

(Translation)



Minutes of the 2017 Annual General Meeting of Shareholders
PTT Public Company Limited

Date, time, and place of the Meeting

The 2017 Annual General Meeting of Shareholders (the “**Meeting**”) was convened on Friday 28 April 2017, at 9:30 a.m., at Bangkok Convention Center, 5th Floor, Central Plaza Ladprao, No. 1695, Phaholyothin Road, Chatuchak, Bangkok.

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 2,618 shareholders and proxies present, comprising 1,125 shareholders attending the Meeting in person and 1,493 shareholders attending by proxy, representing a total of 2,040,915,542 shares, equivalent to 71.45 percent, which was more than one-third of the total amount of the 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 16th year since PTT shares had been listed on the Stock Exchange of Thailand (the “**Stock Exchange**”) 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 being 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.

In 2016, PTT had continued to implement a number of practices for the management and reduction of greenhouse gas emission, a cause of “global warming”.

In addition, PTT had a policy to place the highest priority on safety by supporting the Pracharath Project and taking a leading role in joining parties to create synergy in the “Pracharath Ruam Jai – Road Safety Awareness” campaign as a driving force to minimize road accidents.

PTT had been listed on the Dow Jones Sustainability Indices (DJSI) for five consecutive years and this substantiated the fact that the organizations that were listed in these indices would generate healthy returns on a sustainable basis to investors.

The Chairman then introduced the 19 directors and executive officers present at the Meeting and on the stage as follows:

Directors (The directors in attendance represents 100 percent)

1. Mr. Piyasvasti Amranand Chairman of the Board of Directors / Independent Director
2. Mr. Kittipong Kittayarak Independent Director / Chairman of the Audit Committee
3. AM Boonsuib Prasit Independent Director / Chairman of the Nominating Committee
4. Mr. Chanvit Amatamatucharti Independent Director / Member of the Nominating Committee / Chairman of the Enterprise Risk Management Committee
5. Mr. Vichai Assarasakorn Independent Director / Member of the Audit Committee
6. Mrs. Nuntawan Sakuntanaga Independent Director / Member of the Audit Committee
7. Mr. Thammayot Srichuai Director / Member of the Enterprise Risk Management Committee
8. Mr. Somsak Chotrattanasiri Independent Director / Member of the Remuneration Committee
9. Gen. Chatchalerm Chalermasukh Independent Director / Chairman of the Corporate Governance Committee
10. Mr. Boontuck Wuncharoen Independent Director / Chairman of the Remuneration Committee
11. Mr. Somchai Sujjapongse Director / Member of the Remuneration Committee
12. Mr. Don Wasantapruerk Independent Director / Member of the Corporate Governance Committee
13. Mr. Thon Thamrongnawasawat Independent Director / Member of the Nominating Committee / Member of the Corporate Governance Committee
14. Mr. Somkit Lertpaitoon Independent Director / Member of the Enterprise Risk Management Committee
15. Mr. Tevin Vongvanich Director and Secretary to the Board / President and Chief Executive Officer

Executive Officers

1. Mr. Wirat Uanarumit Chief Operating Officer, Upstream Petroleum and Gas Business Group
2. Mr. Sarun Rungkasiri Chief Operating Officer, Downstream Petroleum Business Group
3. Ms. Nitima Thepvanangkul Chief Financial Officer
4. Mr. Chavalit Punthong Chief Operating 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 four

Independent Directors attending the Meeting, namely Mr. Piyasvasti Amranand, Mr. Chanvit Amatamatucharti, Mr. Thon Thamrongnawasawat, and Mr. Don Wasantapruek, acted 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, Division Director; (2) Miss Metawee Suaysom, Auditor, professional level; and (3) Miss Runguthai Thongsai, Auditor, professional level. The Chairman also introduced the four legal advisors who were acting as independent parties i.e. (1) Miss Peangpanor Boonklum; and (2) Miss Chositar Daecharux from Weerawong, Chinnavat & Partners Ltd.; (3) Mr. Sathaporn Jumsuk; and (4) Mr. Gun Vasharkorn from South Asia Law Ltd., to act as voting inspectors. The Chairman also requested the presence of Mr. Prapun Eamprasit, the Right Protection Volunteer, a proxy from Thai Investor Association, and Ms. Rasa Kanchanasai, a proxy of the major shareholder, the Ministry of Finance, to the Meeting.

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 on 28 March 2017. In order to promote good corporate governance with respect to the equitable treatment of the shareholders, PTT had informed the shareholders via the Stock Exchange and published 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 2017 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 2016 to 30 November 2016. However, no shareholder had proposed any agenda item nor nominated any person in accordance with the prescribed criteria.

In addition, the Chairman informed the shareholders that the PTT Board of Directors' Meeting convened on 21 April 2017 resolved to amend certain agenda items for the Meeting as follows:

1. Amendment of Agenda Item 6 from "to approve the restructuring plan of its business and the plan for the initial public offering (the IPO) of ordinary shares of PTT Oil and Retail Business Co., Ltd. ("**PTTOR**") and the listing of PTTOR on the Stock Exchange of Thailand, which is classified as a transaction under Section 107(2)(a) of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto)" to "to approve the restructuring of PTT, which is classified as a transaction under Section 107(2)(a) of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto), and to acknowledge the possibility of the plan for the initial public offering (the IPO) of ordinary shares of PTT Oil and Retail Business Co., Ltd. (PTTOR) and the listing of PTTOR on the Stock Exchange of Thailand in the future". The reason for the amendment of this agenda item was due to the fact that with respect to the IPO, the Company was not required by law to propose the IPO for approval by the shareholders. However, considering the significance of the transaction and with the view to complying with good corporate governance principles, it was deemed appropriate to inform the shareholders of the matter.
2. Withdrawal of Agenda Item 7: "to approve the issuance and the offering for sale of the warrants to purchase ordinary shares of PTT Oil and Retail Business Co., Ltd. (PTTOR), a subsidiary of PTT, to the executives and employees of PTTOR (ESOP)" from the agenda items of the Meeting because PTT wished to minimize the concerns of the shareholders as a result of the entering into the ESOP transaction of PTTOR.

PTT had reported the amendments to the Stock Exchange and published the amended version of the invitation to the 2017 Annual General Meeting of Shareholder, as well as the Information Memorandum on

Disposition of Assets of PTT Public Company Limited (amended version), Executive Summary, and Opinion of the Independent Financial Advisor on the Restructuring of PTT Public Company Limited (amended version) on its website on 21 April 2017. The relevant documents had been distributed to the shareholders attending the Meeting during the registration.

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 paper 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 ballot papers (if any) would then be deducted from the total number of votes of the 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 ballot papers 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 ballot papers in advance to the staff-member stationed at his/her respective row.

With respect to Agenda Item 6 which had been amended as informed by the Chairman to the shareholders, if the shareholders cast votes of approval, it shall be deemed that the shareholders approved the restructuring of PTT and acknowledged the possibility of the plan for the initial public offering of ordinary shares of PTT Oil and Retail Business Co., Ltd. or PTTOR and the listing of PTTOR on the Stock Exchange in the future as reported to the Stock Exchange on 21 April 2017. After consultation with the SEC Office and the Stock Exchange, there were no issues in this regard. In the case that the shareholders cast votes of disapproval or abstention in the Agenda Item 6, PTT would record the votes accordingly.

The details of the amendment would be presented to the Meeting in Agenda Item 6.

Given that Agenda Item 7 "to approve the issuance and the offering for sale of the warrants to purchase ordinary shares of PTT Oil and Retail Business Co., Ltd. (PTTOR), a subsidiary of PTT, to the executives and employees of PTTOR (ESOP)" had been withdrawn, there shall be no discussion on this agenda item. Votes cast in advance in any manner shall not be considered as votes cast on this matter.

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 adjournment of the Meeting, the shareholders were requested to return the ballot papers to the staff for reference purposes and fill out the questionnaires distributed to them at the registration for the improvement of the conducting of shareholder meetings in the future.

The Chairman requested the three specific committees to present important accomplishments to the shareholders, starting from the Audit Committee by Mr. Kittipong Kittayarak, Chairman of the Audit Committee.

Mr. Kittipong Kittayarak, Chairman of the Audit Committee, gave the summary of the accomplishments as follows:

The Audit Committee consisted of three members as follows:

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

In 2016, the Audit Committee had 15 meetings.

The Audit committee had performed the duties as assigned by the Board of Directors and in compliance with the Audit Committee Charter by adequately applying its knowledge, competence, care, prudence, and independence. The Audit Committee endeavored to create a corporate culture of transparency and to improve the quality of the internal audit of PTT Group with a view to becoming a “Trustworthy Partner”. The highlights of the audit results, in addition to the reviewed quarterly Financial Statements and annual financial statements for the year 2016, are summarized as follows:

- Review of the risk management process, risk management policy, and the investment plans, as well as the sourcing of energy supply of PTT Group. It encouraged the Management to conduct the stress test by applying appropriate assumptions;
- Review of the effectiveness of the internal control by placing particular importance on compliance with the law and the relevant regulations, with a focus on professionalism and systematic work under the Three Lines of Defense concept;
- Systematic review of the good corporate governance practice and support of the development of a compliance framework with a view to fostering a positive internal control mindset in creating awareness of anti-corruption practices, as well as a review of the procedures of lodging complaints and whistleblowing;

- Supervision of the internal audit system by encouraging the application of information technology to the audit process, such as the Continuous Control Monitoring and Auditing System (CCMS), especially considering that PTT was awarded the Thailand ICT Excellence Award in this respect. The Information Technology Audit Department and Special Audit Division were established in order to engage in proactive audit practices that address key risks, particularly cybersecurity risks;
- Quality assurance of the Audit Committee by reviewing the Audit Committee Charter and assessing its own performance as a group to ensure its efficient and successful performance in achieving the set targets; and
- Appointment of the auditor for the year 2017 by defining the scope, approach, and annual audit plans jointly with the auditor without the Management.

Gen. Chatchalerm Chalernsukh, Chairman of the Corporate Governance Committee, gave a summary of the accomplishments as follows:

The Corporate Governance Committee consisted of three members as follows:

1. Gen. Chatchalerm Chalernsukh Chairman of the Corporate Governance Committee
2. Mr. Don Wasantapruerk Member of the Corporate Governance Committee
3. Mr. Thon Thamrongnawasawat Member of the Corporate Governance Committee

In 2016, the Corporate Governance Committee had four meetings.

The Corporate Governance Committee was committed to comply with the principles of PTT's Corporate Governance, Ethical Standards, the Code of Business Ethics, and the PTT Group Sustainability Management Framework in order to develop and enhance corporate governance to ensure continuous efficiency in conformity with the international principles of the Organisation for Economic Cooperation and Development (OECD) and the ASEAN CG Scoreboard. The Corporate Governance Committee also established a framework for anti-corruption in PTT. The action taken in 2016 is highlighted below:

- Information disclosure and transparency:
 - Prepared the Corporate Sustainability Report for the year 2016, for the ninth consecutive year, in order to disclose economic, social, and environmental data by applying the Sustainability Reporting Guidelines version 4.0 (G4) and Oil and Gas Sector Disclosure (OGSD) under the Global Reporting Initiative (GRI);
 - Prepared the magazine "Happiness" and the newsletter "PTT Bizway" for the shareholders;
- Equitable treatment of shareholders:
 - Prepared the Insider Trading Guidelines by requesting that the directors and the Management of PTT Group refrain from the trading of securities of PTT Group. In the case that such a transaction is necessary, in the interest of transparency, they must inform the Corporate Secretary of such securities trading in advance.

- Recognition of stakeholders:
 - Endorsed an action plan on PTT’s CG and anti-corruption for the year 2016, as well as the annual goals for cascading the plan to the employees enterprise-wide for further implementation, and constantly monitored the results of the execution of the plan and continuously provided recommendation in this regard;
 - Supervised the revision of and amendment to the “Corporate Governance, Ethical Standards, and Code of Business Ethics of PTT (Version 4)” so that the same is up-to-date and conforms to the criteria on corporate governance and practice guidelines of leading companies in compliance with international standards;
 - Supervised the establishment of the practice guidelines on the receiving and offering of gifts, hospitality, or other benefits (“No Gift Policy”) under PTT Group’s anti-corruption policy so as to set the high standards of work performance for adherence by the personnel of PTT Group;
 - Oversaw the renewal of the certification under the Private Sector Collective Action Coalition Against Corruption (CAC) and encouraged PTT’s business partners to declare their intent to join the initiative;
- Social responsibility and sustainable development:
 - Defined the social responsibility approach, supported the sustainability management framework for PTT Group in achieving the role of “Corporate Citizenship” by focusing on participation by all sectors;
 - Passed the RobecoSAM Corporate Sustainability Assessment, being ranked as a DJSI member for the fifth consecutive year, and one of the ten companies out of 68 companies on the Dow Jones Sustainability World Index (DJSI World);
- Recognition at national and international level, such as:
 - Received a “very high” ranking for the National Anti-Corruption Commission’s Integrity & Transparency Assessment (ITA) for three consecutive years; and
 - Received an “excellent” ranking for its CG report based on the survey of Corporate Governance Report of Thai Listed Companies 2016.

Mr. Chanvit Amatamatucharti, Chairman of the Enterprise Risk Management Committee, provided the summary of the accomplishments as follows:

The Enterprise Risk Management Committee consisted of three members as follows:

- | | | |
|----|-----------------------------|--|
| 1. | Mr. Chanvit Amatamatucharti | Chairman of the Enterprise Risk Management Committee |
| 2. | Mr. Thammayot Srichuai | Member of the Enterprise Risk Management Committee |
| 3. | Mr. Somkit Lertpaithoon | Member of the Enterprise Risk Management Committee |

In 2016, the Enterprise Risk Management Committee had five meetings.

The Enterprise Risk Management Committee fully supported the performance of PTT's Board of Directors in overseeing the overall risk management practices at an acceptable level under the good corporate governance principles. The key highlights for the year 2016 are summarized below:

- Supervised and managed risks to mitigate impacts on PTT's business:
 - Defined proactive measures with a focus on lowering the probability of risk events as well as implementing responsive measures should risk events actually occur by applying appropriate risk management tools;
- Closely monitored risk management practices every quarter:
 - Defined Key Risk Indicators (KRIs) for staying alert, providing warnings, and indicators for measuring the effectiveness of the risk management to keep risks manageable;
- Considered and commented on agenda items with long-term and sophisticated business obligations with significant impact on PTT, e.g. the procurement of LNG to meet the country's rising demands;
- Pushed forward for the integration of risk items and enterprise risk management plans in parallel with the formulation of the enterprise plan for 2017:
 - Clarified risk management plans in line with the business goals and strategies.

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

Agenda Item 1

To certify the 2016 performance statement and to approve the 2016 Financial Statements for the year ending 31 December 2016

The Chairman

- PTT had circulated the 2016 Annual Report, the 2016 Financial Statements, and the 2016 Sustainability Report to the shareholders in advance.
- Before Mr. Tevin Vongvanich, the President & CEO, would present the summary of the 2016 performance statement 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 make enquiries for further information.

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

The President & CEO

presented the information as below:

The 2016 operating performance of PTT and its subsidiaries can be compared with that of 2015 as follows:

Revenues in 2016

PTT and its subsidiaries had sales revenues of Baht 1,718,846 million, a decrease of 15 percent from 2015, primarily due to the fall in the crude oil prices of 19 percent from 2015.

EBITDA

Despite the 15 percent drop in the sales revenues from 2015 due to the fall in the crude oil price, earnings before finance costs, income taxes, depreciation and amortization, or EBITDA, increased by 7 percent in almost every business group, with the exception of the upstream business, primarily as a result of the following factors:

1. Gas Business Group:

The gas business group witnessed a positive operating performance as a result of the fall in the gas costs based on reference fuel oil prices, especially at the gas separation plant where the decrease was greater than the reduced product price (HDPE, PP).

2. Petrochemicals & Refining Business Group

- The refining business saw a positive trend due to the increase of A/C GRM from stock gain.
- The petrochemical business, especially the aromatics business, improved from the product to feed margin (P2F) (the decrease of the feed cost was greater than the product price, in line with the decrease in the crude oil price).

3. The oil business saw a positive trend from stock gain.

Operating performance

The operating performance in 2016 increased by 44 percent from Baht 69,100 million in 2015 to Baht 99,692 million in 2016 in line with the increase of EBITDA and the following factors:

1. Adjustment of the energy price which reflected the costs;
2. Stock gain; and
3. Productivity improvement to reduce costs which contributed to an increase of profit of approximately Baht 17 billion.

Net income

- The net income in the financial statements was Baht 94,609 million, an increase of over 100 percent from Baht 19,936 million in 2015. The increase of the net income was primarily due to the decrease in

the impairment of the assets of PTT Group which were non-recurring items.

The financial position of PTT and its subsidiaries as at 31 December 2016 was as follows:

- **Total assets of Baht 2.23 trillion, an increase of Baht 58,335 million from 2015 or 3 percent, primarily attributable to:**
 - An increase in cash and cash equivalents, and current investment from the slowing down of investment;
 - An increase in inventories from an increase in the amount and prices of inventories.
- **Other liabilities and long-term loans decreased by Baht 25,575 or 2.4 percent mainly from:**
 - Repayment of long-term loans and repayment of the repurchased debentures.
- **Shareholders' equity of Baht 1,171,597 million, an increase of Baht 83,910 million or 8 percent, mainly due to an increase in the operating performance of PTT and its subsidiaries.**

Financial structure: PTT's financial structure became more solid than that of the previous year. In 2016, PTT made a repayment of long-term loans and redemption of debentures in the **total amount of Baht 70,943 million**, resulting in:

- **The net debt to equity ratio** was 0.19, an improvement from 0.29 in 2015.
- **The net debt to EBITDA ratio** decreased by 0.71, an improvement from 1.09 in 2015; and
- **The interest coverage was 9.2, a decrease from 9.5** in 2015. Despite the decrease in liabilities, the operating assets and liabilities (working capital) increased, and therefore the decrease of the operating cash flow was greater than the decrease of interests.

In addition to the operating performance reported to the shareholders, the total **investment plan** for the next five years (2017-2021) was Baht 338,849 million with an emphasis on enhancing the national energy security mainly 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.)

With respect to the Rolls-Royce issue, PTT would like to inform the Meeting that when PTT had been made aware of the issue on 19 January 2017, PTT had expedited the fact-findings process as follows:

- Appointed the Fact-Finding Committee;
- Collected relevant documentation and evidence and presented the result of the fact-finding to PTT's Board of Directors, the NACC, Ministry of Energy and SEPO from time to time;
- Continued to provide clarification and update the progress of the fact-finding to the Stock Exchange;
- Provided clarification to the Collective Action Coalition Against Corruption (CAC);
- Provided clarification of the factual information with respect to the Rolls-Royce issue to the employees of PTT Group in order for them to communicate the matter to third parties appropriately and for them to uphold integrity in the performance of their duties;
- Improved the procurement process by putting in place a system for registration of agents/intermediaries/brokers and considered applying Integrity Pact (IP) and COST into the procurement projects which involved high project costs.

To date, PTT had submitted the relevant information and documentation to the NACC, as the agency with the legal authority to conduct an inquiry and charge government officials on *prima facie* cases of misconduct in the allegation of accepting bribes from Rolls-Royce. PTT would provide full cooperation to the NACC in its investigation in order to take legal action against wrongdoers.

With respect to the participation in the Private Sector Collective Action Coalition Against Corruption (CAC), PTT was among the forefront of listed companies joining CAC. PTT's status was certified on 3 October 2014 and would expire in October 2017. PTT had continuously developed concrete mechanism for the true supervision and control of corruption. Therefore, at the meeting on 21 April 2017, the Audit Committee and PTT's Board of Directors approved PTT's applying for recertification by CAC.

Last but not least, PTT would like to assure the shareholders of its commitments in the business operation in adhering to the corporate governance principles and the principle of zero tolerance of corruption.

The Chairman

informed the shareholders as follows: given that the shareholders had been informed of the 2016 performance statement of PTT, as well as the financial statement in the annual report and the financial report circulated in advance

along with the Notice of this Meeting, and followed by the video presentation on “Summary of the 2016 Operating Performance” and the additional summary of information presented, the Chairman then asked the Meeting to consider and certify PTT’s 2016 performance statement, acknowledge the future plan, consider and approve the financial statements for the year ending 31 December 2016, 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. The shareholder gave compliments for the presentations of the Chairman of the Specific Committees.
2. The shareholder asked why there were subsidiaries of PTT Exploration and Production Public Company Limited (PTTEP) in the Cayman Islands and what were the revenues and profits of these companies included in the consolidated financial statements.
3. The shareholder thanked the President & CEO for his clarification of the Rolls-Royce case in the Meeting and via the news disclosure system of the Stock Exchange. However, the shareholder would like to propose that the Company should inform the shareholders directly by a letter to the shareholders given that a number of shareholders were long-term investors and rarely checked the news on the website of the Stock Exchange.
4. The shareholder proposed that the Company should present the sales volumes and the profits from Board of Investment (“BOI”)’s supported activities and the remaining corporate income tax incentive in order that the shareholders would be able to estimate the tax amount.

Mr. Jirapan Buabucha,
a shareholder,

asked questions as follows:

1. According to the report of the Audit Committee in the 2016 Annual Report, to what extent was the Continuous Control Monitoring and Auditing System (CCMS) capable of detecting irregularities and what essential issues that has been advised.
2. The supervision of the establishment of the practice guidelines on receiving and offering gifts, entertainment, or other benefits (the “No Gift Policy”) under PTT Group’s anti-corruption policy was referred to in the report of the Corporate Governance Committee in the 2016 Annual Report. However, after consideration of the Corporate Governance, Ethical Standards, and Code of Business

Ethics of PTT (Amendment Version 3), why was it broadly specified and the practice guidelines of No Gift Policy not defined in writing?

3. What were the cost-saving measures for non-essential expenses in the Report of the Enterprise Risk Management Committee in the 2016 Annual Report? How much did the Company save in 2016 and what were considered as non-essential expenses?
4. With reference to the 2016 Financial Report, did the Auditor have any suggestion on the estimates of petroleum reserves, goodwill, and the provision for decommissioning costs?
5. According to Note 29 to the 2016 Financial Report, page 146, was the reversal of non-occurred provision of approximately Baht 6,400 million in the provision for decommissioning a result of erroneous estimates? What was the asset and the cost?
6. According to Note 28 to the 2016 Financial Report, page 143-145, regards the employee benefit obligations, please explain the detail of financial and demographic assumptions that cause the difference in number of gain and loss of the 2015 and 2016.

Mr. Basant Kumar Dugar,
a shareholder,

commented as follows:

1. The shareholder admired the directors and the management for their performance. As a result of this the operating performance had improved and PTT was listed in the world's top 100 major corporations in FORTUNE 500. He hoped that, PTT would be again listed on the FORTUNE 100 in the near future.
2. The shareholder congratulated PTT for being ranked by the Transparency International Organization in the top 25 out of the 100 fastest growing companies in emerging markets along with three other Thai companies.
3. The shareholder admired PTT for its solid financial structure, an improvement from 2015. He hoped that PTT's credit would be rated AAA in the near future and would continue to grow as evidenced by the cash flow used in investing activities.
4. The shareholder admired Mr. Apisak Tantivorawong, Minister of Finance, in formulating the debt reduction policy.
5. The shareholder suggested that PTT should take out trade credit insurance in order to increase the market share, for example, Coface, with the parent company in France.

Mr. Kitiya Palakawong Na Ayudhya, a shareholder,

asked questions and commented as follows:

1. Were the players in PTT Rayong Football Club employees of PTT and were they under PTT's personnel policy?

2. Did the graduates from Kamnoetvidya Science Academy contribute to the country's growth? Was it worth the value of investment by PTT?
3. With respect to the issue of honesty, what was the update on the coal business in Indonesia?
4. The shareholder commented that the employees of PTT and the companies in the Group should wear their ID badges in a proper manner, as he had noticed some ID badges being worn on the upper parts of trousers or skirts, and that was not proper.

The Chairman

requested the Chairman of the Audit Committee to explain about the companies in the Cayman Islands, and the President & CEO and the Chief Financial Officer would respond to the other questions.

Mr. Kittipong Kittayarak,
Chairman of the Audit
Committee,

explained that PTT placed the highest importance on transparency and compliance with the relevant rules and regulations and its practice had been recognized in the country and abroad. While it was not illegal to incorporate companies on the Cayman Islands, PTT had dissolved its subsidiary incorporated in the Cayman Islands on 17 February 2016. However, PTTEP still had affiliated companies on the Cayman Islands. He, then, asked the President & CEO to give further clarification.

The President & CEO

explained as follows:

1. With respect to the subsidiaries of PTTEP in the Cayman Islands, this was the normal practice of the exploration and production business in incorporating entities in a country where investment privileges would be granted to the investing countries. This was an investment by incorporating entities only, and no account had been opened to avoid auditing or for money laundering purposes. For any entities incorporated, financial reports would be prepared which would be audited by the auditor of PTT and PTTEP, the Office of the Auditor General (“OAG”) to ensure transparency.

However, PTT Group had a policy not to incorporate any new entity on the Cayman Islands and to dissolve the companies in the Cayman Islands to the extent possible. At present, PTTEP had 28 affiliated companies in the Cayman Islands: eight companies were under the dissolution process while the other 20 companies were active. As dissolving companies would likely create significant tax burden to be paid to the third countries, dissolving companies was unlikely for the time being. Please be assured that the business operation and accounts would be audited to ensure transparency.

2. The report on the Rolls-Royce case was published on PTT's website for information to the shareholders. The President & CEO would take the comments of the shareholder into consideration. The report today was only a report on the update of the case to the shareholders.

The Company would update the shareholders in due course once the conclusion from the NACC was available.

3. With respect to the presentation of the sales volume in the 2016 Financial Report, as PTT's business was highly sophisticated, the sales volume consisted of several business units, for example, the natural gas unit, the oil business unit, the international trading business unit, and the petrochemical business unit, etc. The gas sales volume was 4,762 MMSCFD, a decrease by one percent per day from 2015 due to the lower demand of gas consumption. The sales of the oil business was 26,464 million liters, an increase of 5 percent from 2015. The sales volume of the international trading business was Baht 74,627 liters, a drop by 8 percent from 2015.

The Chairman

requested the Chief Financial Officer to inform the Meeting on the profits exempted from corporate income tax due to BOI privileges.

The Chief Financial Officer

explained as follows:

1. There were two projects for which PTT was still entitled to receive the BOI incentives at the approximate value of Baht 13,000 million. The tax incentives would expire in 2018.
2. The costs saved in 2016 were the advertising and promotion at 24 percent reduction in PTT Group.
3. The employee benefit obligations were calculated every three years based on the changing assumptions and environment.
4. The provision of decommissioning costs were attributable to PTTEP, primarily comprising the provision of decommissioning costs of the Bongkot and the Arthit fields. The provision was adjusted on a yearly basis depending on the changing factors in that year. It was not an error in accounting posting.

The Chairman

asked whether a representative from OAG could give additional information to the shareholders.

Miss Mayuree Chantamart,

a representative from OAG,

explained that in 2016, the new accounting standards were implemented whereby the Auditor were required to report important issues found in the audit. There were three important issues which were presented in the 2016 Financial Report. The Auditor had performed the account auditing to its satisfaction that the record entries were reasonable and any risks had been eliminated. The Auditor gave an unqualified opinion of the accounts.

The Chairman

gave compliments to Mr. Jirapan Buabucha who presented the financial report in detail. The Chairman asked the Chairman of the Audit Committee to clarify the Meeting on the Continuous Control Monitoring and Auditing System (CCMS).

Mr. Kittipong Kittayarak,
Chairman of the Audit
Committee,

explained that CCMS was a tool that facilitated detecting irregular items. For example, the system would automatically give an alert in the case of any change to the addresses for receiving payments or duplicating purchase orders in order for the relevant staff to perform an additional check of any irregularities. The audit process would be more effective. In addition, the Audit Committee had informed the management that the audit system must be operated without delay with a view to preventing problems in the future.

The President & CEO

explained as follows:

1. The No Gift Policy was first implemented in 2015. The clear practice guidelines were incorporated in the Corporate Governance, Ethical Standards, and Code of Business Ethics of PTT (Amendment Version 4) which was finalized at the end of 2016. Any business souvenirs imprinted with company logos such as calendars or diaries that could be used were acceptable. No other gifts would be accepted. Any unreturned gifts would be donated to charity. After the announcement of the policy, the number of gifts had decreased, and the expenses had decreased accordingly.
2. The President & CEO thanked Mr. Basant Kumar Dugar for his comments. Institutional investors also viewed PTT as a respected company with positive growth. Accordingly, the management would take the comments into consideration.

The Chairman

commented as follows:

1. The Chairman asked Mr. Sarun Rungkasiri, Chief Operating Officer, Downstream Petroleum Business Group, as the President of PTT RAYONG Football Club, to clarify on PTT RAYONG Football Club.
2. There had been no graduates from Kamnoetvidya Science Academy since the first enrollment was in 2015.

Mr. Sarun Rungkasiri,
Chief Operating Officer,
Downstream Petroleum
Business Group,

thanked the shareholder for his interest in PTT Rayong Football Club. The football club was sponsored by the companies in PTT's Group in its hiring of football players and coaches. The contracts were normally on a short-term basis, mostly one to two years. The football players were not employees of PTT.

The President & CEO

added as follows:

1. PTT Rayong was currently in the first rank of Thai League Division.
2. Kamnoetvidya Science Academy and Vidyasirimedhi Institute were operative in 2015. 2017 was the third academic year. The academic period at Kamnoetvidya Science Academy was three years. The academic term at Vidyasirimedhi Institute to complete a Master's degree was three years as well. From the students' point of view, they needed the funding to pursue education at the doctoral level.

The intention of PTT Group in this respect was to nurture qualified researchers, foster research work that drove the country's competitiveness in line with the government policy on the Eastern Economic Corridor Development project or EEC in the development of three provinces, that is, Chachoengsao, Chon Buri, and Rayong, as new industrial development centers for the country. For example, the development of environmental friendly high technology, and the development of communication infrastructure and airports. Therefore, the demand for scientific and technological researchers would increase and the graduates from Vidyasirimedhi Institute of Science & Engineering would greatly benefited the country.

3. The issue in the coal business in Indonesia was not an issue of honesty but a challenge in respect of price fluctuation. As for the palm oil business in Indonesia, the Board of Directors had investigated the matter and resolved that the wrongdoers be removed from the business operation. Investigation was conducted and punishment was imposed. The amount of damages was under the consideration of the NACC and the court.
4. PTT Group had in place the ID badge guidelines stating that the ID badge must be worn at an appropriate level. However, the Company would take the comment of the shareholder into consideration.

Mr. Wiwat Kuskul,
a shareholder,

enquired about the revenue and profit of the companies in the Cayman Islands which were included in the consolidated financial statements. The shareholder admired the President & CEO for his attention in answering questions and giving the shareholders opportunities to ask questions.

The President & CEO

explained that the revenue and profits of the companies in the Cayman Islands were under PTTEP and asked the shareholders to refer to the financial statement of PTTEP.

Mr. Vasant Pilawan,
a proxy,

commented that after the clarification of the corruption issue, he was of the view that the Board of Directors and the management were committed to and sincere in giving clarification to the shareholders. The corrupt activities had been carried out in the past by individuals, not by the process. Therefore, PTT had the duty to conduct investigation to identify the wrongdoers. He, then, gave his support to the Board of Directors.

In addition, given that there were more five agenda items to be discussed, the proceedings should be expedited.

The 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 performance statements for the year 2016, acknowledged the action plan in the future, and approved the financial statement for the year ending 31 December 2016 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	2,269,700,880	99.9251
2. Disapproved	2,103	0.0001
3. Abstained	1,682,002	0.0741
4. Invalid	15,532	0.0007

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 230,484,975 shares.

Agenda Item 2

To approve the 2016 net profit allocation and dividend payment

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

The President & CEO

explained as follows:

- From the 2016 operating performance, PTT's net profit was Baht 94,609 million.
- PTT allocated Baht 29 million as a reserve for the non-life insurance fund.
- PTT's existing statutory reserve was already equal to 10 percent of its registered capital as required by law.
- PTT's net profit from its operating performance in 2016 was Baht 94,609 million, which was equal to Baht 32.68 per share.
- Therefore, PTT's Board of Directors proposed the payment of dividend for the 2016 operating performance at Baht 16 per share, which was equal to 49 percent of PTT's net profit and was higher than the historical average rate because:
 - PTT's operating performance had returned to the normal situation; and
 - PTT's financial position had become stable.
- The dividend payment was equal to the dividend yield rate at 4.3 percent of the price of PTT shares as at the end of 2016 (Baht 372 per share).
- The dividend payment at Baht 16 per share was divided into:
 - The interim dividend payment for the first half performance of 2016 at Baht 6 per share, amounting to Baht 17,138 million, which was paid to the shareholders on 16 September 2016; and
 - The dividend for the second half of 2016 shall be paid to the PTT shareholders whose names were in the share register on the record date set for determining the shareholders' entitlement to dividend payment on 31 March 2017, at Baht 10 per share, amounting to Baht 28,563 million. The dividend payment was scheduled to be made on 15 May 2017.
- The dividend payment was paid out from the retained earnings from the BOI promoted activities during the tax exemption period. It would be beneficial to the shareholders because the dividends

received by the shareholders were not subject to withholding tax and not subject to personal income tax.

- As at 31 December 2016, PTT's retained earnings (the separate financial statement) was Baht 380,087 million, which was sufficient for the dividend payment.

The Chairman

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

Mr. Prasert Kaewduangtian,
a shareholder,

asked questions and commented as follows:

1. The shareholder asked whether the retained earnings from the BOI promoted activities and from the businesses invested in by PTT could be separated into two portions. If yes, the earnings from the BOI promoted activities should be used for business expansion and those earnings from the businesses subject to corporate income tax should be used for making a dividend payment to the shareholders, because although the dividend paid out from the earnings from the BOI promoted activities was not subject to tax exemption, the shareholders were unable to claim the tax credits from such dividend.
2. The shareholder commented that the dividend payment should be made at 60 percent of the net income because some shareholders did not have regular income and, therefore, relied on dividends for their daily expenses.

The Chairman

explained that the Board of Directors would take the issue on dividend payment at 60 percent of the net income into consideration and asked the President & CEO or the Chief Financial Officer to explain this matter.

The President & CEO

explained that the earnings from the BOI promoted activities and the earnings from businesses invested in by PTT were separated. With respect to the dividend payment out of the earnings from the BOI promoted activities, as the tax exemption period had not yet expired, if the tax exemption right was not exercised by the end of the tax exemption incentives, the Company would no longer be able to exercise the tax exemption privilege. Notwithstanding, the issue of dividend payment out of the businesses subject to the corporate income tax would be taken The Board of Directors would take into consideration.

Mr. Basant Kumar Dugar,
a shareholder,

commented as follows:

1. In addition to cash flow, the allocation of profit should take into account the shareholders' equity and dividend payment in the form of dividend shares.
2. With respect to the tax incentives for foreign investors to encourage foreign investment, those investors would be entitled to tax incentives for the amount subject to withholding tax from the

governments in the home countries in accordance with the tax cooperation between the governments.

The Chairman

asked if any shareholder would like to ask any further questions or make 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 2016 operating performance at Baht 16 per share, divided into:

- interim dividend payment for the first half of 2016 at Baht 6 per share, which was paid from the unappropriated retained earnings from the BOI promoted activities during the tax exemption period. Such interim dividend was paid on 16 September 2016.
- dividend payment for the second half of 2016 at Baht 10 per share from the unappropriated retained earnings from the BOI promoted activities during the tax exemption period. The dividend shall be paid to PTT shareholders whose names were in the share register on the record date set for determining the shareholders' entitlement to dividend payment on 31 March 2017. The dividend payment was scheduled to be made on 15 May 2017.

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approved	2,271,490,159	99.9982
2. Disapproved	13,103	0.0006
3. Abstained	17,902	0.0008
4. Invalid	8,432	0.0004

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 129,079 shares.

Agenda Item 3

To elect directors to replace those who are due to retired by rotation

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

1. AM Boonsuib Prasit Chairman of the Nominating Committee
2. Mr. Chanvit Amatamatucharti Member of the Nominating Committee
3. Mr. Thon Thamrongnawasawat 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. Kittipong Kittayarak;
2. AM Boonsuib Prasit;
3. Mr. Vichai Assarasakorn;
4. Mr. Somsak Chotrattanasiri; and
5. Mr. Thammayot Srichuai.

- In order to be in compliance with the principles of good corporate governance, the five directors, who were due to retire by rotation as listed above and who were regarded as interested parties in this agenda item, were requested to leave the meeting room until the consideration of this agenda item had been completed.
- 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. Chanvit Amatamatucharti, Independent Director, Member of the Nominating Committee, Chairman of the Enterprise Risk Management Committee, was asked to present this matter to the Meeting.

Mr. Chanvit Amatamatucharti, explained as follows:

Member of the Nominating Committee,

- From 1 September 2016 to 30 November 2016, PTT had an announcement on its website inviting the shareholders to nominate any persons who were 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 Nomination 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 on 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 Office and the Stock Exchange, as well as Cabinet resolutions. The selected persons had been approved by the State Enterprise Policy Office (SEPO).
- The Nomination 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 had passed the nomination process to be proposed for appointment as PTT’s directors were as follows:
 1. Mr. Kittipong Kittayarak: Executive Director of Thailand Institute of Justice (TIJ), an expert in business management and law, and was listed in the Director’s Pool of the Ministry of Finance;
 2. AM Boonsuib Prasit: Retired Government Official, an expert in business management, mechanical-aeronautical engineering, and political science, and was listed in the Director’s Pool of the Ministry of Finance;
 3. Mr. Vichai Assarasakorn: Vice Chairman of the Thai Chamber of Commerce and Vice President of Anti-Corruption Organization of Thailand, an expert in business management, marketing, energy, petroleum, engineering, international business, accounting and finance, and economics, and was listed in the Director’s Pool of the Ministry of Finance;
 4. Mr. Somsak Chotrattanasiri: Director of the Bureau of Budget, an expert in business management, finance, and political science, and was listed in the Director’s Pool of the Ministry of Finance;
 5. Mr. Thammayot Srichuai: Deputy Permanent Secretary, Ministry of Energy, an expert in business management, energy, and engineering, and was listed in the Director’s Pool of the Ministry of Finance.

- The brief profiles of the nominated candidates were attached to the Invitation to the 2017 Annual General Meeting of Shareholders;
- Candidate numbers 1 – 5, namely Mr. Kittipong Kittayarak, AM Boonsuib Prasit, Mr. Vichai Assarasakorn, Mr. Somsak Chotrattanasiri, and Mr. Thammayot Srichuai were the directors due to retire by rotation who had been nominated for re-election as directors for another term.

The Chairman

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

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. Kittipong Kittayarak, 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
1. Approved	2,251,167,964	99.1026
2. Disapproved	20,212,036	0.8898
3. Abstained	173,454	0.0076
4. Invalid	300	0.0000

(2) AM Boonsuib Prasit, 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
1. Approved	2,258,152,011	99.4100
2. Disapproved	13,201,144	0.5812
3. Abstained	200,099	0.0088
4. Invalid	500	0.0000

(3) Mr. Vichai Assarasakorn, 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
1. Approved	2,251,147,380	99.1016
2. Disapproved	20,215,086	0.8899
3. Abstained	185,288	0.0082
4. Invalid	6,000	0.0003

(4) Mr. Somsak Chotrattanasiri, 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
1. Approved	2,230,192,110	98.1792
2. Disapproved	41,154,138	1.8117
3. Abstained	207,506	0.0091
4. Invalid	0	0.0000

(5) Mr. Thammayot Srichuai, 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
1. Approved	2,266,455,126	99.7755
2. Disapproved	4,904,822	0.2159
3. Abstained	179,006	0.0079
4. Invalid	14,800	0.0007

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 24,158 shares.

Agenda Item 4

The Chairman

To approve the 2017 directors' remuneration

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

1. Mr. Boontuck Wungcharoen Chairman of the Remuneration Committee
2. Mr.Somsak Chotrattanasiri Member of the Remuneration Committee
3. Mr.Somchai Sujjapongse Member of the Remuneration Committee

Mr. Boontuck Wungcharoen, Chairman of the Remuneration Committee, was asked to clarify this matter to the Meeting.

Mr. Boontuck Wungcharoen,
Chairman of the
Remuneration Committee,

explained that the Remuneration Committee had applied the same practice in considering the remuneration of PTT's Board of Directors and other specific committees for 2017 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

After due consideration, the Remuneration Committee had considered and approved the remuneration package for PTT's Board of Directors and other specific committees for 2017 to be the same as the 2016 package as follows:

1. Monthly remuneration and meeting allowance for 2017

- 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 was 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 Nomination 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:

- the 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 2017

The bonus was determined to reflect and relate to PTT's operating performance or net income, i.e. 0.05 percent of the 2017 net income, 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.

The Chairman

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

Mr. Thara Chonpranee,
a shareholder,

raised question with regard to Agenda Items 3 and 4, as follows:

1. With respect to the appointment of PTT directors that required the approval from the State Enterprise Policy Committee (“SEPC”), as the SEPC was a government agency, why was it not the SEPC that nominates the qualified persons to PTT? In addition, why was there no determination of the SEPC’s authority on the appointment of directors in the Articles of Association?
2. Due to PTT’s status being both a state enterprise and a listed company on the Stock Exchange which was regulated by several applicable laws, e.g., the Public Limited Companies Act, the Securities and Exchange Act, the law governing state enterprises, to what law should the Company first comply with respect to the appointment of directors?
3. Had the Company appointed any director to hold office in place of Mr. Areepong Bhoocha-Oom?

The Chairman

clarified that:

1. PTT was required to comply with all of the laws, as well as other rules and regulations, e.g., the Orders of the National Council for Peace and Order (NCPO). In this regard, if the proposed National State Enterprise Corporation was established to serve certain objectives, the issues regarding the Company’s compliance with various laws may be eliminated.
2. Regardless of the requirement on the nomination of directors with the SEPC not being stipulated in the Articles of Association, there was a provision to which PTT was required to comply (subject to the Office of the Prime Minister's Regulation for the Policy and Governance of State Enterprises B.E.2557). A state enterprise was required to nominate the qualified persons to the SEPC before carrying out any action in accordance with the Articles of Association, i.e., to propose the name of directors who were due to retire by rotation to the shareholders. In practice, the process was carried out quite smoothly, and the chairman of the SEPC was the Prime Minister.
3. The current Board of Directors was comprised of 15 members.

Mr. Basant Kumar Dugar,
a shareholder,

expressed his opinion, as follows:

1. The shareholder proposed that an specific committee for the business continuity be appointed. The shareholder also mentioned the International Institute for Management Development (IMD) in Switzerland for converting a cost center to a profit center.
2. The shareholder proposed that the bonus rate of the Board of Directors be increased from 0.05 percent of the net profit with the

maximum bonus of not exceeding Baht 3,000,000 per director per year to 0.10 percent of the net profit with the maximum bonus of not exceeding Baht 6,000,000 per director per year. The current bonus rate was too low. Being open-minded and thinking out of the box was essential for the business. In addition, the shareholder proposed that the Chairman of the Board of Directors receive the remuneration higher than the directors at the rate of 50 percent because the Chairman of the Board of Directors was the person who gave advice to the Board of Directors.

3. The shareholder proposed that the directors or the management make a field trip on productivity to various institutions in Japan in order to learn about new tools in the business operation.
4. The shareholder proposed that the employees of over 60 years old or the directors of over 65 years old be able to continue to work because they were valuable assets in which the Company had invested in their development.
5. The shareholder proposed that the insurance be provided for the Board of Directors in order to protect the directors when performing their duties in the interests of the country.
6. The shareholder gave compliments to PTT for the disclosure of the information relating to the companies incorporated in the Cayman Islands and agreed that the incorporation of companies in the Cayman Islands was beneficial because it would reduce taxes and as a result PTT would gain profits which in turn would be used in the development of the country, and ultimately benefit the country.

**The President and Chief
Executive Officer**

expressed his appreciation to Mr. Basant Kumar Dugar for his suggestions on the aforementioned matters. However, PTT's practice on its directors' remuneration would be in accordance with the standards of the public limited companies listed on the Stock Exchange and of the state enterprises.

The Chairman

thanked the shareholders for their suggestions and said that he would take these suggestion into consideration and asked if any shareholder wished to ask questions or make 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 voted to approve Agenda Item 4 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	2,254,075,739	99.1587
2. Disapproved	19,022,882	0.8368
3. Abstained	99,829	0.0044
4. Invalid	1,800	0.0001

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 1,646,496 shares.

Agenda Item 5

The Chairman

Mr. Kittipong Kittayarak,
Chairman of the Audit
Committee,

To appoint an auditor and to approve the 2017 auditing fees

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

explained as follows:

- The Organic Law on State Audit B.E. 2542 (1999) provides that the OAG shall have the duties to perform the auditing, and verify the receipt and payment of monies, as well as provide opinions in accordance with the generally accepted accounting standards for the state enterprises under the law governing the budget procedures or other applicable laws.
- For 2017, the OAG had proposed the auditor's fee of Baht 4,700,000 which was the same rate as that of 2016, comprising the quarterly auditor's fee of Baht 760,000 per quarter which was the same rate as that of the previous year, and the annual auditor's fee of Baht 2,420,000 which was the same rate as that of the previous year.

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

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 ending 31 December 2017, with the auditor's fee of Baht 4,700,000 as considered by the Audit Committee and the Board of Directors.

The Chairman

asked if any shareholder wished to ask questions or make comments regarding Agenda Item 5. As there were no 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 OAG as the auditor of PTT for 2017 with the auditor's fee of Baht 4,700,000 (the same as for 2016) 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	2,273,384,186	99.9907
2. Disapproved	107,305	0.0047
3. Abstained	105,436	0.0046
4. Invalid	200	0.0000

Remark: While this agenda item was being considered, additional shareholders were present holding a total of 396,877 shares.

Agenda Item 6

To approve the restructuring of PTT, which is classified as a transaction under Section 107(2)(a) of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto), and acknowledge the possibility of the plan for the initial public offering (the IPO) of the ordinary shares of PTT Oil and Retail Business Co., Ltd. (PTTOR) and the listing of PTTOR on the Stock Exchange of Thailand in the future

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

The President & CEO

explained this matter by giving the information as below:

This agenda item dealt with two transactions as follows:

- Transaction No. 1: The Restructuring of PTT: The transfer of the oil business unit, its assets and liabilities, as well as the shares of the related companies to PTT Oil and Retail Business Co., Ltd. (PTTOR). The transaction required approval from a shareholders meeting in accordance with Section 107(2)(a) of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto).
- Transaction No. 2: The Initial Public Offering of PTTOR: The plan for the initial public offering of PTTOR (IPO Transaction), including the offering of PTTOR's ordinary shares to PTT's existing shareholders. The offer would not be made to the shareholders who would render that PTTOR would be subject to the rules and regulations of foreign countries, and the listing of PTTOR on the Stock Exchange of Thailand (the "Stock Exchange") in the future.

Notwithstanding the foregoing, the Chairman had informed the Meeting earlier that Agenda Item 6 had been amended. The action required for Transaction No. 1, the Restructuring of PTT, remained the same, being a matter proposed to the Meeting for approval, whereas the action required for Transaction No. 2: the IPO Transaction had been changed from a matter proposed to the Meeting for approval to a matter proposed to the Meeting for acknowledgement.

The reason, necessity, and expected benefits of these two transactions were described as below:

- 1) The Restructuring of PTT and the IPO Transaction was intended to comply with the government policy on the liberalization of the oil business. The public sector had established the guidelines and taken action step by step towards the liberalization of the oil business to ensure energy security and increase efficiency in oil procurement. As a result, the oil production capacity in the country was greater than the domestic demand. The number of oil traders under Section 7 had increased to be more than 40 traders. Eventually, consumers will avail themselves of the opportunity to make more choices of

services. Furthermore, the Restructuring of PTT and the IPO Transaction was an undertaking in compliance with the provision in the second paragraph of Section 75, Chapter 6 on State Policy, the Constitution of the Kingdom of Thailand B.E. 2560 that “*The State shall refrain from any engagement in an enterprise in a manner of competition with the private sector, unless it is of necessity for the maintenance of the security of the State, the maintenance of public interest, the provision of public utilities, or the provision of public services.*”;

- 2) The Restructuring of PTT and the IPO Transaction would clarify the structure of PTT. PTTOR would be the flagship company for the oil and retail business of the PTT Group in the future. In addition, the listing of PTTOR on the Stock Exchange would bring clarity and transparency to the general public as more information of the operating performance and financial status would be disclosed according to the criteria of the Office of the Securities and Exchange Commission (the “**SEC Office**”) and the Stock Exchange;
 - 3) The Restructuring of PTT and the IPO Transaction would make the value of the oil and retail business reflective of its true potential as a non-state controlled business, increase the management efficiency, enhance the ability to recruit talent and/or attract business partners with high experience especially in the retail business;
 - 4) PTT’s oil and retail business currently supported Small and Medium-sized Enterprises (SMEs) as business partners. As at December 2016, 83% of the approximately 1,530 PTT oil service stations and 90% of the approximately 1,667 branches of Café Amazon shops were owned by SMEs. In addition, there were many SME business partners located in oil service stations across the country. The Restructuring of PTT and the IPO Transaction will offer PTTOR flexibility and increase its ability to invest both domestically and internationally. This expansion would enable SMEs to grow alongside PTTOR and create more job opportunities for Thai people;
 - 5) The sales of PTTOR’s shares on the Stock Exchange by PTT would result in an increase in PTT’s revenue; and
 - 6) The listing of PTTOR on the Stock Exchange for fund-raising would promote and stimulate the Thai capital market and create an additional channel for PTTOR’s access to sources of funds, which would not have an impact on the public debt.
- According to PTT’s current structure, the oil business unit is under the Downstream Petroleum Business Group.
 - The Restructuring of PTT was a transfer of the oil business unit and the shares of the related companies, namely Thai Petroleum Pipeline

Co., Ltd. (THAPP), Bangkok Aviation Fuel Services Public Company Limited (BAFS), Thai Lube Blending Co., Ltd. (TLBC), Intoplane Services Co., Ltd. (IPS), Fuel Pipeline Transportation Limited (FPT), PetroAsia (Thailand) Co., Ltd. (PAT), PTT Oil Myanmar Company Limited (PTT Oil Myanmar), PTT (Cambodia) Limited (PTTCL), and PTT (Lao) Company Limited (PTTLAO) to PTTOR, a wholly-owned subsidiary of PTT, *with the exception of the shares of PetroAsia (Sanshui) (PA Sanshui), PetroAsia (Maoming) (PA Maoming) and Keloil-PTT LPG Sdn. Bhd. (KPL) because they were under the dissolution process.*

- The value of the business transfer was Baht 121,952.7 million, considered a reasonable price according to the opinion of the Independent Financial Advisor.
- PTTOR currently held shares in PTT Retail Management Co., Ltd. (PTTRM), PTT Retail Service Co., Ltd. (PTTRS), PTT Philippines Corporation (PTTPC), PTT Philippines Trading Corporation (PTTTC), and FST Aviation Services Limited (FST), and therefore the transfer of the business would not be required, with the exception of OGP Energy Solutions Co., Ltd. (OGPS) as it was engaged in the natural gas business and was not related to the oil business. PTT would, therefore, sell the shares held in OGPS to a company in the PTT Group.
- After the transfer of the business, including the shares of the related companies from PTT to PTTOR, the next step would be the filing of a registration statement for the offer for sale of securities and draft prospectus (the “filing”) to the SEC Office. The initial public offering (the IPO) of the ordinary shares of PTTOR and the listing of PTTOR on the Stock Exchange would begin after the filing had been effective.
- After the IPO Transaction, PTT would remain the major shareholder of PTTOR, whereby:
 - PTT had the policy to maintain its shareholding in PTTOR at least 45 percent of the paid-up registered capital.
 - PTT and the governmental authorities held PTTOR shares in a proportion of lower than 50 percent of the paid-up registered capital.
- The total shareholding of foreigners was limited to 25 percent and to 3 percent individually.
- In order to preserve the rights of the PTT shareholders, the offering of the IPO shares to PTT’s existing shareholders for no more than five percent of the total shares to be offered in the IPO, but PTTOR would not offer those shares to the shareholders who would render

PTTOR to be subject to the rules and regulations of foreign countries.

- PTT and PTTOR would put in place a plan and specify the criteria for share distribution in order to ensure that the PTTOR shares would be widely distributed to the public.

Therefore, the Meeting was requested to consider and approve the Restructuring of PTT consisting of the transfer of the oil business unit, its assets and liabilities, and the shares of the related companies from PTT to PTT Oil and Retail Business Co., Ltd. (PTTOR). The business transfer would occur only after PTT had obtained the approval and/or the consent necessary for the Restructuring of PTT from any relevant governmental authorities and/or agencies according to the related rules and regulations as considered by the Board of Directors and approve the authorization of the Board of Directors or its delegated person to enter into negotiations and to specify the criteria, conditions, and other details with respect to the Restructuring of PTT; to execute the business transfer agreements, other agreements, and supporting documents; and to undertake any act necessary for and relevant to the said business for the purposes of the Restructuring of PTT.

In addition, the Meeting was hereby requested to acknowledge the possibility of the plan for the initial public offering of ordinary shares of PTTOR (IPO), including the offering of PTTOR's ordinary shares to PTT's existing shareholders who had the right to subscribe for such allocated shares. However, PTTOR would not offer such shares to those shareholders who would cause PTTOR to be subject to the rules and regulations of foreign countries (Preferential Share Offering); and the listing of PTTOR on the Stock Exchange in the future. PTT would take the comments from the SEC Office in relation to the listing of PTTOR on the Stock Exchange into consideration and would obtain the approval from the SEC Office prior to any further action.

The voting on Agenda Item 6 shall be passed by the votes of no less than three-quarters of the total votes cast by the shareholders attending the meeting and eligible to vote. The shareholders who had special interests in this Agenda Item would have no right to cast their votes.

The Chairman

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

Mr. Sathitpong Ngaongam,
a proxy,

asked whether the transfer of business would immediately come into effect, should the shareholders approve the restructuring in the Meeting.

Mr. Nopavut Punyasiri,
a proxy,

asked whether it was likely that the shareholders would not receive the IPO shares of PTTOR, should the transfer of business be completed.

The Chairman

explained that the transfer of business would not immediately come into effect after approval was granted by the shareholders because steps must be

taken in accordance with the various relevant laws and regulations. Therefore, it would take some time to effect the transfer of the business. The Chairman then asked the President & CEO to give further clarification to the shareholders.

The President & CEO

explained this matter by giving the information as below:

- He understood that the question of the chance of not receiving IPO shares was about whether there would be any possibility that the IPO would not be launched, or the shares would not be traded on the Stock Exchange. The President & CEO explained to the shareholders that every action involved the procedures as explained earlier by the Chairman, that is, the transfer of business would require approval from the relevant governmental authorities, and the preparation of the IPO involved various procedures which had to first be completed.
- In addition to the procedures mentioned earlier, the President & CEO informed the shareholders that the launching of the IPO also depended on the market condition, which might not be favourable at a certain time, similar to IPO transactions launched by other companies, as well as other factors to be taken into consideration.

Mr. Prasert Kaewduangtian,
a shareholder,

asked questions as follows:

1. For the non-oil business with respect to the Café Amazon shops, the reference to SMEs meant that PTT did not invest in and wholly own the total amount of the shares. Did this mean that it was a business operation in the form of a franchise?
2. Since PTT owned the Cafe Amazon brand, why did PTT not operate the business itself as compared to 7-Eleven, which was an international franchise? Instead, 7-Eleven operated the business 50 percent and granted franchises 50 percent. The shareholder was of the view that the business operation would generate higher returns. Why, therefore, did PTT not operate its brand?
3. Since PTT would separate and transfer some of its business groups to PTTOR, whether or not PTTOR had been incorporated, and after the transfer of the various business groups to PTTOR, what of PTT's assets, liabilities, and shareholders' equity would remain?
4. After the transfer of business to PTTOR, which of PTT's core businesses would remain?
5. Since PTTOR had taken reasonable actions for being listed on the Stock Exchange, had any financial advisor been appointed in order to submit the filing?

Mr. Supot Phongkidakarn,
a shareholder,

commented that the distribution of shares to the existing shareholders at the rate of not exceeding 5 percent was rather too small and, therefore, wished the Board of Directors to consider distributing shares to the existing shareholders at the rate of no less than 10 percent in order that that ratio would be 10 existing shares to 1 new share of PTTOR.

The President & CEO

explained this the information as below:

- With regard to various brands of the non-oil businesses in PTT gas service stations, such as Café Amazon shops or other shops, Café Amazon was a brand which PTT had established and developed itself. However, the process of opening the Café Amazon shops would be in the form of a franchise: a private entity or SME would apply for a franchise to operate Café Amazon shops and PTT would provide assistance in the management of the coffee shops or supply coffee beans, as well as provide support to open Café Amazon shops. The other shops, such as Huasenghong Dimsum or Yentafo, were businesses owned by SMEs but operated in PTT's gas service stations. Therefore, PTT did not own all of the non-oil businesses.
- With regard to the question why PTT did not operate the Café Amazon business itself, PTT had dual roles as a state enterprise and a private sector entity in various businesses. To provide business opportunities to SMEs was another role of PTT which could extensively stimulate the country's economic growth. In addition, PTT would not be required to bear the investment burden alone.
- With regard to the impact on the shareholders' equity, on the date of the transfer, the assets of the oil and retail business, owned by PTT, would be transferred to PTTOR, a wholly-owned subsidiary of PTT which had been incorporated. At the date of transfer, the transfer of the business included the rights, assets, and liabilities. Consequently, what would occur was that PTTOR would increase its capital to buy the assets. The proceeds, from the capital increase received from PTT, would be paid to PTT for the assets. Accordingly, there would be no impact on the shareholders' equity but the balance sheet structure in PTT's separate financial statements would change. The launching the IPO would be similar, that is, PTT would receive a certain payment for PTTOR shares in return for its reduction of the shareholding in PTTOR.
- With regard to the remainder of PTT's core businesses, PTT's core businesses which it operated itself were the natural gas business, piping system management business, and international trading business (including the oil trading business). Furthermore, PTT was the major shareholder of different flagship companies, such as the petroleum exploration and production business and refining business and PTTOR. This was the distribution of the business operation at the next level, that is, the flagship company, which

would increase flexibility. The advantage of the flagship companies under the umbrella of PTT was that the managerial independence at a certain level would drive business expansion.

- With regard to the feasibility study and the appointment of advisors, PTT had discussed this matter internally since 2014. Advisors in various fields had appointed to conduct detailed research since the middle of the previous year: the legal advisor, four to five financial advisors, the accounting and tax advisor, and public relations advisors, just to name a few. To summarize, these advisors had been appointed since the middle of the previous year, and the matter had been considered thoroughly. In addition, Asia Plus Advisory Co., Ltd. was appointed as the independent financial advisor to give an opinion to the shareholders. With regard to the share distribution to PTT's shareholders, it was fixed at the rate of 5 percent because PTT wished to give its shareholders an opportunity to have the subscription right to PTTOR shares in the case that the launching of the IPO was successful. PTT's primary objective was to distribute more than 50 percent and to hold less than 50 percent of the PTTOR shares, that was, between 45 and 50 percent. In the case that there were other government agency shareholders and the aggregate shareholding by government agencies was greater than 50 percent, PTTOR would have the status of a state enterprise. The shareholding at the rate of 5 percent should, therefore, be reasonable for distributing to PTT's existing shareholders with the Ministry of Finance as a shareholder. However, in addition to the rights granted to the existing shareholders, they would be able to subscribe for the IPO shares. The President & CEO then asked Mr. Auttapol Rerkpiboon, Senior Executive Vice President, Oil Business Unit, to explain the LPG business to the shareholders.

Mr. Auttapol Rerkpiboon,
Senior Executive Vice
President, Oil Business Unit,

explained that the retailing and wholesaling to major traders in the LPG business would be transferred to PTTOR, except for the LPG sales unit from PTT's natural gas separation plant. The LPG sales unit from gas refinery plants would remain with each plant. To summarize, the LPG sales unit from PTT's gas separation plant would remain in PTT's gas business; the LPG sales unit from the gas refinery plants would remain with each refinery plant; the retail and wholesale LPG sales unit to the consumers would be transferred to PTTOR.

Mr. Pruttipan Chayakul,
a proxy,

stated that PTTOR currently formed a part of PTT's revenue and the transfer of business would change the revenue structure. The shareholder asked which part of PTT's financial statements would be affected and which line item would be deleted or added.

Mr. Direk Khunawutvanich,
a shareholder,

asked whether LPG from the refinery plant was sold to the oil traders under Section 7, and whether it was correct to say that the oil traders under Section 7 would buy from PTT not PTTOR?

The Chairman

asked Mr. Auttapol Rerkpiboon, Senior Executive Vice President, Oil Business Unit, to further explain about the LPG business to the shareholders and asked the President & CEO and the Chief Financial Officer to explain about PTT's financial statements to the shareholders.

Mr. Auttapol Rerkpiboon,
Senior Executive Vice
President, Oil Business Unit,

explained that the oil traders under Section 7 would be able to buy LPG from the gas refinery plants while PTTOR could also buy a huge lot of LPG from the gas refinery plants and resell to the oil traders under Section 7.

Ms. Nitima Thepvanangkul,
Chief Financial Officer,

explained about the impact on PTT's financial statements and stated that at the first stage when PTT transferred the business to PTTOR, PTTOR was still wholly-owned by PTT, therefore, there would be no significant change in PTT's consolidated financial statements. PTT would be required to prepare the consolidated financial statements by combining them on a line-by-line basis. Some details in accounts recording might be slightly affected. In the case of any business transfer with a value greater than the book value at the date of transfer, PTT must record the tax obligations arising from the transfer of business and would recognize the profit from the transfer of business in its separate financial statements.

Mr. Thara Chonpranee,
a shareholder,

asked questions as follows:

1. Since there would be a transfer of total assets of approximately Baht 100,000 million, whether there had been any estimate of the relevant taxes.
2. In the distribution of the IPO shares, PTT held 45 percent and distributed 55 percent. The explanation of the 55 percent distribution was that 5 percent was distributed to PTT's existing shareholders. Please clarify what 'the proportion of 5 percent' was referring to. For example, in the share distribution, 55 shares were distributed from 100 shares, thus, PTT held 45 shares. Was the proportion of 5 percent based on 55 shares or 100 shares?
3. Since only 5 percent would be distributed to PTT's existing shareholders. To whom would the remainder 95 percent be distributed? And how? PTT stated that it intended to distribute the shares as most expansively as possible. But, in fact, the practice of share distribution in general was not adopted in this manner. The appointment of brokers or underwriters to be in charge of share distribution was based on the trading value of each respective broker or underwriter. Any broker or underwriter with a high trading volume would be assigned a greater number of shares. At the end, the share distribution would not be widely distributed as intended by PTT. Did PTT have any agreement with those underwriters on the number of individuals to whom the shares would be distributed?

Mr. Prasert Kaewduangtian,
a shareholder,

stated that with respect to the gas filling plants, the amendment of the sale and purchase agreement was arranged, that is, the original seller, PTT, was

replaced by PTTOR. Was this advice correct? What action should the customers take?

The President & CEO

explained that PTT had the policy to widely distribute the shares in order for the Thai people to have an opportunity to own this business. PTT agreed with the remark of the shareholder and acknowledged that the normal practice might be in the manner that had been mentioned by the shareholder. In this regard, when it came to the IPO stage, consideration would be given to how to distribute shares widely. It was PTT's intention to give a chance to all sectors to be a part of PTTOR. The President & CEO asked Mr. Auttapol Rerkpiboon, Senior Executive Vice President, Oil Business Unit, to provide detailed information for the shareholders.

Mr. Auttapol Rerkpiboon,
Senior Executive Vice
President, Oil Business Unit,

explained this matter by giving the information as below:

- With respect to the distribution of shares at 5 percent, it was 5 percent of 55 percent of the shares to be offered for sale. In terms of the process to ensure that the shares were widely distributed, the practice guidelines had been discussed and considered, for example, fixing the minimum number of share subscriptions. More details would be further considered.
- With respect to the amendment of the agreement on gas filling plants, since the gas filling business of filling gas into tanks and selling directly to the consumers would be transferred to PTTOR, the parties of the agreement would be changed from PTT to PTTOR, while the other terms and conditions would remain unchanged.

The President & CEO

explained further details about the value of the business transfer. The value of business transfer of approximately Baht 121,000 million was estimated as at 1 July 2017, that is, if the business was to be transferred on that date, this figure would be the value of the business transfer. However, prior to the date of transfer, approval from the governmental authorities and the relevant agencies must be obtained, a process that would take a considerable time. Therefore, if the business transfer did not occur by 1 July 2017 and was postponed to August, September, October, November, or December, the value of the business transfer would definitely change. With regard to the question of possible taxes, it would depend on the value of the business transfer as mentioned above, and therefore, the exact figure could not be fixed at the moment.

Mr. Parat Veeraphan,
a proxy,

asked how PTTOR would compete with its competitors and what were the strengths of PTTOR, since there were currently an increasing number of competitors in the oil retail market?

Mr. Auttapol Rerkpiboon,
Senior Executive Vice
President, Oil Business Unit,

explained that on the question of how to compete with the competitors, in fact, the oil business to be transferred to PTTOR had been subject to competition for some time. Therefore, in operating the gas service stations, PTT would not only sell gas. One of the strategies was to operate the non-oil business to provide additional services to the consumers, as well as to

open new gas service stations more widely. If the shareholders had viewed the video presentation earlier at the Meeting, the shareholders would have seen that PTT had launched a new business model, - the compact model - that would enable PTT to provide services to wider areas.

In addition, PTTOR would have more flexibility for the business expansion abroad, a type of business expansion PTT intended to move forward, particularly to the CLMV countries, being an emerging market. Even though the current volume might not be high, the growth rate was high. Therefore, the next strategy of PTTOR was to apply the business model which had been successful in Thailand to other countries. PTT had adopted this approach for a couple of years and it was well-accepted by the consumers in those countries. Accordingly, PTTOR's growth would primarily be attributable to:

1. The current oil business would expand in line with the country's growth;
2. The non-oil business was considered a new business which had successfully expanded with a growth rate during the past five to six years of 20 percent. EBITDA would serve as a new engine for PTTOR.
3. Expansion of the business abroad and the setting up of a new platform for PTTOR's business that would grow in the future.

Ms. Jirawan Laosinchai,
a shareholder,

referred to the answer given earlier that the shares would be widely distributed. However, in practice, the persons who would be distributing the IPO shares would be the persons who had the highest trading volume of the broker. Would the IPO shares be distributed by persons with lower trading volumes?

The President & CEO

explained that the format and scope of the IPO had not yet been determined. This would be the next step. The first thing was the transfer of the business and the filing to the SEC Office. After the filing, it would be necessary to comply with the criteria of the SEC Office whereby PTTOR would be required to report its separate financial statement for at least one quarter. Therefore, it should take a considerable time. However, the Company would take the concern of the shareholder into consideration in respect of the format and the scope of the IPO.

However, PTT had yet to appoint a financial advisor for the IPO and only an advisor to the Restructuring of PTT had been appointed.

Mr. Prasert Kaewduangtian,
a shareholder,

asked whether the sale and purchase agreement from PTT to PTTOR had to be amended right then.

Mr. Auttapol Rerkpiboon,
Senior Executive Vice
President, Oil Business Unit,

explained that the process for amending the sale and purchase agreements would begin after the approval of the Meeting had been granted, and the

change of all agreements must be completed prior to the transfer of the business.

The Chairman

thanked the shareholders and asked if any shareholder wished to ask any further questions or make any further comments regarding Agenda Item 6. As there were no more questions or comments from the shareholders, the Chairman invited the shareholders to vote on this agenda item.

Resolution

The Meeting resolved by the votes of no less than three-quarters of the total votes cast by the shareholders attending the meeting and eligible to vote to approve the Restructuring of PTT consisting of the transfer of the oil business unit, its assets and liabilities, and the shares of the related companies from PTT to PTT Oil and Retail Business Co., Ltd. (PTTOR). The business transfer would occur only after PTT had obtained the approval and/or consent necessary for the Restructuring of PTT from any relevant governmental authorities and/or agencies according to the related rules and regulations as considered by the Board of Directors and approve the authorization of the Board of Directors or its delegated person to enter into negotiation and specify the criteria, conditions, and other details with respect to the Restructuring of PTT; to execute the business transfer agreements, other agreements, and supporting documents; and to undertake any act necessary for and relevant to the said business for the purposes of the Restructuring of PTT.

The Meeting acknowledged the possibility of the plan for the initial public offering of ordinary shares of PTTOR (IPO), including the offering of PTTOR's ordinary shares to PTT's existing shareholders who have the right to subscribe for such allocated shares. However, PTTOR would not offer such shares to the shareholders who would cause PTTOR to be subject to the rules and regulations of foreign countries (Preferential Share Offering); and the listing of PTTOR on the Stock Exchange of Thailand in the future. PTT would take the comments from the SEC Office in relation to the listing of PTTOR on the Stock Exchange of Thailand into consideration and would obtain the approval from the SEC Office prior to further action.

Votes	Number of Votes Cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approved	2,355,728,423	99.9794
2. Disapproved	126,719	0.0054
3. Abstained	351,660	0.0149
4. Invalid	5,900	0.0003

Remark: While this agenda item was being considered, an additional shareholders were present holding a total of 82,615,575 shares.

Agenda Item 7

Other matters

The Chairman stated that the Meeting had then reached the consideration of Agenda Item 7 in respect of 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 required the support of a total of no 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:

Mr. Thara Chonpranee,
a shareholder,

suggested that with respect to the sequence of the agenda items of a general shareholders meeting, the agenda item on the appointment of directors to replace those who were due to retire by rotation should be the last agenda item to be discussed as some agenda items, for example, the appointment of the auditor and the determination of the audit fee, and the determination of the directors' remuneration were proposed by the current Board of Directors.

Mr. Prasert Kaewduangtiam,
a shareholder,

commented as follows:

1. Since PTT planned to operate the budget hotel business, its business partners should be the Erawan Group Public Company Limited (ERW) or Dusit Thani Public Company Limited Group (DTC Group) due to their expertise in this type of business which would facilitate PTT's rapid growth.
2. PTT should also consider operating other related businesses, such as the food business, the spa or Thai massage business in connection with the budget hotel business.
3. At this time, taking a car to a service center was very expensive. Therefore, he suggested that PTT should take the lead in the automobile maintenance service center business by means of holding 50 percent of the shares and inviting other five automobile manufacturers or distributors in Thailand to hold 10 percent of the shares each in order to ensure the efficiency of the professional service structure.

The Chairman

stated that the suggestion of Mr. Thara Chonpranee would be taken into consideration and requested Mr. Auttapol Rerkpiboon, Senior Executive Vice President, Oil Business Unit to provide an explanation to the shareholders.

Mr. Auttapol Rerkpiboon,
Senior Executive Vice
President, Oil Business Unit,

explained as follows:

1. With respect to the Budget Hotel business, the Company was currently in the process of selecting a business partner.
2. The shareholder's suggestion on venturing into other businesses was interesting. PTT would take the suggestion into consideration.

Currently, PTT had approximately 100 auto care service centers. PTT also had approximately 27 branches of FIT AUTO, which offered comprehensive auto care services, such as, oil change service and light repair and mile-based maintenance service. It was likely that PTT would continuously operate more branches of FIT AUTO in the future.

Mr. Thara Chonpranee,
a shareholder,

commented as follows:

1. The sequence of the agenda items was important, e.g. the sequence of agenda items of a meeting, particularly the order of the appointment of directors in the list of agenda items.
2. With respect to the convening of meetings of the shareholders, the annual general meeting of shareholders of a subsidiary should be held before the meeting of shareholders of its parent company.
3. PTT Group companies sent a copy of the minutes of their respective shareholders' meetings to all shareholders after the meetings.

However, the shareholder would like to make a suggestion to the Stock Exchange and the SEC Office that every listed company should be required to send the copy of the minutes of the annual general meeting of shareholders to the shareholders at their place of residence after the meeting. Shareholders should not have to wait one year before receiving a copy of the minutes of the preceding shareholders' meeting along with the notice calling the subsequent shareholders' meeting and be required to certify the said minutes at such subsequent shareholders' meeting.

4. What businesses were included under the retail business that would be transferred to PTTOR? To what extent did PTT plan to expand the scope of its business?

The Chairman

thanked the shareholder for his suggestion and asked the President & CEO to provide an explanation on the retail business and the expansion of the scope of business.

The President & CEO

explained that with respect to the expansion of the scope of the retail businesses other than the sale of fuel, in terms of the retail business, the Company would start by looking at operating additional businesses at the service stations, such as coffee shops (Café Amazon), convenience stores, and restaurants.

In addition, the service stations and Café Amazon shops would also be launched overseas. The approach for the business expansion was based on the consideration of what goods and services would be able to respond to the needs of the consumers subject to the principle of good morality.

Ms. Aree Ussavanuphap,
a shareholder,

asked question and commented as follows:

1. What negative effects would PTT suffer as a result of the business restructuring by the transfer of business to PTTOR?
2. The shareholders proposed that compensation be fixed for the shareholders as travel expenses for attending the meeting, considering that the members of the Board receive a meeting allowance.

The Chairman

requested Mr. Auttapol Rerkpiboon, Senior Executive Vice President, Oil Business Unit to provide an explanation to the shareholders.

Mr. Auttapol Rerkpiboon, Senior Executive Vice President, Oil Business Unit,

explained that, from PTT's point of view, the purpose of the business restructuring was to adapt the structure to be in line with the business environment. Given that the business to be transferred to PTTOR was highly competitive, it was therefore necessary for the business to be more flexible. The businesses that are operated by PTT, as a state enterprise, e.g. the sale of fuel oil and petroleum products to government organizations and state enterprises via special methods would not be transferred to PTTOR.

The Chairman

explained as follows:

1. The corporate restructuring would be beneficial to the country and the general public as a whole. There would be competition between gas service stations and other types of services. The disadvantage was the fact that PTT would be subject to tax obligations in favor of the public sector as a result of the transfer of the business to PTTOR.
2. The directors attending this Meeting did not receive any meeting allowance – as was also the case with the shareholders. Meeting allowances were only for meetings of the Board of Directors in the ordinary course of business.

In the past, PTT had given out souvenirs to its shareholders for attending the meeting. However, the SEC Office had issued a circular asking that listed companies refrain from giving souvenirs. For this reason, the majority of the listed companies no longer gave out souvenirs to shareholders attending the meetings.

The President & CEO

explained that the Independent Financial Advisor had analyzed the strengths, weaknesses, advantages, and disadvantages of the business transfer transaction, as stated in the documents distributed to the shareholders, that is, that once PTT had reduced its shareholding proportion in PTTOR, PTT would hold at least 45 percent of PTTOR's shares, and the recognition of revenue of PTTOR following the listing on the Stock Exchange would be in line with the proportion of shares held by PTT. This may have some impact on the financial statements of PTT. Notwithstanding the foregoing, the sale of PTTOR shares would result in an influx of cash for PTT. If PTT was able to efficiently manage and use the cash from the

