors and other specific committees for 2016 by taking into consideration the following important factors:

- current practice of listed companies in the same industry, including other leading national and international companies;
 - current practice of listed companies which are state enterprises;
 - good corporate governance principles;
 - operating performance;
 - size of business;
 - scope of responsibility of PTT's Board of Directors; and
 - information on economic growth and inflation
- The Remuneration Committee had considered and approved that the remuneration for PTT's Board of Directors and other specific committees for 2016 be the same as for 2015 as follows:

1. Monthly remuneration and meeting allowance for 2016

The remuneration for PTT's directors included:

- monthly remuneration: Baht 30,000 per month per director which was the same as the previous rate; and
- meeting allowance: Baht 50,000 per meeting which was the same as the previous rate for the directors attending the meeting only. The payment of meeting allowance is limited to 15 meetings per year.

The meeting allowance for specific committees appointed by PTT's Board of Directors was the same as the previous rate as follows:

1. Audit Committee

- monthly member's allowance was Baht 15,000 per month; and
- meeting allowance was Baht 15,000 per meeting only for the members of the Committee attending the meeting and the secretary to the meeting would receive a meeting allowance of Baht 7,500 per month.

2. For the Nominating Committee, Remuneration Committee, Corporate Governance Committee, Enterprise Risk Management Committee and other subcommittees which might be appointed as necessary and appropriate in the future by the Board of Directors, the allowances would be paid at the same rates as follows:

- meeting allowance was Baht 24,000 per meeting only for the members attending the meeting; and
- The remuneration of the Chairman of PTT's Board of Directors and the chairman of specific committees would be 25 percent higher than the remuneration of the directors and members of those committees.

2. Bonus for PTT's Board of Directors for 2016

The bonus was determined to reflect and relate to PTT's operating performance or net profit, i.e. 0.05 percent of the 2016 net profit, calculated based on the term in office. However, the maximum bonus for each director would not exceed Baht 3,000,000 per director per year which was the same as the previous rate. The bonus for the Chairman would be 25 percent higher than the bonus for the directors.

Therefore, the Meeting was asked to consider and approve the directors' remuneration as proposed above.

Chairman

asked if any shareholder would like to ask questions or give comments. The questions, answers and suggestions are summarized as follows:

Mr. Chatree Charoennuang,
a shareholder

commented that despite of the fact that the duties and responsibilities of PTT's Board of Directors included the supervision of business of the companies in PTT Group, the remuneration determined by the Remuneration Committee for PTT's Board of Directors and for specific committees was lower than that of the board of directors of other companies in PTT Group. Therefore, the remuneration for PTT's Board of Directors should be increased in accordance with the duties as assigned.

Mr. Basant Kumar Dugar,
a shareholder

asked and commented as follows:

1. The shareholder gave compliments for PTT's management and its operation which was prosperous and recognized domestically and internationally which could be seen from its prizes and rankings. Such achievements gave continuous profits to PTT. Therefore, he considered it appropriate to determine the minimum bonus for each director to be up to Baht 6,000,000 per director per year.
2. Liability insurance should be provided for PTT's directors and personnel, as well as health insurance for its staff to increase work efficiency.
3. The research and development of technology in various aspects were such an important matter that PTT must give priority to ensure sustainable growth of the organization.

Mr. Wiwat Kuskul,
a shareholder

asked and commented as follows:

1. After having considered page 134 of the 2015 Annual Report, the President & CEO should receive praise because he had returned his remuneration to the Company in compliance with the conditions of the employment of the President & CEO, which was deemed as good practice.
2. Was the maximum bonus of PTT's Board of Directors for 2016 at the rate 0.05 percent of the 2016 net profit fixed? To fix bonus based on the operating performance or net profit was appropriate. However, it was noted that it had to be true operating performance in order to reward the performance of directors appropriately.
3. With respect to the remuneration of the secretary to different committees, it should be determined in line with the scope of responsibility.

**Mr. Watcharakiti
Watcharothai,**
Member of the
Remuneration Committee
Chairman

explained that the directors' bonus must reflect and relate to the operating performance or net profit and the maximum bonus was fixed as Baht 3,000,000 per director per year.

thanked the shareholders for their suggestions and said that he would take the suggestion into consideration and asked if any shareholder wished to ask questions or give further comments regarding Agenda Item 4. As there were no more questions and 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 votes of the shareholders present, as detailed below:

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approved	2,295,259,306	99.6825
2. Disapproved	7,233,281	0.3142
3. Abstained	76,760	0.0033
4. Invalid	500	0

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 66,023 shares.

Agenda Item 5

To appoint the auditor for 2016 and to determine the auditor's fee

The Chairman stated that the Audit Committee consisted of three directors, namely:

- | | |
|------------------------------|---------------------------------|
| 1. Mr. Kittipong Kittayarak | Chairman of the Audit Committee |
| 2. Mrs. Nuntawan Sakuntanaga | Member of the Audit Committee |
| 3. Mr. Vichai Assarasakorn | Member of the Audit Committee |

Mr. Kittipong Kittayarak, the Chairman of the Audit Committee, was asked to clarify this matter to the Meeting.

Mr. Kittipong Kittayarak, Chairman of the Audit Committee

explained as follows:

- The Organic Law on State Audit B.E. 2542 (1999) provides that the Office of the Auditor General of Thailand ("OAG") shall act as the auditor of governmental authorities and state enterprises.
- For 2016, the OAG had proposed the auditor's fee of Baht 4,700,000, an increase from that of 2015 of Baht 400,000, as a result of the business risk level, and more complicated accounting and financial reporting.

The auditor's fee of Baht 4,700,000 included:

- quarterly auditor's fee of Baht 760,000 per quarter, an increase of Baht 60,000 per quarter; and
- annual auditor's fee of Baht 2,420,000, an increase of Baht 220,000.

The total increase of the auditor's fee from that of 2015 was Baht 400,000.

The appointment of the OAG as the auditor of PTT and the determination of the auditor's fee had been respectively approved by the Audit Committee and the Board of Directors.

The Meeting was asked to consider and approve the appointment of the Office of the Auditor General of Thailand as the auditor of PTT for the accounting year ended 31 December 2016 with the auditor's fee of Baht 4,700,000 as considered by the Audit Committee and the Board of Directors.

Chairman

asked whether any shareholder would like to ask questions or make comments. The questions and comments were summarized as follows:

Asst. Prof. Wiwatchai Kulamard, a proxy

commented that he disagreed with the appointment of the OAG as the auditor because it had caused damage to the shareholders from the allegation that PTT was not transparent as well as the previous misunderstanding with respect to Rajabhakti Park.

Mr. Kittipong Kittayarak, Chairman of the Audit Committee

explained that such observation would be taken into consideration for further action and that as the PTT is a state enterprise, the Organic Law on State Audit B.E. 2542 (1999) provides that the OAG shall act as the auditor.

Chairman

thanked the shareholders and asked if any shareholder wished to ask further questions or make further comments regarding Agenda Item 5. As there were no more questions and comments from the shareholders, the Chairman invited the shareholders to vote on this agenda item.

Resolution:

The Meeting approved the appointment of the Office of the Auditor General of Thailand (“OAG”) as the auditor of PTT for 2016 with the auditor’s fee of Baht 4,700,000 as proposed by the Audit Committee and the Board of Directors after appropriate consideration. The resolution was passed by a majority of votes cast by the shareholders present and entitled to vote, as detailed below:

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approved	2,302,033,231	99.9756
2. Disapproved	476,556	0.0207
3. Abstained	85,760	0.0037
4. Invalid	0	0

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 25,700 shares.

Agenda Item 6

Other matters

The Chairman informed the Meeting that the Meeting had now reached the consideration of Agenda Item 6 on any other matters as stated in the Notice of the Meeting. The Chairman then asked whether there were any shareholders or proxies who would like to propose other matters for consideration. The proposal of an agenda item requires the support of a total of not less than one-third of the total number of issued shares, or 952,415,241 shares. The Chairman asked the shareholders whether there were any questions or comments. The questions raised, the answers given and comments made at the Meeting are summarized as follows:

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

commented as follows:

1. PTT should no longer engage a brokerage company for purchasing oil from Singapore, so that the Company could earn higher income and profits;
2. He apologized for having given inaccurate information relating to the bonus paid to the employees and executives, and stated that he had now been informed of the correct information;
3. The budget for CSR activities of over Baht 2 billion was too high and should be reduced; and
4. He suggested that paper bags be used instead of plastic bags at the next meeting because plastic bags polluted the environment.

Mr. Weerachai Kiatwimol,
a shareholder

commented and asked as follows:

1. Why were some of the NGV dispensers at PTT NGV service stations inoperative?
2. The dispensers at the service station in Sukhumvit Soi 62 were often malfunctioning or there was no NGV gas available. PTT should consider putting up signs to notify the customers in order that they would not waste their time.
3. Why was there only one location for issuing NGV discount cards instead of several service stations? PTT should give more consideration to the convenience of its customers.
4. It was a condition of the NGV discount card that it could be used three times a day. But in fact, the card could not be used three times daily as specified.
5. The complaints submitted via PTT's website were not always responded to. The Management should look into this matter as it reflected the corporate governance of the Company.

Mr. Thara Chonpranee, a shareholder

commented as follows:

1. PTT's voting that required a majority vote of the shareholders entitled to vote was inappropriate as it was more stringent than the requirements under the Public Limited Companies Act.
2. Mr. Areepong Bhoocha-oom, a former director, had resigned from office on 8 February 2016. It was high time to nominate persons to replace the retired director at the next Board of Directors' meeting according to the law. Therefore, candidates should be nominated and proposed to the shareholders' meeting for consideration and approval.
3. The operating performance of each subsidiary should be reported by each subsidiary company.
4. PTT voted on matters in the companies in which it held shares. Under what law did PTT exercise this right and authority to vote? These matters should be proposed to the meeting for ratification.
5. The SEC should focus on matters other than the no-gifts campaign.
6. The resolution for the agenda item on the directors' remuneration required a vote of not less than two-thirds of the shareholders attending the meeting. If the majority of the shareholders held directorship positions, this would affect the outcome of the voting. Therefore, the SEC should take this matter into consideration to ascertain whether there was any flaw in the legislation and take action to solve this problem.
7. The SEC and SET should have a public hearing to discuss various matters.
8. The no-gift policy should apply to all stakeholders instead of applying to any particular group.

Miss Phinyada Kornvijitkul, a proxy

stated that the shareholders should be mindful of the amount of time used when raising questions, and also respect the rights of the other shareholders.

Mr. Vasant Pilawan, a proxy

commented that the questions raised should be on issues that are beneficial to the majority of the shareholders and not personal matters, and consideration should be given to the meeting time.

Mr. Basant Kumar Dugar, a shareholder

commented that consideration should be given to obtaining loans from overseas financial sources that offer low interest rates for use as investment funds. In its doing so, PTT would benefit from obtaining loans by relying on its financial strength. This would develop the market gap and expand its overseas operations, which would be an incentive for investors to make an investment.

Mr. Wicha Chokpongpan, a proxy

commented that interim dividends should be paid at the same time as shareholders' meetings.

Mr. Sumet Eungpoonsawat commented and asked as follows:

Rights Protection Volunteer,
Thai Investors Association

1. He admired PTT for cooperation in participating in the Collective Action Coalition (“CAC”).
2. What was the progress on the investments in Indonesia involving the land purchase for manufacturing palm oil?

President & CEO

explained as follows:

1. The issue of insufficient or shortages of NGV at some service stations was possibly because the gas pressure decreased during certain periods of time, and services were, therefore, unavailable at those times.
2. With respect to signboards for notifying consumers and discount cards, we would take the issues into consideration and would assign the responsible departments to handle the matter accordingly.
3. The customers could always communicate with the Company via PTT’s channel for filing complaints at all times.
4. Given that PTT had a number of subsidiaries, to report the operating performance of each subsidiary might be overwhelming. However, PTT would look into other options to report the operating performance and inform the shareholders of this at a later date.
5. PTT applied the no-gift policy to every group of stakeholders. For example, during the new-year season, no gifts could be accepted by the employees or the Company. Furthermore, PTT had a policy to reduce the amount of giveaways, with the exception of product samples. It was evident that the no-gift policy applied to every group of stakeholders.
6. With respect to the investment in the palm oil business in Indonesia, the directors and the management have continuously given importance to this matter. At present, the matter is under the judicial process, which is an investigation by the Office of the National Anti-Corruption Commission, and the filing of claims for damages at the Civil Court.
7. PTT has not engaged any broker in purchasing oil. It purchases oil directly from the producers or traders by a process whereby competitive prices were allowed to the fullest extent possible.

The President & CEO then asked the legal advisor to give clarification on the voting and other legal issues.

**Miss Peangpanor
Boonklum,**
the legal advisor

explained as follows:

1. With respect to the majority votes of the shareholders attending the meeting, the law required the majority vote of the shareholders attending the meeting and casting their votes. Therefore, the shareholders abstaining from voting would not be counted. However, the provisions in PTT’s Articles of Association were more stringent than the requirements prescribed by the law and these articles had been in place since the time of PTT’s privatization. It was intended that the shareholders exercise their right of confirmation. Other state enterprises listed on the Stock Exchange applied this same practice. Any revision to the Articles of Association must be made at the policy level, as the approval of any change involved approvals in several steps.

2. The reason that a new director had not been appointed to replace the retiring director was because PTT, as a state enterprise, was required to undergo a greater number of procedures in appointing a director than other companies. Moreover, any appointment must be approved by the State Enterprise Policy Committee. Therefore, the appointment of a new director could not be completed within two months.
3. With respect to the approval of the directors' remuneration which required a vote of not less than two-thirds of the shareholders attending the meeting, the Ministry of Commerce and the practitioners had interpreted that the shareholders with special interest should not be entitled to vote on this matter. PTT's Articles of Association contained a provision consistent with this requirement, i.e. a resolution to approve the directors' remuneration required a vote of two-thirds of the shareholders attending the meeting and entitled to vote. Since there was no conclusion or judgment on the issue of whether the major shareholders holding directorship positions were entitled to vote, consideration, therefore, must be given on a case-by-case basis.
4. PTT had the authority to vote at shareholders' meetings of the companies in which it held shares. The Board of Directors may assign and delegate a person to vote on its behalf. This is considered a form of the management authority of the Company under the Public Limited Companies Act and the Securities and Exchange Act. In other words, this act was within the authority of the Company by means of acting via the Board of Directors. With respect to proposing those matters to PTT's shareholders' meeting for ratification, this was not practicable. For example, a company whose shares were held by PTT and that was listed on the Stock Exchange would have convened its annual general meeting and approved matters e.g. the dividend payment and appointment of directors prior to the convening of PTT's annual general meeting of shareholders.

Mr. Wiwat Kuskul,
a shareholder

commented as follows:

1. PTT paid dividends at a higher rate than the previous year. It looked as if a certain amount of funds had been reserved for dividend payments in the subsequent years. Therefore, PTT should consider the approaches and procedures to ensure fairness to the shareholders who purchased the shares each year so that they would receive dividends for the amount that they had invested in the Company. PTT might consider paying dividends according to a certain percentage of the investment made by a shareholder in that particular year or pay special dividends at a proportionate rate.
2. Coupons for public transportation services should be given to the shareholders attending the meeting.

Mr. Weerachai Kiatwimol,
a shareholder

asked whether it was PTT's policy to round Satang units to the nearest whole number when selling NGV at the service stations, and if so, how?

Mr. Thara Chonpranee, a shareholder

added that as PTT held shares in Star Petroleum Refining Public Company Limited or SPRC, which a listed company on the Stock Exchange, the financial statement of SPRC should be consolidated with the financial statement of PTT. Moreover, SPRC, as a subsidiary of PTT, should convene its shareholders' meeting before PTT's shareholders' meeting.

President & CEO

explained that PTT had once held approximately 30 percent of the shares of SPRC. After the initial public offering (IPO) of the shares of SPRC, PTT's shareholdings were reduced to approximately 5 percent. For this reason, SPRC's financial statements had not been consolidated in PTT's financial statements.

In addition, the criteria for determining the timeframe for convening the shareholders' meetings of the parent company and its subsidiaries as proposed by the shareholder would be problematic for the listed companies. In practice, if a subsidiary held its shareholders' meeting after that of its parent company, and its shareholders did not approve the financial statements, the parent company might make adjustment to the financial statements for the subsequent period instead.

Chairman

concluded that since the Meeting had proceeded with every agenda item and no shareholder wished to ask any further questions or make any further comments, he would like to close the Meeting and thanked the shareholders for attending the Meeting. The shareholders were asked to return the ballots for use as evidence, as well as hand in the questionnaires to the staff at the exit.

In addition, after the Meeting had begun at 09:30 a.m., additional shareholders arrived and registered for the Meeting. At the close of the Meeting, there were 5,236 shareholders attending the Meeting, divided into 2,326 shareholders attending the Meeting in person and 2,910 by proxy, representing a total of 2,329,298,341 shares, equivalent to 81.55 percent of the total issued shares. The Chairman thanked the shareholders and declared the Meeting adjourned.

The Meeting was adjourned at 13:19 p.m.

Recorded by Mrs. Wantanee Jaruke
Checked by Mr. Tevin Vongvanich

Signed.....-signed-.....
(Mr. Piyasvasti Amranand)
Chairman of PTT's Board of Directors

Signed.....-signed-.....
(Mr. Tevin Vongvanich)
President and Chief Executive Officer
Director and Secretary to the PTT's Board of Directors