



No. PTTEP 13143/00-3197/2018

Corporate Secretary Division
Tel: 0 2537 4749

12 April 2018

Subject: Minutes of the 2018 Annual General Shareholders' Meeting

To: Shareholders

Attachment: Copy of the Minutes of the 2018 Annual General Shareholders' Meeting

In reference to the 2018 Annual General Shareholders' Meeting (AGM) held by PTT Exploration and Production Public Company Limited (PTTEP) on 2 April 2018, enclosed herewith are the Minutes of the meeting which has been posted on PTTEP website on 12 April 2018.

If you wish to submit any amendments or objections to these Minutes, please contact PTTEP no later than 14 May 2018 in order for PTTEP to have sufficient time to collect all such amendments and objections (if any) for further consideration. If no such input is received, it shall be deemed that all shareholders approve these Minutes as written.

Yours sincerely,

PTT Exploration and Production Public Company Limited

(Translation)

**Minutes of the 2018 Annual General Shareholders' Meeting
PTT Exploration and Production Public Company Limited**

2 April 2018 at 9.30 hrs.

**Bangkok Convention Center, 5th Floor, Central Plaza Ladprao (Plaza Zone)
1695 Phaholyothin Road, Chatuchak, Bangkok 10900**

Before the Meeting

Meeting participants were initially shown the Corporate Governance video with regards to the promotion of the Corporate Governance in shareholders' meetings of listed companies, and the Nine Principles of Best Practices for shareholders issued by the Stock Exchange of Thailand. The purpose of the video was to raise the knowledge and awareness of shareholders regarding their rights, benefits, roles, and duties at shareholders' meetings. Moreover, for safety reasons, all fire exit locations were pointed out to meeting participants.

Opening of the Meeting 9.30 hours

Mr. Prajya Phinyawat, Chairman of the Board of Directors, was the Chairman of the Meeting in accordance with the Company's Articles of Association (AoA). He announced that there were 693 shareholders attending in person and 272 proxy holders, totaling 965 persons, which was equivalent to 1,958 shareholders. This represented 2,789,288,655 shares, which corresponded to approximately 70.2594 % of the total number of shares sold, constituting a quorum pursuant to the Company's AoA. The Chairman then declared the Meeting open. Directors and the Management attending the Meeting are as follows:

Directors attending the Meeting

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|----|-----------------|--------------------|---|
| 1. | Mr. Prajya | Phinyawat | Chairman of the Board of Directors and Chairman of the Independent Directors Committee |
| 2. | Mr. Ampon | Kittiampon | Vice Chairman of the Board of Directors Independent Director, Chairman of the Audit Committee and Chairman of the Nominating Committee |
| 3. | Mr. Tevin | Vongvanich | Director |
| 4. | Admiral Tanarat | Ubol | Vice Chairman of the Independent Directors Committee, Chairman of the Corporate Governance Committee and Member of the Remuneration Committee |
| 5. | Mr. Sethaput | Suthiwart-Narueput | Independent Director, Chairman of the Risk Management Committee and Member of the Nominating Committee |
| 6. | Mr. Achporn | Charuchinda | Independent Director, Chairman of the Remuneration Committee and Member of the Audit Committee |
| 7. | Mr. Pitipan | Tepartimargorn | Director, Member of the Corporate Governance Committee and Member of the Risk Management Committee |
| 8. | Mr. Wirat | Uanarumit | Director and Member of the Risk Management Committee |
| 9. | Mr. Twarath | Sutabutr | Director and Member of the Risk Management Committee |

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| 10. | Major General Nimit Suwannarat | Independent Director, Member of the Nominating Committee and Member of the Risk Management Committee |
| 11. | Ms. Panada Kanokwat | Independent Director, Member of the Audit Committee and Member of the Corporate Governance Committee |
| 12. | Mr. Kulit Sombatsiri | Director and Member of the Remuneration Committee |
| 13. | Mr. Bundhit Eua-arporn | Independent Director |
| 14. | Ms. Penchun Jarikasem | Director and Member of the Risk Management Committee |
| 15. | Mr. Somporn Vongvuthipornchai | Director and Chief Executive Officer |

All 15 directors attended the meeting accounted for 100%

Management attending the meeting

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| 1. | Mr. Phongsthorn Thavisin | President, Exploration and Production |
| 2. | Ms. Pannalin Mahawongtikul | Executive Vice President, Finance and Accounting Group |
| 3. | Ms. Pranot Tirasai | Executive Vice President, Corporate Affairs and Assurance Group and Acting Senior Vice President, Corporate Secretary Division |
| 4. | Mr. Thiti Mekavichai | Executive Vice President, Human Resources and Business Services Group |
| 5. | Mr. Prapat Sophonpongpiat | Executive Vice President, Geosciences and Exploration Group |
| 6. | Mr. Montri Rawanchaikul | Executive Vice President, Strategy and Development Group |
| 7. | Mr. Vuthiphon Thuampoomngam | Executive Vice President, Engineering and Development Group |
| 8. | Mr. Chayong Borisuitsawat | Acting Executive Vice President, Operations Support Group |
| 9. | Mr. Waranon Laprabang | Acting Executive Vice President, Production Asset Group |
| 10. | Mr. Yongyos Krongphanich | Senior Vice President, Finance Division |
| 11. | Ms. Kesara Limmeechokchai | Senior Vice President, Safety, Security, Health and Environment Division |
| 12. | Ms. Jaroonsri Wankertphon | Senior Vice President, Accounting Division |
| 13. | Ms. Nat Lohsuwan | Senior Vice President, Communications and Public Affairs Division |
| 14. | Ms. Ladawan Siamharn | Senior Vice President, Legal Division |
| 15. | Ms. Natruedee Khositaphai | Senior Vice President, International Asset |
| 16. | Ms. Chanamas Sasnanand | Acting Senior Vice President, Internal Audit Division |

Auditors attending the Meeting

Representatives of the Office of the Auditor General (OAG):

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|----|-----------------|-------------|------------------------------------|
| 1. | Ms. Buddhachard | Tanjong | Auditor, Senior Professional Level |
| 2. | Ms. Suntaree | Tapenthong | Auditor, Senior Professional Level |
| 3. | Ms. Supasuta | Chutimavong | Auditor, Professional level |

The Company appointed Ms. Veeranuch Thammavaranucupt as an independent and external legal advisor from Weerawong, Chinnavat & Partners Ltd. (Weerawong C&P). Two independent persons were invited to witness the vote counting procedures. One of whom was an external legal advisor from Weerawong C&P and the other was a representative from the shareholders. Names of the independent persons are as follows:

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|----|---------------|------------|---------------|
| 1. | Ms. Koonnicha | Srimontien | Legal Advisor |
| 2. | Ms. Wichuporn | Jearsuwan | Shareholder |

The Chairman invited Ms. Pranot Tirasai, Corporate Secretary, to elaborate on the Meeting practices guidelines to meeting participants as follows:

1. The sequence of agenda items of today's Meeting would be in the same order as set out in the Notice of the Meeting. Supporting documents of each agenda item would also be presented and meeting participants would be given an opportunity to ask questions or raise issues related to their agenda items by raising their hands. Upon receiving the Chairman's permission, the participant must be at the appointed microphone and state their names to the Meeting before making enquiries. Meeting participants would be allowed to ask questions or raise issues irrelevant to the Meeting's agenda items after Agenda item 7.
2. In order to achieve an effective meeting and to save time for others, questions and issues raised by meeting participants must be relevant to the Meeting's agenda items. For this purpose, PTTEP would like to reserve the right to conduct the Meeting as appropriate.
3. The voting process of each agenda item shall be administered in a transparent manner. Meeting participants who vote against or abstain from voting on each agenda item shall mark their votes on the ballot and raise their hands in order for the staff to collect the ballots. Ballots collected after the vote closing announcement shall be considered as voting agree.
4. For the vote counting process of each agenda item, the staff will exclude the "against" and "abstain" votes as well as voided ballots (if any) from the total number of votes of each agenda item. The remaining votes shall be counted as "for" votes.
5. In pursuant to the Public Company Limited Act B.E. 2535 and the Company's AoA the vote counting process can be classified into three categories as follows:
 - 5.1 Agenda items, which required a majority of the total number of votes cast by shareholders who were present at the Meeting and voted, were Agenda items 2, 3, 4 and 7. The "abstain" vote will not be counted for the purpose of determining such total number.
 - 5.2 An agenda item, which required no less than three-fourths (3/4) of the total votes of the shareholders who attend the meeting and have the right to vote was Agenda item 5. All votes from shareholders present shall be counted for the purpose of determining such total number.
 - 5.3 An agenda item, which required no less than two-thirds (2/3) of the total number of votes cast by the shareholders present was Agenda item 6. All votes from shareholders present shall be counted for the purpose of determining such total number.

6. PTTEP will vote as according to the indication in Proxy C; however for case that the proxy did not indicate the vote and the proxy holder did not cast a vote, PTTEP shall consider the vote as abstain.
7. In voting, a ballot is considered voided when, but not limited to, a shareholder cast on more than the permitted number of votes or when there was no signature of meeting participants ratifying the strikethrough information on the ballot. Splitting a vote on a ballot shall also invalidate a ballot, with the exception given to the custodians.
8. The resolution of each agenda item would be announced on the following agenda item, in which the resolution was divided into four categories, including “for”, “against”, “abstain” and “voided”. Each category will be presented in percentage based on the total required number of votes respective to each agenda item. The total number of meeting participants with voting rights may vary as some shareholders left early or arrived after the Meeting was declared open. For an agenda item with regard to the appointment of directors, the resolution shall be presented individually.
9. Before leaving the Meeting room, meeting participants were requested to return the remaining ballots to the staff for the voting review of an agenda item regarding the appointment of directors.

The Chairman reported to the Meeting that, from 15 September – 15 December 2017, PTTEP made an announcement on the website and in newspaper inviting shareholders to propose any matters that they considered important to be included in the Meeting agenda. Moreover, shareholders were given an opportunity to nominate qualified candidates for the PTTEP director elections as well as to send in questions regarding the Meeting agenda or other related information before the Meeting date. Shareholders have sent enquiries in advance and PTTEP already preliminary replied and summarized the explanation to inform the Meeting in each related agenda.

Mr. Vicha Chockpongpun, a shareholder requested that the Chairman of the Board of Director, as chairman of the Meeting to inform his retirement by rotation according to Agenda item 7. Chairman clarified that he is the Chairman of the Meeting pursuant to the AOA, and would chair the Meeting until Agenda item 7, appointment of new directors in replacement of those who are due to retire by rotation in which, for transparency, all 5 directors including himself will leave the room. And Chairman of the Nominating Committee and Vice Chairman of the Board of directors would chair the meeting in replacement of himself during that Agenda. The Meeting agenda items would be conducted in the same order as posted on the Company's website on 26 February 2018 and as stated in the Notice of the Meeting distributed to shareholders in advance on 12 March 2018. In addition, the information presented to the Meeting was in both Thai and English. Moreover, to demonstrate a fair and equal treatment to all shareholders, the Company also arranged a translator for foreign shareholders who attended the Meeting. The Chairman then conducted the Meeting in accordance with the Meeting agenda as follows:

Agenda Item 1: To acknowledge the 2017 performance results and the 2018 work plan of the Company

The Chairman invited Mr. Somporn Vongvuthipornchai, Chief Executive Officer (CEO), to present to the Meeting on the Company's performance. CEO reported that the Company has disclosed its 2017 performance in the 2017 Annual Report and the 2017 Sustainability Report, both of which have been distributed to all shareholders. Subsequently, the summary of the Company's 2017 performance and the 2018 work plan was presented via a 10-minute video.

After the video presentation, the Chairman informed the Meeting that since this Agenda was related to Agenda item 2, which was the approval of the 2017 financial statements, he would like Mr. Somporn Vongvuthipornchai to present Agenda item 2 before allowing shareholders to ask questions or raise issues. Moreover, since this Agenda item was for shareholders to acknowledge the 2017 performance and the 2018 work plan, the Agenda could be concluded as follows:

Resolution: The Meeting acknowledged the Company's 2017 performance and the 2018 work plan as proposed.

Agenda Item 2: To approve the financial statements for the year ended 31 December 2017

The Chairman asked Mr. Somporn Vongvuthipornchai, Chief Executive Officer (CEO), to present the 2017 financial statements to the Meeting. Following the VDO presentation on 2017 PTTEP performance and 2018 work plan, CEO then summarized the overall strategy and work plan as follows.

In 2017, PTTEP was able to deliver average sales volume from the existing projects at 300,000 barrels of oil equivalent per day (BOED) with the unit cost of approximately 30 US dollars per barrel as planned. For 2018, the Company targets to maintain the sales volume and unit costs at the similar level.

In terms of new investment to increase petroleum reserves and deliver sustainable growth, PTTEP has focused on 3 directions comprising;

1. Bidding of Thailand's expiring concessions which is one of the top priorities for the Company.
2. Development of 4 key projects, listing of which were presented in the VDO.
3. Merger and Acquisition (M&A). Earlier in 2018, PTTEP had acquired around 22% participating interest in Bongkot Project from Shell, The deal is under government approval process.

In preparation for changes that are taking place in the energy business, PTTEP has restructured its organization to enhance management efficiency and support initiation of new businesses, including joint investment in the LNG business with PTT and possible expansion of investment to the gas value chain, including power, in countries where PTTEP can build upon its presence in the upstream sector especially in the CLMV Countries. More concrete framework for new businesses will be clearly defined in 2018.

For the agenda on the approval of the financial statements for the year ended 31 December 2017, CEO presented as follows.

Average sales volume in 2017 was 299,206 barrels of oil equivalent per day (BOED), decreasing 6% from 319,521 BOED in 2016. The decrease was primarily due to lower crude sales from PTTEP Australasia Project as well as lower gas sales from Sinphuhorm Project in northeastern part of Thailand.

Average selling price in 2017 was 39.20 US dollars per barrels of oil equivalent (BOE), increasing by 9% when compared to 2016 average selling price of 35.91 US dollars per BOE which was in line with the movement of global oil prices.

Total revenue for the year 2017 amounted to 4,523 million US dollars, increased by 4% from the total revenue in 2016 mainly due to higher sales revenues and other revenues including interest income and gain from foreign exchange rate due to Thai Baht appreciation again US dollar.

In total, PTTEP and its subsidiaries (PTTEP Group) reported recurring net profit in 2017 of 836 million US dollars, increased 79% from 466 million US dollars in 2016. This was achieved primarily from higher average selling price and 5% reduction in unit cost from "SPEND SMART" program which was previously launched as "Save to be Safe" cost saving program.

For loss from non-recurring items of 242 million US dollars in 2017, it has higher loss by 148 million US dollars or more than 100% in comparison to loss from non-recurring items of 94 million US dollars in 2016. The two main reasons are:

1. Higher recognition of an impairment loss on assets of 558 million US dollars in 2017 as a result of impairment charge from the revision of the Mariana Oil Sands Development plan as well as Final Investment Decision (FID) postponement.
2. Decrease of income tax expense in 2017 as a result of currency appreciation of Thai Baht against US dollar that arise from the difference between the functional currency and the tax filing currency.

Most of these losses from non-recurring items were in accordance with the International Accounting Standard with no impact to the cash flow of PTTEP Group.

In summary, for the year 2017, PTTEP Group had net profit of 594 million US dollars or 0.13 US dollar per share, comparing with net profit of 372 million US dollars or 0.08 US dollar per share.

As at 31 December 2017, PTTEP Group had total assets in the amount of 19,220 million US dollars, an increase of 329 million US dollars or 2% when compared with the total assets as at 31 December 2016, primarily due to an increase in cash and cash equivalents as well as short term investment.

As at 31 December 2017, PTTEP Group had total liabilities of 7,703 million US dollars, an increase of 198 million US dollars or 3% when compared with total liabilities as at 31 December 2016 of 7,505 million US dollars. The increase in total liabilities was primarily due to an increase in provision for decommissioning cost from establishment of new production facilities and development wells to support production activities.

As at 31 December 2017, the capital structure comprised shareholders' equity in the amount of 11,517 million US dollars, an increase of 1% when compared with shareholders' equity as at 31 December 2016 of 11,386 million US dollars. Such increase was from positive contribution from net profit of 2017, net of dividend payment during the year.

Interest bearing debt to equity ratio stood at 0.25 times at the end of 2017, maintained at similarly low level to that at the end of 2016. PTTEP Group also has cash and cash equivalents of around 4,468 million US dollars which was higher than interest-bearing debts, resulting in net debt to equity ratio of minus 0.14 times. This showed that PTTEP Group's capital structure remained strong and PTTEP Group was well prepared to support the future investment opportunities.

- For this agenda, Mr. Rittichai Yibcharoenporn, a shareholder, sent enquiries and recommendations in advance which can be summarized as follows:
 - (1) Short and long term investment plan from current cash on hand of 4.5 billion US dollars.
 - (2) Return on investment in LNG value chains, the trend of gas price in 2018 and gas price formula.
 - (3) Following the acquisition of 22.2222% stake in Bongkot Project, what is the return on investment and benefits of this acquisition since its concession will be expired in 2022-2023? How much is the incremental average sales volume for 2018? and how much PTTEP's decommissioning costs if the Company doesn't win the bid?
 - (4) Plan to participate in Thailand's expiring concessions bidding for both Bongkot and Erawan as well as their potentials.
 - (5) Potentials and unit cost of Mozambique Rovuma Offshore Area 1 and details of investment in PTTEP's new businesses.

PTTEP clarified that:

- (1) The 4.5 billion US dollars cash on hand at the end of 2017 will be used to fund for our future M&A projects which would focus on investment in the Southeast Asia where we have production base and experiences. This includes the acquisition of approximately 22% stake in Bongkot Project, bidding for new exploration blocks in Malaysia and Mexico as well as providing cushion for oil price volatility in the future.
- (2) PTTEP has invested in LNG business to expand its presence and capture value-creation opportunities downstream. This includes the joint-investment with PTT in 10% stake in the MLNG Train 9 Project in Malaysia which is an LNG liquefaction facility with production capacity of 3.6 million tons per year. For project investment, depending on the risk of the project, PTTEP considers return on investment in the range of 10% to 15%, in line with the general investment criteria of the Company. The investment in this Project is considered as low risk because the plant has already been constructed and gas sales contracts are in place.

As for the trend in the Company's average gas price in 2018 and the gas price calculation. Our gas prices are 30-50% linked to fuel oil with the remains linked with other indices for the petroleum industry. Gas price formula has a lag time in adjustment of 6-12 months varying for each gas sale contract. Assuming that the Dubai price is at 60 US dollars per barrel, the average gas price for 2018 is estimated at round 6.2 US dollars per million BTU.

- (3) The acquisition of 22.2222% stake in Bongkot Project from Shell allowed PTTEP to promptly recognize for revenues and net profit. The sales volume and proved reserves will increase by approximately 35,000 BOED (full-year calculated) and 50 million BOE respectively.

Moreover, the Bongkot Project is operated by PTTEP, has low cost structure and yields appropriate returns on investment. Decommissioning cost was already included in the assessment for acquisition. As the operator, PTTEP plans to maintain production until 2021, a year before the concession expires. However, if PTTEP wins the bid for Bongkot, the Company will adjust the investment plan to deliver as stable production as possible to best ensure continuity in the energy supply in accordance with the Government's policy.

- (4) Issues relating to Bongkot and Erawan new bidding round and its potentials as well as decommissioning cost, CEO clarified that PTTEP is fully ready to bid for both fields. However, the potential of these two fields cannot be disclosed to public because it will affect the competition in the bid.

PTTEP had assessed the decommissioning cost at the end of 2017 for all projects at around 2 billion US dollars recording as non-current liabilities in Financial Statements but abstain from disclosing by project.

- (5) The Mozambique Project had discovered tremendous gas resource with recoverable resources of over 75 Trillion Cubic Feet (TCF) comparing to total Thailand proved and probable reserves of 11-12 TCF. However, PTTEP's resources are allocated according to participating interest of 8.5% in the project. Once developed and commissioned, the Company expects the project to contribute approximately 25,000-30,000 BOED or 7-9% of PTTEP's overall production volume.

Concerning unit cost of Mozambique Project, PTTEP remains confident that the project has necessary economy of scale to drive cost down and keep the project commercially viable. Details of unit cost cannot be disclosed at this stage as the project is under consideration for final investment and under negotiation for gas sale agreement.

PTTEP has considered 3 directions for new businesses. These include (1) seeking value creation opportunities down the gas value chain, including power, especially in CLMV countries, i.e. the Republic of the Union of Myanmar; (2) commercialization of technologies developed by PTTEP such as Drones and Robotics; and (3) investment in renewable energy. Scopes and directions for all of these initiatives are expected to be more clearly defined in 2018.

- Besides, PTTEP received the recommendation from Mr. Soonntorn Sontrapornpol to expand business into gas-based power plant which PTTEP thanked for the recommendation and it would be the supporting data for further study in new businesses.
- The progress of Oil spill case in Australia, CEO informed that there are two parts; filing in Australia which is under court procedure and filing by the Government of Indonesia which the case had recently been revoked. PTTEP is closely monitoring the situation. CEO thanked for the advanced enquiries from shareholders.

After the presentation the Chairman then opened the floor to the meeting participants for questions, which can be summarized as follows:

1. Mr. Vicha Chockpongpun, a shareholder, recommended that oil and gas trading should be done through Government to Government (G to G), which will result in lower costs and will be beneficial for Thai people from lower petroleum prices, while PTT & PTTEP would manage afterwards. Besides, he enquired about who will be the gas buyer of Mozambique Project since European countries can secure oil and gas from Russia with the low price.

The Chairman thanked for the recommendations and explained that PTTEP as the national oil company will comply with the Government's policies.

CEO clarified that, for the marketing of LNG products from the Mozambique project, there have been negotiations on the sales and purchase agreements with potential customers in East Asia, namely China and Japan, as well as Europe.

2. Mr. Wiwat Koosakul, a proxy holder from Ms. Orapin Thidarat, made 4 enquiries as follows:
 - (1) The reason for the establishment of as many as 22 subsidiaries in the Cayman Islands (The Cayman), even though the number of subsidiaries had been reduced from 3 years ago by 6 companies and despite the fact that CEO of PTT previously informed that all subsidiaries in the Cayman Islands had been closed. Why do they still exist in PTTEP financial statement?
 - (2) What is the percentage of these 22 subsidiaries to PTTEP consolidated financial statements?
 - (3) The reason for increasing in interest income around 1,000 million Baht in 2017 comparing to 2016.
 - (4) The reason for increasing in other income and general administrative expenses.

CEO clarified that as from 2012, PTTEP set a policy not to set up subsidiaries in the Cayman Islands and would only set up subsidiaries in countries in the White List. About 12 subsidiaries in the Cayman Islands were terminated and about 20 remaining companies that are currently operating. If they are inessential for business operation and without any expenses, PTTEP will consider to terminate those subsidiaries. However, PTTEP does not have any bank account opened in the Cayman Islands. Bank accounts are opened in Thailand or in the investment countries only. And PTTEP confirms that PTTEP Group pays taxes according to the laws both in Thailand and the countries of investment. For the rest of the questions, CEO requested Ms. Pannalin Mahawongtikul, Executive Vice President of the Finance and Accounting Group to clarify as follows:

- (1) The portion of the subsidiaries registered in the Cayman Island is 7-8% of PTTEP consolidated financial statements.
- (2) The increasing of interest income was from the higher investment in long term deposit as PTTEP has a lot of cash on hand which resulted in higher interest rate.
- (3) The increasing of other income was mostly from revenue from pipeline transportation from the Republic of the Union of Myanmar to Thailand which is in line with higher gas price.

Additional clarification from Mr. Tevin Vongvanich for PTT that both PTT and PTTEP are listed companies and managed separately. PTT has closed all its subsidiaries in the Cayman Islands. The remaining subsidiaries in the Cayman Islands are subsidiaries of PTTEP that are still operating as already clarified by PTTEP CEO.

3. Mr. Rittichai Yibcharoenporn, a shareholder, thanked for answering the advance enquiries and made 3 additional enquiries as follows:
 - (1) Following the decrease of PTTEP's petroleum reserves from last year, what is the Company plan to increase petroleum reserves and focus area for future E&P investment? The investment in new countries, apart from people, investment and technology, it also requires good relationship with the Government, well understanding of local law and others issues.

- (2) What is the Government's tendency to announce petroleum system for expiring concessions, Bongkot and Erawan, either in the form of Production Sharing Contract (PSC) or Concession or Service Contract? And what is the difference for revenue structure of PTTEP in case of it announced as PSC? What is the likelihood for PTTEP to win the bidding?
- (3) What is the portion of cost reduction from PTTEP own management and from negotiation with contractors? Is there a chance that unit cost will increase in the future? And how is PTTEP's unit cost when benchmarking with international peers?

The chairman explained that in short term, PTTEP acquires producing asset such as acquisition of stakes in Bongkot Project from Shell for immediate accretion of petroleum reserves and cash flow. For the long term, PTTEP participates in bidding round or farm-in to exploration project i.e. Mexico bidding round. However, the investment in exploration phase requires long period of time but low investment cost. For the bidding of expiring Bongkot and Erawan concessions, the Government will likely designate PSC as the fiscal regime for the new bidding round according to the latest news. The chairman also informed that during the low oil price period, unit cost came down partly following cost deflation in the industry. When the oil price increases, part of the unit cost will increase in the same direction. Nevertheless, PTTEP emphasized on continuous cost reduction and PTTEP unit cost is still maintained in the first quartile.

CEO added on the following points.

- (1) PTTEP plans to increase petroleum reserves in the future by means as follows.
 - (1.1) Joining the bidding of expiring concession. The acquisition of stakes in Bongkot Project, PTTEP will make further investments to maintain production to 2021, a year before concession end. In case of PTTEP wins the bidding of this project, the Company also will adjust the investment plan to maintain production level beyond that to ensure continuity in gas supply.
 - (1.2) Development of four key projects as stated in the VDO presentation, namely, Mozambique Project, Ubon Field, Algeria Project, and Vietnam Projects. Once final investment decisions are made, this will result in higher petroleum reserves for PTTEP.
 - (1.3) Acquisition of oil and gas projects (M&A) that are near to production or in the production phase and in the areas that PTTEP is familiar and has experiences with.
 - (1.4) In addition to the above mentioned and for long-term future, petroleum reserves will be driven by exploration projects. The Company has drilling activities planned for the deep water and onshore exploration projects in the Republic of the Union of Myanmar as well as concessions in Thailand. Moreover, PTTEP was awarded an exploration block in Malaysia in 2017 and two additional blocks in 2018. PTTEP furthermore joined Mexico bidding round.
- (2) Terms and conditions for the bidding of expiring Bongkot and Erawan concessions are still to be announced by the Government, which is expected during late April to early May 2018. It is likely that the PSC scheme will be adopted, and PTTEP is well familiar with and ready to operate under this system as the Company has experiences in operating and investing in the countries with PSC system such as the Republic of the Union of Myanmar, Malaysia-Thailand Joint Development Area (MTJDA), and other counties. Once the Government announces the details of bidding scheme, PTTEP will then be able to compare the differences of the revenue structure between PSC and concession systems.

- (3) During the past 3 years, PTTEP has continuously committed to unit cost reduction. The reductions achieved so far came from two primary factors: industry cost deflation and optimization and efficiency improvement. For the cost deflation, when oil price drops, exploration and production activities also decline, resulting in lower costs of drilling rig procurement, marine logistics, and production platform construction. Thus, PTTEP has been able to negotiate for lower prices and secured a number of 2-3 years term contracts. Nonetheless, these costs will consequently rise as oil prices recover. As for optimization and efficiency improvement, PTTEP has always emphasized this factor especially in the areas of drilling and platform design. Drilling constitutes the main portion of gas production cost in the Gulf of Thailand, and during the past 2-3 years, the Company has attempted to reduce number of drilling days, accelerate drilling process, and increase efficiency. Additionally, PTTEP also carried out a Fit-for-purpose designs for wellhead platforms to eliminate any unnecessary processes which come with cost.
4. Mr. Peeradech Sutangkorakul, a shareholder, enquired on how the PSC bidding scheme would affect PTTEP's investment decisions.

CEO clarified that under the PSC system, usually the Government will monitor operations more closely and there expects to be more processes and requirements for Government's approval. However, the terms and conditions are subject to further announcement from the Department of Mineral Fuels. Tax and profit sharing will be clear when bidding condition was announced.

When there were no further enquiries, the Chairman asked Ms. Pranot Tirasai, the Corporate Secretary, to proceed with the ballot collecting and vote counting. For the vote counting procedures previously mentioned Ms. Pranot Tirasai asked shareholders, who voted "against" or "abstain" that have not cast a vote, to submit the ballots for the vote counting and calculation.

After the vote calculation was complete, the Corporate Secretary announced the resolution of Agenda item 2 to the Meeting. The voting comprised agreed 3,200,178,070 votes or 100%; disagreed 0 votes or 0 % abstained 57,515 votes; and voided ballots 3,500 votes.

Resolution: The Meeting, by majority of the total of votes cast by shareholders who were present and voted, approved the financial statements for the year ended 31 December 2017 as proposed.

Agenda Item 3: To approve the dividend payment for 2017 performance.

The Chairman invited Mr. Somporn Vongvuthipornchai, Chief Executive Officer (CEO) to present the Agenda to the Meeting.

As presented in agenda items 1 and 2 regarding the Company's 2017 performance and financial statements, the Company reported a net income of 594 million US dollars. Therefore, a dividend payment for the 2017 year of operations at 4.25 Baht per share for the total amount of 16,872 million Baht, or equivalent to approximately 525 million US dollars, is proposed by the board of directors based on the following considerations:

1. PTTEP is in a strong financial position with recurring net profit of 836 million US dollars and operating cash flows amounting to 2,687 million US dollars. The company has been able to maintain low cash cost at 13.94 US dollars per BOE and unit cost at 29.05 US dollars per BOE. Cash flows from operation are sufficient to support capital expenditures to maintain production levels, as well as sufficient to service interest payments on debt, while leaving adequate amounts for dividend payments.
2. PTTEP continues to emphasize the importance of shareholder returns and shareholder expectations; the Company has taken into consideration the dividend payouts of other international oil and gas peers, and has also compared the dividend yields relative to the returns from alternative investment options such as government bonds and bank deposits.
3. PTTEP has continuously managed its cost structure through the SPEND SMART campaign during the 2017 year of operations, and as a result has been able to reduce expenditures by more than 200 million US dollars relative to the Company's planned budget. The Company has therefore considered returning a portion of these savings to shareholders via dividends.

4. PTTEP's significant amount of cash and cash equivalents on hand of 4,468 million US dollars is sufficient to support the Company's investment strategy as presented in the video during the first agenda of the AGM. Moreover, this level of cash and cash equivalents also serves as an adequate cushion to support oil price volatility.

The Company has already paid the interim dividend for the first half-year operations of 2017 at the rate of 1.50 Baht per share on 25 August 2017, from unappropriated retained earnings under Petroleum Income Tax Act. The remaining 2017 dividend of 2.75 Baht per share will also be paid from unappropriated retained earnings under the Petroleum Income Tax Act. Shareholders who are entitled to receive the dividend are those as listed on the Record Date of 9 February 2018. Dividends shall be paid on 12 April 2018.

At the end of the proposal, the Chairman opened the floor for shareholders to make enquiries. Since there were no further enquiries or suggestions, the Chairman asked Ms. Pranot Tirasai, the Corporate Secretary, to proceed with the ballot collection and vote counting. Ms. Pranot Tirasai asked shareholders who had not yet casted a vote to submit their ballots if they wish to "vote against" or "abstain", for the vote counting.

After the vote calculation was completed, the Corporate Secretary announced the resolution of Agenda item 3 to the Meeting. The voting comprised agreed 3,202,890,412 votes or 99.9992%; disagreed 25,300 votes or 0.0008%; abstained 1,782,401 votes; and voided ballots 2,500 votes.

Resolution: The Meeting, by majority of the total of votes cast by shareholders who were present and voted, acknowledged the interim dividend payment and approved the dividend payment for the year 2017 at the rate of 4.25 Baht per share. The Company had already made an interim dividend payment for the first half-year operations of 2017 on 25 August 2017 at the rate of 1.50 Baht per share from unappropriated retained earnings under Petroleum Income Tax Act. This remains 2017 dividend of 2.75 Baht per share from unappropriated retained earnings under the Petroleum Income Tax Act. Shareholders who are entitled to receive the dividend are as listed on the Record Date on 9 February 2018. Dividends shall be payable on 12 April 2018.

Agenda Item 4: **To appoint the auditor and consider the auditor's fees for year 2018**

The Chairman requested Mr. Ampon Kittiampon, Chairman of the Audit Committee to present this agenda item to the Meeting. Mr. Ampon Kittiampon presented that PTTEP is state-owned enterprise according to The Budget Procedures Act and the Office of the Auditor General (OAG) is responsible for auditing state-owned enterprise. PTTEP continues to be governed by such law.

The Organic Act on State Audit B.E. 2561, effective on 22 February 2018, requires the OAG to audit the financial statements of the audited agency, including PTTEP. The Board of Directors, with the recommendation of the Audit Committee, considered that the OAG should be the Company's auditor for year 2018. The expenses related to auditing for year 2018 should not exceed 2.70 million Baht.

The Chairman informed that Mr. Pathompong Ruangkanaruk from the SCB Asset Management Co. Ltd. sent advance enquiry to ask for the reason of increasing fee for year 2018. PTTEP preliminary answered the shareholder and Mr. Ampon Kittiampon explained that the OAG had not increased the audit fee during 2015 – 2017, therefore the Company agreed that this amount is reasonable. The actual charged fee will be based on terms of the law but would not exceed the approved limit.

The Chairman also opened the floor for enquires from the shareholders as summarized below.

1. Mr. Ritichai Yipcharoenporn, a shareholder, enquired about Non Audit Services Fee mentioning on the invitation letter. He asked for clarification on how it would be spent for the preparation of Comfort Letter supporting the issuance of subordinated capital debentures of 17 million Baht.

Ms. Pannalin Mahawongthikul, Executive Vice President, Finance and Accounting Group, explained that the Comfort Letter would be issued when there are new bonds issuing or there is Liability Management that needs the OAG to issue. The purpose of the Comfort Letter is different from the Audit and involves with various standards, including international standards. Therefore, the fee would be charged apart from auditor's fee regarding these matters and paid to the OAG.

2. Mr. Sathaporn Kotaranurak, a shareholder, made 3 enquiries as follows:
- (1) Whether the auditor's fee of 2.70 million Baht includes subsidiaries and associated companies or not. If it does not, how much total fee shall be?
 - (2) Would PTTEP hire another auditor for overseas auditing?
 - (3) In the financial statement, there were 2 OAG auditor signatures; Ms. Pongchomnad Jariyajinda and Mr. Prawit Tantrajin. If there was any legal case, who would take the responsibility? How long had PTTEP been appointing 2 auditors? Would there be any changes for the auditor appointed?

Mr. Ampon Kittiampon explained that the expenses related to auditing of 2.70 million Baht would be only for PTTEP while 5.93 million Baht would be for 29 subsidiaries. The total of auditor's fee is 8.63 million Baht. However, PTTEP would only request for approval of the PTTEP's auditor.

Mr. Ampon Kittiampon also explained the 3rd enquiry that the OAG is responsible for auditing state-owned enterprise according to The Organic Act on State Audit and PTTEP is a state-owned enterprise according to The Budget Procedures Act. According to The Organic Act on State Audit B.E. 2561, effective on 22 February 2018, requires the OAG to audit the financial statements of the audited agency, including PTTEP.

Ms. Pannalin Mahawongthikul explained the 2nd enquiry that PricewaterhouseCoopers (PwC) is the major auditor for overseas subsidiaries. For 2018 auditor's fee, it is still on process of negotiation. For year 2017, the auditor's fee was 27.27 million Baht.

Ms. Veeranuch Thammavaranukupt, Legal Advisor from WeeravongChinawatra and Partners explained for the 3rd enquiry that these 2 OAG auditors perform on behalf of the OAG. Therefore, the OAG would be responsible for the legal case should the incident proves to be on their mistakes. The Public Limited Companies Act does not mention about changing the auditor. In general, companies tend to change a private auditor every 3-5 years.

3. Mr. Bassant Kumar Duga, a shareholder recommended as below:
- (1) Please consider PwC or other leading audit companies as the Company's auditor.
 - (2) Please state number of Comfort Letter issued in the invitation letter for next Annual General Shareholders Meetings.

The Chairman requested the management to take the issues for consideration.

The Chairman thanked the shareholders for the comments and, with no further questions, requested Ms. Pranot Tirasai to proceed the ballot collecting and vote counting. For the vote counting procedures previously mentioned, Ms. Pranot Tirasai asked shareholders, who voted "against" or "abstain" that had not cast a vote, to submit the ballots for the vote counting and calculation.

After the vote calculation was completed, the Corporate Secretary announced the resolution of Agenda item 4 to the Meeting. The voting comprised agreed 2,879,879,798 votes or 89.6697%; disagreed 331,772,327 votes or 10.3303%; abstained 422,999 votes; and voided ballot 0 votes.

Resolution: The Meeting, by majority of the total of votes cast by shareholders who were present and voted, approved the appointment of the Office of the Auditor General of Thailand (OAG) to be the auditor of the Company for the year 2018 with expenses related to auditing for year 2018 in the amount not exceeding 2,700,000 Baht.

Agenda Item 5: To approve the amendment of PTTEP Articles of Association Article 21, Chapter 4 General Meeting and Article 9, Chapter 3 Board of Directors

The Chairman invited, Mr. Somporn Vongvuthipornchai, to elaborate on the details of the Agenda to the Meeting. Mr. Somporn Vongvuthipornchai presented to the Meeting as follows:

1. Article 21, Chapter 4 (General Meeting) of the Articles of Association (AoA): The National Council for Peace and Order (the "NCPO") issued Order No. 21/2560 on 4 April 2017, to amend laws governing business operations in order to improve and facilitate doing business in Thailand. The Public Company Act B.E. 2535 (1992) section 100 was also amended to provide more benefits to shareholders by reducing minimum required amount of shares to request the Board of Directors to convene an extraordinary meeting of shareholder from 20% to 10% of the total number of shares sold. The Board of Directors has considered and agreed to propose that Article 21, Chapter 4 of the AoA is to be amended in compliance with the amended law as follows:

"The Board of Directors shall arrange for an Annual Ordinary Meeting of Shareholders to be held within four months after the end of the fiscal year of the Company.

All other meetings are called "Extraordinary Meetings." The Board of Directors may summon an Extraordinary Meeting whenever they think fit, or one or more shareholders holding shares amounting to not less than ten percent of the total number of shares sold may subscribe their names to a notice requesting the Board of Directors to convene an Extraordinary Meeting of shareholders at any time; provided that, they shall also specify reasons for such request in the notice. In such case, the Board of Directors must arrange for a meeting of shareholders within forty five days from the date of receipt of the notice.

In the case where the Board of the Directors fails to arrange a meeting within the period as in paragraph two, the shareholders who subscribed their names or along with other shareholders amounting as given are entitled to hold the meeting. This is subject to a condition that such group of shareholders shall convene the meeting within forty five days of the lapse of the due date in paragraph two. In such case, the meeting shall be considered as a meeting called by the Board of Directors where the company must be accountable for any essential expenses incurred from the meeting and facilitate the meeting as appropriate.

In the case that the shareholders' meeting called in accordance with paragraph three is not met by meeting quorum requirements in this Articles of Association, the shareholders who called for the meeting shall cover the expenses of that meeting themselves."

The proposed amendment of the AoA in this regard is for compliance with the laws.

2. Article 9, Chapter 3 (Board of Directors) of the AoA: The AoA specifies that the Board of Directors shall nominate one of the directors to be Chief Executive Officer (CEO); whereas in the current practice, the Nominating Committee will consider and propose qualified person to the Board of Directors for the appointment of CEO position and then appoint the CEO to be an Executive Director. The Board of Directors has considered and agreed to propose that Article 9, Chapter 3 of the AoA is to be amended as follows:

"The Board of Directors shall elect among themselves one Chairman, one more director to be Vice Chairman, if it deems appropriate, and appoint Chief Executive Officer who shall be elected to be a Director and appoint an executive to be a Secretary of the Board of Directors."

CEO added that Mr. Patompong Ruangkanarak, representative from SCB Asset Management Company, and Social Security Office submitted 2 questions prior to the AGM. The first was whether the revision of the Company's AoA on CEO appointment would be inconsistent with the Securities and Exchange Commission (SEC)'s rules or PTTEP's Good Corporate Governance and Business Ethics (CG&BE). On this subject, the Company has already explained to the shareholder that the revision is not in conflict with SEC's rules nor PTTEP's CG&BE and the amendment was proposed so that the AoA appropriately reflects actual practices as explained in the agenda.

The second question was which party is authorized to elect a director in the event that a directorship becomes vacant for reasons other than retirement upon the expiry of his/her term. CEO elaborated that in such case, according to PTTEP's AoA and the Public Limited Companies Act, the Board of Directors holds the authority to elect a qualified candidate in replacement of the director.

At the end of the proposal, the Chairman opened the floor for enquiries from the shareholders.

With no further enquiries or suggestions, the Chairman asked Ms. Pranot Tirasai to proceed the ballot collecting and vote counting. Ms. Pranot Tirasai asked shareholders who had not yet cast a vote to submit their ballots if they wish to "vote against" or "abstain", for the vote counting.

After the vote calculation was completed, the Corporate Secretary announced the resolution of Agenda item 5 to the Meeting. The voting comprised agreed 3,211,896,537 votes or 99.9900%; disagreed 19,901 votes or 0.0006%; abstained 298,211 votes or 0.0093%; and voided ballot 2,500 votes or 0.0001% .

Resolution: The Meeting by votes not less than three-fourths (3/4) of the total votes of the shareholders who attend the meeting and have the right to vote, approved the Amendment of the Articles of Association Article 21, Chapter 4 General Meeting, Article 9, Chapter 3 Board of Directors.

Agenda Item 6: To approve the Board of Directors' and the sub-committees' remuneration

The Chairman invited, Mr. Achaporn Charuchinda, Chairman of the Remuneration Committee, to elaborate on the details of the Agenda to the Meeting on his behalf.

Mr. Achaporn Charuchinda presented to the Meeting that the Remuneration Committee had reviewed the remuneration package of the Board of Directors and Sub-Committees for 2018, which is based on the Principles of Good Corporate Governance for Listed Companies 2017. The principles govern and outline standards for shareholders to review and approve the remuneration package, which suits the company strategies, short and long term goals, experience, the scope of their duties and responsibilities. These could be compared with listed companies in the same industry.

The Company has considered the following:

1. In 2017 PTTEP reported good performance with net profit of 594 million US dollars increased 60% from net profit of 2016. The main contribution is persistent effort in our cost management and operational improvement led to the further reduction of PTTEP's unit cost for 5% from previous year.
2. PTTEP and its subsidiaries are able to sustain current production level from existing projects with low operating cost to secure profit generation capability and create shareholders' values continuously.
3. Directing strategy during low and volatile oil price situation and closely monitoring and driving performance so that PTTEP is able to achieve its strategic goal as well as well preparing for Thailand's expiring concessions bidding of Bongkot and Erawan Field.
4. Expanding the cooperation in the LNG value chain with PTT in order to achieve business growth and considering preparation for increase of operation efficiency and potential to support changes and seeking business expansion in related E& P other emerging energy businesses for sustainable future growth.

5. In 2018 PTTEP also received several awards as a testament of recognition from the various domestic and oversea organizations reflecting good corporate governance of the company. PTTEP was selected, for the fourth consecutive year, as a member of the 2017 Dow Jones Sustainability Index (DJSI) in the Oil and Gas Upstream & Integrated Industry sector and received the Sustainability Report Award 2017 – Best Category, the Thailand Sustainability Investment Award 2017 from the Stock Exchange of Thailand various as well as CSR awards and recognition.
6. Details of the remuneration package of the Board of Directors and the Sub-Committees are as follows:
 - 6.1 The existing remuneration package is in line with listed companies in the same industry; therefore, the Remuneration Committee reviewed and deemed it appropriate to propose with the Board of Directors' approval, for the Shareholders' consideration, that the remuneration package of the Board of Directors and the Sub-Committees for 2018 to be at the same rate as that of 2017 for all items, namely:
 - 6.1.1 The Board of Directors is to receive retainer fee and meeting fee at the same rate as that of 2017, i.e.:
 - (1) Retainer fee: 40,000 Baht/person/month, to be paid in full amount
 - (2) Meeting fee: 40,000 Baht/person/meeting, only paid to directors who attended the meeting
 - 6.1.2 The Board of Directors is entitled to receive a bonus of 0.1% of the annual net profit from the Company's consolidated annual financial statements with a ceiling of 60 million Baht, if the Company distributes dividend to shareholders in 2018. The bonus payment to Directors would be a proportionate share, based on the length of their service in the financial year.
 - 6.1.3 Remuneration of the Chairman of the Board of Directors is to be increased by 25% for all items.
 - 6.2 Remuneration of the Sub-Committees: According to the Company's Articles of Association, there were five standing Sub-Committees, namely, (1) the Audit Committee (2) the Remuneration Committee (3) the Nominating Committee (4) the Corporate Governance Committee and (5) the Risk Management Committee. The remuneration of the five Sub-Committees was the same as that of 2017, i.e.:
 - 6.2.1 Meeting fee: 40,000 Baht/person/month, only paid to directors who attended the meeting
 - 6.2.2 Remuneration of the Chairman of each Sub-Committee is to be increased by 25%.

The Chairman explained that Directors who were shareholders and independent directors who had been granted proxies by shareholders to cast the vote as they deem fit should only vote "abstain" on this agenda to avoid conflict of interest. The Chairman then opened the floor to shareholders to make enquiries as follows:

Mr. Basant Kumar Dugar, a shareholder stated that currently the Board of Directors is entitled to receive a bonus of 0.1% of the annual net profit from the Company's consolidated annual financial statements with a ceiling of 60 million Baht only if the Company distributes dividend to shareholders. The shareholder suggested that the bonus rate be increased to be higher than 0.1% of the annual net profit and without any ceiling, so as to be incentive for the Board of Directors.

Mr. Achaporn Charuchinda thanked the shareholder and stated that the Remuneration Committee will take it for further consideration.

The Chairman thanked the shareholder for the comment and with no further questions, requested Ms. Pranot Tirasai, the Corporate Secretary, to proceed with the ballot collecting and vote counting. For the vote counting procedures previously mentioned, Ms. Pranot Tirasai asked shareholders, who voted “against” or “abstain” that had not cast a vote, to submit the ballots for the vote counting and calculation.

The voting of Agenda item 6 regarding the approval of the remuneration of the board of directors and the sub-committees included agreed 3,172,938,061 votes or 98.7677%; disagreed 39,245,561 votes or 1.2216%; abstained 344,523 votes or 0.0107%; and voided ballot 0 votes or 0.0000%.

Resolution: The Meeting, by no less than two-thirds (2/3) of the total number of votes cast by the shareholders who were present, approved the remuneration package of the Board of Directors and sub-committees in all items for 2018 at the same as rate of 2017.

Agenda Item 7: **To approve the appointment of new directors in replacement of those who are due to retire by rotation**

To comply with the Good Corporate Governance principle, the Chairman asked all directors due to retire by rotation to temporarily leave the meeting room to abstain from the consideration of this Agenda. These directors were:

1. Mr. Prajya Phinyawat
2. Mr. Pitipan Teparimargorn
3. Mr. Panada Kanokwat
4. Mr. Bundhit Eua-Arporn
5. Admiral Tanarat Ubol

The Chairman invited Mr. Ampon Kittiampon, the Vice Chairman, to elaborate more details of the Agenda to the meeting.

Mr. Ampon Kittiampon presented to the Meeting that one third or five of the directors who were to retire by rotation at every annual general meeting should be those who had been in the position the longest. This year, the five directors due to retire by rotation were:

1. Mr. Prajya Phinyawat
2. Mr. Pitipan Teparimargorn
3. Mr. Panada Kanokwat
4. Mr. Bundhit Eua-Arporn
5. Admiral Tanarat Ubol

According to PTTEP's Good Corporate Governance and Business Ethics (CG&BE), Independent Directors must account for at least half of all Directors. The said criteria is stricter than the rule set by the Capital Market Supervisory Board which requires only one-thirds of all Directors to be independent. From 15 September to 15 December 2017, the Company invited shareholders to nominate qualified candidates for the PTTEP director in SET's News Portal, the Company's website, and newspaper. However, no nomination from the shareholders was received by the Company.

The Nominating Committee has thoroughly considered, for maximum benefit of the Company, the current board composition considering their skill mix together with several qualities, namely: (1) qualifications, (2) experience, (3) skills, (4) not assuming a directorship or executive-level position in more than 3 listed companies at once and not assuming a directorship in more than 3 state enterprises or their holding companies in accordance with the Cabinet resolution of 24 January 2011, (5) term of directorship, (6) the list of director's pool of the State Enterprise Policy Office, and (7) the proposal of PTT Public Co., Ltd., a major shareholder of the Company. The Nominating Committee deemed it appropriate to propose the following candidates to the meeting:

1. Mr. Prajya Phinyawat be re-elected for another term because he possesses knowledge, understanding and extensive experience in energy business for the whole value chain from upstream to downstream. He formerly held the position as PTTEP's President who was responsible for Bongkot operatorship transfer which successfully operated according to the plan. He also held the positions as top executive in companies of PTT group both in gas, petrochemical and refinery businesses. Mr. Prajya therefore has business vision in energy strategy and business changes to support organization transformation under the volatile energy situation.
2. Mr. Pitipan Tepartimargorn be re-elected for another term because he possesses knowledge, capability and experience especially in Human Resources Management and Organization Development in energy sector for many years. His past assignments as a Senior Executive Vice President, Human Resources and Organization Excellence and Chief Operation Officer, Upstream Petroleum and Gas Business Group at PTT are very beneficial for setting up PTTEP's strategy on human resources management in supporting the business and organization transformation for PTTEP's future growth.
3. Ms. Panada Kanokwat be re-elected for another term because she has knowledge, capability and expertise in accounting and finance. She has vast experience working in the field of accounting and finance in many leading financial institutions. Also, she formerly held the positions as financial top executive and Director in the companies in PTT group, therefore she has very good knowledge and clear understanding on energy business and project investments.
4. Mr. Bundhit Eua- arporn be re-elected for another term because he possesses knowledge and expertise in engineering especially in technology and innovation. He emphasizes on building up innovation from existing resources for more value-added. Moreover, he also emphasizes on "people" by putting more on "people development" by building their competencies and encourage them to work with their best potential. This will be very beneficial for PTTEP in terms of developing its human resources to support organization change under the challenging energy business situation.
5. Admiral Tanarat Ubol be re-elected for another term because he has knowledge, experience and expertise in security and safety especially in marine safety which is very useful for setting up PTTEP's strategy to support company's marine operation. Admiral Tanarat also has vision to direct PTTEP to be the world-class organization that ensures the stabilities in energy and economic not only for Thailand but also for the ASEAN. PTTEP will be consequently well-recognized internationally.

The Nominating Committee was of the opinion that the five directors due to retire by rotation possess knowledge and understanding of petroleum business which is considered a specific business, familiarity with PTTEP's business operations, vision and good understanding of energy policy. In addition, they have successfully and continuously led and driven PTTEP to survive the low oil price crisis and to implement the transformation to support new businesses, both E&P related and non-E&P related, and enhance the Company's organization, process and culture so as to be ready for disruptive technology. All of the foregoing are for the Company's competitiveness, sustainable growth. These five directors due to retire by rotation should therefore be re-elected as directors so as to continue carrying out the strategies and business transformation which were implemented in 2017.

The Board of Directors approved the proposal presented by the Nominating Committee, who thoroughly considered the matter. Directors with conflicts of interest in this Agenda did not participate in the Nominating Committee and the Board of Directors meetings.

Subsequently, Mr. Ampon Kittiampon opened the floor to shareholders to make enquiry, which can be summarized as follows:

1. Mr. Basant Kumar Dugar, a shareholder, appreciated the work of the Board of Directors for the better of company's performance in the past year and suggested the following areas:
 - (1) To set up another Sub-Committee, namely "Business Competitiveness Enhancement Committee" in order to follow up on company's competitiveness in all aspects with the belief that it will enhance Company's financial return.
 - (2) To pay higher remuneration to the Directors who possess a doctoral degree.
 - (3) To appoint secretary of each Sub-Committee in order to follow up on issues from the Sub-Committee meetings.
 - (4) To encourage PTTEP's Chairman and CEO to attend the international executive training programs such as management and leadership development program by Institute for Management Development (IMD) in Switzerland.

Mr. Ampon Kittiampon thanked Mr. Basant Kumar Dugar for the suggestions and explained that PTTEP has set up the Ad hoc Board on Business and Organization Transformation to prepare the organization for changes and potential new businesses from disruptive technology. Mr. Bundhit Eua-Arporn was appointed to be the Chairman of this Ad hoc Board. For other suggestions, PTTEP will take issues no. (3) and no. (4), but not issue no. (2), for further consideration.

2. Mrs. Warunee Thippayachai, a shareholder, suggested the following areas:
 - (1) PTTEP's Directors should not be the director at any other company. The Directors must contribute their time adequately for the Company.
 - (2) PTTEP should put more effort into developing new technologies to support innovations. The King Mongkut's University of Technology Thonburi and the King Mongkut's Institute of Technology Ladkrabang are the institutions where there are experts on building new innovations.
3. Mr. Thanaprasert Pairojpachara, a shareholder, commented as follows:
 - (1) Disagree on the suggestion of Mr. Basant Kumar Dugar to pay higher remuneration to the Directors who have a doctoral degree.
 - (2) By accepting to be PTTEP's Directors, all Directors have considered to allocate their times sufficiently for the Company. For PTTEP's remuneration of the Board of Directors, the ceiling amount of 60 million Baht is quite high.

Mr. Ampon Kittiampon clarified the suggestion from Mrs. Warunee Thippayachai on the directorship that PTTEP requires all Directors not to assume a directorship or executive-level position in more than 3 listed companies at once and all PTTEP's Directors follow this requirement. And for the comment from Mr. Thanaprasert Pairojpachara about paying higher remuneration for Directors who hold a doctoral degree, Mr. Ampon Kittiampon assured that it is not a normal practice amongst listed companies.

Mr. Achporn Charuchinda, Chairman of the Remuneration Committee, further explained that the Board of Directors are entitled to receive a bonus at 0.1% of the annual net profit with a cap of up to 60 million Baht. In principle, the actual bonus will be calculated at 0.1% of the annual net profit.

At this time, there was a fire at one of the spotlights, Mr. Ampon Kittiampon then asked the Shareholders to leave the meeting room and temporarily suspended the meeting. When the situation came back to normal, Mr. Ampon Kittiampon invited the Shareholders to come back into the meeting room and continued the meeting with the required quorum.

4. Mr. Basant Kumar Dugar, a shareholder, further suggested 2 more areas:
- (1) KPI should be set for the Board of Directors to promote business expansion. If the additional KPI is achieved, the Board's remuneration should be increased.
 - (2) PTTEP's top executives should join the Prime Minister's expedition to other countries to seek opportunities for business expansion.

Mr. Ampon Kittiampon thanked Mr. Basant Kumar Dugar once again and PTTEP will take the suggestions to consideration and also informed that PTT and PTTEP's top executives as well as the representatives from private sectors have joined the trips with the Prime Minister to confer with business sectors internationally.

There was no further enquiry, the Chairman then asked Ms. Pranot Tirasai, the Corporate Secretary, to proceed with the ballot collecting and vote counting. For the vote counting procedures previously mentioned, Ms. Pranot Tirasai asked shareholders, who voted "against" or "abstain" that had not cast a vote, to submit the ballots for appointment of the five candidates as proposed by the Board of Directors.

Individual results of the vote counting for Agenda item 6 regarding to the appointment of directors retired by rotation were as follows:

Namelist	Agree, %	Disagree, %	Abstain	Voided Ballots
1. Mr. Prajya Phinyawat	3,222,106,831 (99.1089%)	28,968,776 (0.8911%)	315,971	0
2. Mr. Pitipan Teparimargorn	3,215,640,835 (98.9101%)	35,432,131 (1.0899%)	318,612	0
3. Mr. Panada Kanokwat	3,188,767,329 (98.0835%)	62,305,637 (1.9165%)	318,612	0
4. Mr. Bundhit Eua-Arporn	3,159,428,597 (97.1811%)	91,644,369 (2.8189%)	318,612	0
5. Admiral Tanarat Ubol	3,208,199,896 (98.6806%)	42,895,733 (1.3194%)	295,949	0

Resolution: The Meeting, by majority of the total of votes cast by shareholders who were present and voted, approved the election of the five directors as proposed. Four directors (number 1, 3 and 5) are independent directors according to their declaration that their qualifications conform to the PTTEP Definition of Independent Director.

Agenda Item 8: Other Matters

The Chairman informed the Meeting that all seven previous agenda items were completed, and they had now come to Agenda Item 8 – Other Matters. The Chairman then provided an opportunity to shareholders or proxies to propose any matters for the voting. In order to propose a matter, shareholders and/or proxies must hold shares no less than one-third of the all the shares issued, which was equivalent to 1,323,328,467 shares.

When there were no further proposals on Agenda Item 8, the Chairman then gave the opportunity to shareholders to enquire and/or suggest any general matters relevant to the Company which can be summarized as follows:

1. Mr. Vicha Chokpongpan, a shareholder, suggested that PTTEP considers allowing shareholders who previously joined the Company Shareholders' Site Visit to attend the event again at the shareholders' own costs.

The Chairman requested the management to take the issue for consideration.

2. Mr. Basant Kumar Dugar, a shareholder, suggested and supported PTTEP in the following areas:

- (1) PTTEP's positive free cash flow during 2017 strengthens the Company's financial status, with net cash flow which should also be in positive. Moreover, the Company's low cash conversion cycle during 2017 implies efficiency in cash management.
- (2) PTTEP shall consider refinancing debt maturing in 2018 with issuance of hybrid bonds. Also, PTTEP should highlight the net debt to equity ratio, which stood strong in 2017, in its presentation to shareholders.
- (3) Dividend payout ratio of the year 2017 is high compared to net income of the same year. PTTEP should consider to reinvest instead of dividend payment.
- (4) As shareholder's equity at the end of 2017 decreased from 2016, the Company should illustrate the change in the shareholders' equity during the year.

The Chairman thanked the shareholder and requested the management to take the issues for consideration.

3. Mrs. Warunee Tippayachai, a shareholder, suggested and enquired in the following areas:

- (1) In consideration that PTTEP currently holds a large amount of cash and cash equivalents, partly as a result of equity issuance in the past, and has large balance in unappropriated retained earnings, the Company should consider paying dividend at a higher rate of at least 10-15 Baht per share.
- (2) The Company should not refinance the debts as it would incur unnecessary interest expense.
- (3) For Mariana Oil Sands Project, what is the acquisition cost and accumulated loss of the project?

CEO thanked the shareholder for the suggestions, and informed that the Company comprehensively and thoroughly considered a range of factors when it made its decision to invest in the Mariana Oil Sands Project, including the oil prices which were at a much higher level, above 100 US dollars per barrel. At that time, a number of international oil companies also made investments in oil sands projects.

4. Mr. Wiwat Koosakul, a proxy holder from Ms. Orapin Tidarat, made comments on the following areas:

- (1) Investment decision in each project has to be based on consideration of several relevant factors presented at the time the decision is made.
- (2) Consideration to the dividend payment should aim at maintaining shareholders' return at an appropriate level as well as allocating adequate fund for the Company's future investments in accordance with the Company's strategic plan. This is to ensure the Company's sustainable growth.
- (3) Shareholders' Site Visit is a good program. The shareholder would like the Company to consider accommodating shareholders who reside outside of Bangkok or nearby provinces to travel from the shareholder's province of residence to the location of the site visit. Additionally, the Company should also consider allowing the selected shareholders to give the right to a representative to join the activity.

The Chairman thanked the shareholder and requested the management to take the issues for consideration.

When there were no further questions, comments or suggestions from meeting participants, the Chairman expressed sincere thanks to the volunteer shareholder and requested Mr. Sethaput Suthiwart-Narueput, to present a souvenir to the volunteer shareholder. The Chairman thanked the shareholders and the proxies for their participation.

Lastly, the Chairman announced that today there were 1,344 shareholders attending in person and 543 proxy holders, totaling 1,887 persons, equivalent to 3,737 shareholders. This represented 3,251,828,581 shares, which corresponded to approximately 81.9103% of the share capital. The Company would declare the vote results together with the resolutions of all the agenda items after final review through the Stock Exchange of Thailand today. Moreover, the Company would prepare the Minutes of Meeting, which were recorded relevant to the Meeting and the Company in summary would post on the website within 14 days and further send it to all the shareholders. If shareholders would propose for any revision or objections, please inform PTTEP within 14 May 2018 for consideration. In case that there are no objection or revision, It is deemed that the Minutes of Meeting is verified by shareholders. The Meeting was then adjourned.

Closing of the Meeting: 13.05 hours

Recorded by: M.L. Pannalert Vasiksiri

Certified true and corrected by: Ms. Pranot Tirasai

Prajya Phinyawat

Prajya Phinyawat

Chairman

Somporn Vongvuthipornchai

Somporn Vongvuthipornchai

Chief Executive Officer