



No. PTTEP 13143/00-3148/2017

Corporate Secretary Division
Tel: 0-2537-4819

12 April 2017

Subject: Minutes of the 2017 Annual General Shareholders' Meeting

To: Shareholders

Attachment: Copy of the Minutes of the 2017 Annual General Shareholders' Meeting

In reference to the 2017 Annual General Shareholders' Meeting (AGM) held by PTT Exploration and Production Public Company Limited (PTTEP) on 29 March 2017, enclosed herewith are the Minutes of the meeting which has been posted on PTTEP website on 12 April 2017.

If you wish to submit any amendments or objections to these Minutes, please contact PTTEP no later than 15 May 2017 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 2017 Annual General Shareholders' Meeting
PTT Exploration and Production Public Company Limited**

29 March 2017 at 14.00 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 14.00 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 1,344 shareholders attending in person and 573 proxy holders, totaling 1,917 persons, which was equivalent to 2,999 shareholders. This represented 3,101,473,738 shares, which corresponded to approximately 78.1231 % 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. Tevin | Vongvanich | Director |
| 3. | Mr. Ampon | Kittiampon | Independent Director
and Chairman of the Audit Committee |
| 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. Piti | Tantakasem | Independent Director, Chairman of the
Nominating Committee, Member of the
Risk Management Committee,
and Member of the Corporate Governance
Committee |

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|-----|---------------|--------------------|---|
| 6. | Mr. Manas | Jamveha | Director and Member of the Remuneration Committee |
| 7. | Mr. Pitipan | Tepartimargorn | Director and Member of the Risk Management Committee |
| 8. | Mr. Songsak | Saicheua | Independent Director and Member of the Corporate Governance Committee |
| 9. | Mr. Sethaput | Suthiwart-Narueput | Independent Director, Chairman of the Risk Management Committee, Member of the Audit Committee and Member of the Nominating Committee |
| 10. | Mr. Achporn | Charuchinda | Independent Director, Chairman of the Remuneration Committee and Member of the Audit Committee |
| 11. | Mr. Twarath | Sutabutr | Director and Member of the Risk Management Committee |
| 12. | Mr. Wirat | Uanarumit | Director and Member of the Risk Management Committee |
| 13. | Colonel Nimit | Suwannarat | Independent Director, Member of the Nominating Committee and Member of the Risk Management Committee |
| 14. | Ms. Panada | Kanokwat | Independent Director and Member of the Audit Committee |
| 15. | Mr. Somporn | Vongvuthipornchai | Director and President and Chief Executive Officer |

Management attending the meeting

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|----|-----------------|----------------|--|
| 1. | Mr. Phongsthorn | Thavisin | Chief Operating Officer, Production Asset and Operations Support Group |
| 2. | Mr. Thiti | Mekavichai | Executive Vice President, Human Resources and Business Services Group |
| 3. | Mr. Kanit | Sangwongwanich | Executive Vice President, Engineering and Development Group |
| 4. | Mr. Prapat | Soponpongpipat | Executive Vice President, Geosciences and Exploration Group |
| 5. | Ms. Pannalin | Mahawongtikul | Executive Vice President, Finance and Accounting Group |
| 6. | Ms. Pranot | Tirasai | Executive Vice President, Corporate Affairs and Assurance Group and Acting Senior Vice President, Corporate Secretary Division |

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|-----|----------------|--------------|--|
| 7. | Mr. Montri | Rawanchaikul | Acting Executive Vice President, Strategy and Development Group |
| 8. | Mr. Yongyos | Krongphanich | Senior Vice President, Finance Division |
| 9. | Ms. Jaroonsri | Wankertphon | Senior Vice President, Accounting Division, Financial and Accounting Group |
| 10. | Ms. Nat | Lohsuwan | Senior Vice President, Communications and Public Affairs Division |
| 11. | Mr. Sorasan | Milindasuta | Senior Vice President, Supply Chain Management Division |
| 12. | Ms. Ladawan | Siamharn | Senior Vice President, Legal Division |
| 13. | Ms. Chaveeporn | Chamsang | 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. | Mr. Prawit | Tantrajin | Director of Financial Audit Office No. 8 |
| 2. | Ms. Buddhachard | Tanjong | Auditor, Senior Professional Level |
| 3. | Ms. Manasnun | Prabsagoon | Auditor, Senior Professional Level |
| 4. | Ms. Suntaree Tapenthong | | Auditor, Professional level |

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

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|----|-------------|---------------|---------------|
| 1. | Mr. Banphot | Kittikinglert | Legal Advisor |
| 2. | Ms. Isaree | Trichoke | 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 6.
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 two 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 6. 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 two-thirds (2/3) of the total number of votes cast by the shareholders present was Agenda item 5. 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 2016, 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. However, no proposals or question was received. The Meeting agenda items would be conducted in the same order as posted on the Company’s website on 24 February 2017 and as stated in the Notice of the Meeting distributed to shareholders in advance on 10 March 2017. 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 2016 performance results and the 2017 work plan of the Company**

The Chairman invited Mr. Somporn Vongvuthipornchai, President and Chief Executive Officer (CEO), to present to the Meeting on the Company's performance. CEO reported that the Company has disclosed its 2016 performance in the 2016 Annual Report and the 2016 Sustainability Report, both of which have been distributed to all shareholders. Subsequently, the summary of the Company's 2016 performance and the 2017 work plan was presented via a 12-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 2016 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 2016 performance and the 2017 work plan, the Agenda could be concluded as follows:

Resolution: The Meeting acknowledged the Company's 2016 performance and the 2017 work plan as proposed.

Agenda Item 2: **To approve the financial statements for the year ended 31 December 2016**

The Chairman asked Mr. Somporn Vongvuthipornchai, President and Chief Executive Officer (CEO), to present the 2016 financial statements to the Meeting. CEO then summarized the operational and financial results of PTTEP and its subsidiaries for the year 2016 as follows.

The average sales volume in 2016 was 319,521 barrels of oil equivalent per day (BOED), decreasing 2,646 BOED or 0.8% when compared with the volume of 322,167 BOED in 2015. The decrease was driven primarily by the divestment in PTTEP Oman Company Limited.

Average selling price of 2016 decreased to 35.91 US dollars per barrels of oil equivalent (BOE), decreasing by 21% from the level of 45.29 US dollars per BOE in 2015, which was in line with the movement of global oil prices. Consequently, total revenue for the year 2016 amounted to 4,339 million US dollars, decreased by 23% from the revenue of 5,614 million US dollars in 2015.

Nevertheless, PTTEP and its subsidiaries managed to reduce unit cost by 22%. This was achieved primarily through the "Save to be Safe" cost saving program which was first launched in 2014 and subsequently introduced "SPEND SMART to Business Sustainability" aiming at sustaining the cost optimization in the short and long-term. PTTEP Group reported recurring net income in 2016 of 466 million US dollars, decreased by 252 million US dollars or 35% from 718 million US dollars in 2015.

For loss from non-recurring items of 94 million US dollars in 2016, it improved by 1,226 million US dollars or 94% in comparison to loss from non-recurring items of 1,572 million US dollars in 2015. This was mainly due to lower impairment loss on assets. The Company recognized an impairment loss on assets of 47 million US dollars in 2016 as a result of downward adjustments to the petroleum potential of Yetagun and Natuna Sea A projects, while the impairment loss in 2015 of 1,385 million US dollars was primarily as a result of oil price slump. These impairment charges were in accordance with the International Accounting Standard with no impact to the cash flow of PTTEP Group.

The impairment loss on assets in a general practice is assessed by comparing recoverable amount of the assets with their net book value. If there is any significant change which might have negative impact to the recoverable amount to be lower than the net book value for the relevant assets, impairment loss will have to be recognized. For 2016, there were downward adjustments to the production profiles of 2 projects which resulted in an impairment loss of 47 million US dollars.

In 2016, PTTEP and its subsidiaries posted net profit of 372 million US dollars or 0.08 US dollar per share, while PTTEP Group posted net loss of 854 million US dollars in 2015 or loss of 0.22 US dollar per share.

As at 31 December 2016, PTTEP and its subsidiaries had total assets in the amount of 18,891 million US dollars, a decrease of 751 million US dollars or 4% when compared with the total assets as at 31 December 2015 of 19,642 million US dollars, primarily due to depreciation expense even though PTTEP Group had additional investment in exploration and production assets and increased cash and cash equivalents from improved operating performance.

As at 31 December 2016, PTTEP and its subsidiaries had total liabilities of 7,505 million US dollars which included interest bearing debt of 2,832 million US dollars, a decrease of 809 million US dollars or 10% when compared with total liabilities as at 31 December 2015 of 8,314 million US dollars, which included interest bearing debt of 3,005 million US dollars. The decrease in total liabilities was primarily due to repurchase of bonds, a decrease in deferred tax liability as well as a decrease in income tax payable and accrued expenses.

As at 31 December 2016, the capital structure comprised shareholders' equity in the amount of 11,386 million US dollars, an increase of 58 million US dollars or 0.5% when compared with shareholders' equity as at 31 December 2015 of 11,328 million US dollars. Such increase was from positive contribution from net profit of 2016, net of dividend payment during the year.

Interest bearing debt to equity ratio stood at 0.25 times at the end of 2016, improving from 0.27 times at the end of 2015. After taking cash and cash equivalents of around 4,000 million US dollars which was higher than interest bearing debt into consideration, PTTEP Group is in a net positive cash position. This showed that PTTEP Group's capital structure remained strong and PTTEP Group was well prepared to cope with the volatility in oil prices as well as support the future investment opportunities.

Furthermore, PTTEP Group follows the strategies "Reset, Refocus, Renew" by emphasizing in continuous effort on cost optimization which allows PTTEP Group to cope with low oil prices and enhance its competitive advantages. Even if the oil prices slump further, PTTEP Group was well-prepared by maintaining solid financial position to support its sustainable growth.

In addition, CEO provided further clarification relating to Rolls-Royce's bribery case that, upon being made aware of such case on 19 January 2017, PTTEP immediately set up a fact-finding committee on 20 January 2017 to investigate procurement of equipment and service with Rolls-Royce on the Arthit Project within 30 days. The investigation was complete and the results were submitted to Office of the National Anti-Corruption Commission (NACC) for further investigation and actions. PTTEP will provide full cooperation to NACC and, without any exception, will take disciplinary and legal actions against all that are proven to be at guilt.

Over the years, PTTEP has pursued its anti-corruption policy seriously. The Company has set up extensive policy and measures against all kinds of corruptions and has made continuous improvement to its internal control system. PTTEP was enlisted a member to "Collective Action Coalition against Corruption" or CAC on 4 July 2014, being one of the top listed companies to have been enlisted. Application to continue PTTEP's membership status was filed on 8 December 2016 and is now under consideration of CAC. After the presentation the Chairman then opened the floor to the meeting participants for questions, which can be summarized as follows:

1. Ms. Karuna Aksarawut, a proxy holder from Ms. Issariya Aksarawut, made recommendations and enquiries as follows:

- (1) PTTEP Group's 2016 Return on Assets (ROA) of 1.97% was considerably very low compared to PTTEP Group's total assets. What was the industry's average ROA?
- (2) PTTEP shall cautiously evaluate risk of impairment in new long-term investment projects.

CEO clarified that:

- (1) Industry Average ROA in 2016 was 0.06%. It declined when compared to the past 3-5 years which is even lower than PTTEP Group's.
- (2) PTTEP has always conducted thorough due diligence of new investments which were then presented to relevant committees for approval before submitting to the board of directors for final consideration.

The Chairman added that impairment loss had been common for many E&P companies worldwide due to the oil price fluctuation during the past 2 years.

2. Mr. Prasert Kaewduangtien, a shareholder, made 2 enquiries as follows:

- (1) How would PTTEP Group's continuous decline in production volume during 2017 – 2021, according to the work plan presented in Agenda 1, affect PTTEP Group's revenue and net profit?
- (2) The impairment charge loss which was mentioned that it has no impact to PTTEP Group's cash flow should actually impact PTTEP Group financials because the assets' value had been declined.

CEO summarized as follows:

- (1) PTTEP and its subsidiaries's production plan only covers productions from currently-producing assets. As most of these assets have been producing for a long period of time, their petroleum potential therefore have been declining. Moreover, this projection does not take into account additional production volume from Bongkot project in the case that PTTEP was allowed to continue the project's concession and operatorship. Furthermore, PTTEP Group expected that production volume would further increase from future M&A investments as well as from projects that are currently pending for Final Investment Decision (FID) such as Mozambique Rovuma Offshore Area One and Algeria Hassi Bir Rekaiz projects.
- (2) Impairment recognition is a non cash transaction, hence they only affect PTTEP Group's financial performance in the year incurred but not to PTTEP Group's cash flow.

3. Mr. Basant Kumar Dugar, a shareholder, suggested and supported PTTEP and subsidiaries's performance in the following areas:
- (1) PTTEP's 2016 Sustainability Report was well published under the theme of His Majesty King Bhumibol Adulyadej's initiatives.
 - (2) PTTEP Group had made a great effort in further unit cost reduction as well as maintaining a very positive cash flow. This reflects PTTEP Group's strong financial position which would facilitate further investment opportunities for a sustainable growth. Nonetheless, PTTEP Group should consider profit as a key in future operations.
 - (3) Dividend Payout Ratio in 2016 was considerably high compared to net profit in the same year, and PTTEP has also offered to pay dividend at a greater rate than the annual earnings per share. How does the Company plan to allocate earnings for future investments?
 - (4) From the reporting of Debt-to-equity Ratio, PTTEP Group should also show Net Debt-to-equity Ratio in future Annual Reports as PTTEP Group's Net Debt is at a considerably good level.
 - (5) Revenue reporting in PTTEP Group's Annual Report presented revenues from crude oil and condensate separately from revenues from natural gas. Could net profit margin also be reported by product type in the same manner?

The Chairman elaborated on the consideration of 2016 dividend payment that the Company was able to manage its expenditure by lowering unit cost by 22% and maintaining sufficient cash on hand to well cover the 2017 and the 5-year investment plans. The Company therefore propose 2016 dividend at considerably high level without an impact on the future investment.

CEO clarified that since some projects' production comes in both liquid and natural gas product forms, the analysis using the net profit margin by project would be more appropriate than the use of the profit margin by product.

4. Mr. Hangchai Akkawasakul, a shareholder from Thai Shareholder Club, made 2 enquiries as follows:
- (1) After the investigation and submission of information to NACC, was any of PTTEP staff found to be involved with the Rolls-Royce case and what action has been taken?
 - (2) Regarding the Case of Montara oil spill, off the coast of Western Australia, what was a class-action lawsuit against the company? Have PTTEP prepared any fund for it?

CEO explained that:

- (1) As for the Rolls-Royce case, if any of PTTEP staff was found guilty of bribery and fraud, there would be disciplinary action and legal action taken against them without any exception.
- (2) As for the Montara oil spill case, PTTEP and PTTEP Australasia Pty Limited (PTTEP AA) both took part to rectify the situation and pay the fine to the government. Scientific evidence did not reveal any oil spill reaching the shoreline of Australia and Indonesia coast. However, seaweed farmers have launched a class-action lawsuit against PTTEP AA at the federal court, Sydney, Australia. The case is still ongoing.

5. Ms. Siriporn Khattapong from Thai Investors Association questioned that when combining the Company's financial statements with its subsidiaries' financial statements, this resulted in a decrease in net profit. How would PTTEP Group improve the overall performance?

The chairman asked Ms. Pannalin Mahawongtikul, Executive Vice President, Finance and Accounting Group to clarify. Ms. Pannalin explained that the combining of the Company's financial statements with its subsidiaries' financial statements is required under the accounting standards, in which there was also be the eliminating of intercompany transactions.

The chairman added that in most case PTTEP would set up subsidiary for managing each project. The Company presses continuous emphasis on the overall operation and performance of these subsidiaries.

6. Mr. Rittichai Yibcharoenporn, a shareholder, made 4 enquiries as follows:

- (1) What was the investment proportion between PTT and PTTEP of a joint venture for LNG business? How much investment has been put in and what was the rate of return on the investment?
- (2) Why PTTEP did had a loss of 4,000 Million Baht from Hedging? What was PTTEP's hedging policy? What is the E&P industry's best practice for hedging?
- (3) Recently companies in E&P industry started to invest again, at what level of oil price or margin would PTTEP consider to invest in CAPEX?
- (4) How was the unit cost reduction to 30 US dollars per BOE when compared with other leading companies?

The chairman explained that PTT has bought LNG from various sources. This was considered as a good opportunity that PTTEP should join the investment with PTT. As for Hedging, each E&P company has different objectives for hedging, for example, to reduce impact on its performance, to maintain level of cash flow for investment. Thus, there would be some risks for any gain or loss to be recognized from hedging.

Mr. Wirat Uanarumit, Director, also indicated that LNG business with PTT will link the upstream business (exploration and production) to the downstream business, whereby PTT is the purchaser of the product from this integrated business. This integrated LNG business includes both upstream and midstream (Liquefaction), transportation and trading. This could result in return from investments, as well as help reduce fluctuation in business.

Mr. Sethaputh Suthiwart-Narueput, the Chairman of the Risk Committee informed the objective and risk management policy for oil price of PTTEP Group that the objective is to mitigate risk, not speculation. If the oil price reduces, PTTEP Group will receive return at the agree-upon prices and gain from hedging, which will offset the decrease in sales revenue. However, if the oil price increases to more than the agreed price, there will be loss from hedging, but PTTEP Group will realize higher product selling price.

In 2016, oil prices decreased. PTTEP Group did hedge when oil prices were very low but later the oil price increased, and this resulted in the loss from hedging. This also included Mark-to-Market loss of the contracted volume that was yet to due. For the question on industry best practice for hedging, each company has different objectives on hedging. PTTEP Group considered to hedge to protect cash flow. Other big companies may accept risk by not entering into hedging transaction because they have integrated business.

CEO added that in investment consideration PTTEP also considered about oil prices as well as the rate of return. As for the unit cost reduction to 30 US dollars per BOE, PTTEP Group was able to reduce about 30% when compared with the unit cost in 2014 (since oil prices slump). The reduction was in line with other global leading companies.

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 as mentioned previously.

After the vote calculation was complete, the Corporate Secretary announced the resolution of Agenda item 2 to the Meeting. The voting comprised agreed 3,230,609,359 votes or 99.9969%; disagreed 99,990 votes or 0.0031%; abstained 16,679,881 votes; and voided ballots 33,740 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 2016 as proposed.

Agenda Item 3: To approve the dividend payment for 2016 performance

The Chairman invited Mr. Somporn Vongvuthipornchai, President and Chief Executive Officer (CEO), to elaborate on the details of the Agenda to the Meeting.

As presented in agenda items 1 and 2 regarding the Company's 2016 performance and financial statements, the Company reported a net income of 372 million US dollars, equivalent to an earnings per share of 0.08 US dollar. Therefore, a dividend payment for the year 2016 of Baht 3.25 per share and in the total amount of Baht 12,902 million is proposed by the board of directors based on the following considerations:

1. PTTEP continues to place importance of shareholder returns and shareholder expectations, and in proposing the 2016 annual dividend, the Company has taken into consideration the dividend payout compared to other international oil and gas companies, and has also compared the dividend yield to the returns from alternative investment options such as government bonds and bank deposits.
2. PTTEP has been successful in continuously managing its costs structure to remain competitive and as a result has reported cash flow from operations of over 2 billion US dollars which is sufficient in supporting the operations to maintain the current production levels, service debts, and make dividend payments.
3. PTTEP has cash and cash equivalents ready to support the company during an environment of oil price volatility and future investments opportunities per the Company's investment strategy presented in the first agenda of the AGM.

The Company has already paid an interim dividend for the first half-year operations of 2016 at the rate of Baht 0.75 per share on 25 August 2016, from unappropriated retained earnings under Petroleum Income Tax Act. This remains 2016 dividend of 2.50 Bath per share from unappropriated retained earnings under the Revenue Code, in which the shareholders would entitle to benefit from tax credit Shareholders who are entitled to receive the dividend are as listed on the Record Date on 9 February 2017. Dividends shall be payable on 10 April 2017.

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

Since 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 had not cast a vote, to submit the ballots for the vote counting and calculation as mentioned earlier.

After the vote calculation was complete, the Corporate Secretary announced the resolution of Agenda item 3 to the Meeting. The voting comprised agreed 3,235,146,927 votes or 99.9997%; disagreed 8,656 votes or 0.0003%; abstained 15,277,926 votes; and voided ballots 28,855 votes.

Resolution: The Meeting, by majority of the total of votes cast by shareholders who were present and voted, approved the dividend payment for the year 2016 at the rate of 3.25 Baht per share. The Company had already made an interim dividend payment for the first half-year operations of 2016 on 25 August 2016 at the rate of 0.75 Baht per share from unappropriated retained earnings under Petroleum Income Tax Act. This remains 2016 dividend of 2.50 Baht per share from unappropriated retained earnings under the Revenue Code. Shareholders who are entitled to receive the dividend are as listed on the Record Date on 9 February 2017. Dividends shall be payable on 10 April 2017.

Agenda Item 4: To appoint the auditor and consider the auditor’s fee for year 2017

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 classified as a state-owned enterprise according to Budget Procedures Act, B.E. 2502 and the Office of the Auditor General (OAG) is responsible for auditing the finance of a state-owned enterprise in accordance with the Organic Act on State Audit B.E. 2542. PTTEP had consistently appointed OAG as its independent auditor. There existed no conflict of interests between the independent auditor and the Company or its subsidiaries, executives, major shareholders, or others related parties mentioned herein.

The Board of Directors, with the recommendation of the Audit Committee, considered that the OAG was a reliable institution with a good performance record, having sufficient and capable staff members and a reasonable fee, therefore agreed to propose to the Meeting for the approval of the appointment of OAG as PTTEP’s independent auditor for the year 2017 with an annual audit fee of 2.35 million Baht, which was same to that of last two years.

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

1. Mr. Ritichai Yipcharoenporn, a shareholder, enquired whether PTTEP pays the audit fee in an amount of 2.35 million Baht to OAG or directly pay to their officers who come to audit.

Mr. Ampon Kittiampon explained that PTTEP paid the audit fee to OAG. The OAG officers who come to audit are government officers therefore, their compensation are paid according to the rules and regulations of the OAG.

2. Mr. Vicha Chokpongpan, a shareholder, enquired whether or not all companies in PTT Group will appoint OAG as its auditor, and commented that if OAG is the auditor for the whole PTT Group would increase trust and confident.

The Chairman explained that PTT and PTTEP are the state-owned enterprises therefore OAG is appointed as their independent auditor. For other companies in PTT Group, which are not state-owned enterprises, they may appoint other auditors.

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 as mentioned earlier.

After the vote calculation was completed, the Corporate Secretary announced the resolution of Agenda item 4 to the Meeting. The voting comprised agreed 3,220,898,407 votes or 99.5117%; disagreed 15,804,146 votes or 0.4883%; abstained 15,306,273 votes; and voided ballot 28,850 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 2017 with an annual fee at 2,350,000 Baht.

Agenda Item 5: To approve the remuneration of the Board of Directors and the Sub-Committees

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 2017 by taking into consideration the following factors: (1) remunerations of listed companies with comparable size in the same industry (2) performance of the Company (3) performance of the Board of Directors and Sub-Committees (4) the scope of their duties and responsibilities and (5) economic situation overview. Considering the above factors, the remuneration of the Board of Directors and Sub-Committees from the 2017 onward was deemed as appropriate compared to other leading companies, and thus should be presented to the shareholders' meeting for approval as follows:

Remuneration of Board of Directors:

1. Retainer fee: to receive the same rate as that of 2016 by setting the amount to be at 40,000 Baht/person/month. The fee was to be paid in full amount.

Meeting fee: to receive the same rate as that of 2016 by setting the amount to be at 40,000 Baht/person/meeting. The fee was only paid to directors who attended the meeting.

2. Bonus: to entitle the Board of Directors to receive a bonus of 0.1% of the annual net profit from the Company's consolidated annual financial statements. The Board of Directors was only entitled to receive a bonus when the Company distributed dividend to shareholders. Similar to the practice in 2016, the 2017 bonus payment to Directors would be a proportionate share, based on the length of their service in the financial year. The bonus rate was to remain the same at 0.1% of the annual net profit with ceiling to 60 million Baht.

3. Remuneration of the Chairman of the Board of Directors: all items of remuneration were increased by 25%.

Sub-Committees: According to the Company's Article of Association, there were five standing Sub-Committees; (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 2016, which were as follows:

- (1) Meeting fee: 40,000 Baht/person/month. The fee was only paid to directors who attended the meeting.
- (2) Remuneration of the Chairman of each Sub-Committee: all items of remuneration were increased by 25%.

The Chairman explained that Directors who were shareholders and independent directors, who had been granted proxies by shareholders should only vote "abstain" on this agenda to avoid conflict of interest. The Chairman then opened the floor to shareholders to make enquiries; however there was no 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 the vote counting and calculation as mentioned earlier. The resolution of this Agenda required no less than two-thirds (2/3) of the total number of votes cast by the shareholders present and entitled to vote.

The voting of Agenda item 5 regarding the approval of the remuneration of the board of directors and the sub-committees included agreed 3,203,669,581 votes or 98.5084%; disagreed 33,127,019 votes or 1.0186%; abstained 15,353,632 votes or 0.4721%; and voided ballot 29,050 votes or 0.0009%.

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 of the board of directors and the sub-committees for year 2017 onwards as proposed.

Agenda Item 6: 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. Ampon Kittiampon
2. Mr. Twarath Sutabutr
3. Mr. Tevin Vongvanich
4. Mr. Somporn Vongvuthipornchai
5. Mr. Manas Jamveha

The Chairman invited Mr. Piti Tantakasem, Chairman of the Nominating Committee, to elaborate more details of the Agenda to the meeting.

Mr. Piti Tantakasem, Chairman of the Nominating Committee, presented to the Meeting that one third of the directors or five directors who were to retire by rotation at every annual general meeting should be those who had been in office longest since their last appointment. In 2016, the five directors due to retire by rotation were:

1. Mr. Ampon Kittiampon
2. Mr. Twarath Sutabutr
3. Mr. Tevin Vongvanich
4. Mr. Somporn Vongvuthipornchai
5. Mr. Manas Jamveha

From 15 September – 15 December 2016, the Company invited shareholders to nominate qualified candidates for the PTTEP director election 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 several qualities, namely: (1) qualifications (2) experience (3) skills (4) not assuming a directorship or executive-level position in more than 4 listed companies at once or in any state enterprises or its holding more than 3 companies as according to the Cabinet resolution of 24 January 2011 (5) term of directorship (6) the list of state enterprise directors from 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. Ampon Kittiampon be re-elected for another term because he possesses knowledge, expertise and experiences in economics, legal, as well as in energy business and government policy. He has been serving in high rank positions for the Government, State Enterprise and public companies e.g. Ex-Secretary General of the Prime Minister, Chairman of the Board of the Bank of Thailand for 2 directorship terms. He plays significant role as the Chairman of the Audit Committee for PTTEP and been recognized by IOD for Audit Committee of the Year Awards for 2 consecutive periods. He has great understanding in energy business especially in E&P industry and help to drive PTTEP's strategic plan amidst the low oil price situation for its long-term competitive and sustainable growth.
2. Mr. Twarath Sutabutr be re-elected for another term because he possesses specialization in national energy policy which could support PTTEP in planning to cope with this low oil price situation.
3. Mr. Tevin Vongvanich be re-elected for another term because he possesses specialization in exploration and production industry as he was the President and Chief Executive Officer of PTTEP. He had experience in Financial Management of large organization and also in position of high executives of PTT. He is specialize in full-cycle energy business with synergy e.g. upstream, midstream and downstream with long-term vision in strategic planning.

4. Mr. Somporn Vongvuthipornchai be re-elected for another term because he possesses good knowledge in E&P industry, specializing in upstream business both of international and domestic schemes. He has experience in project management and conducted strategic planning and risk management for PTTEP in the midst of low oil price situation. He manages to lower PTTEP's unit cost, pushes its efficiency which thus gain profit to serve continuous growth.
5. Mr. Kulit Sombatsiri to replace Mr. Manas Jamveha. He possesses good knowledge in governance laws including rules and regulations related to state enterprise and its policy, management and development. He also have experience in international trading which could be benefit for PTTEP to operate legally.

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, the Chairman opened the floor to shareholders to make enquiry; however there was no 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. Ampon Kittiampon	3,199,360,557 (98.8372%)	37,640,644 (1.1628%)	15,351,223	34,950
2. Mr. Twarath Sutabutr	3,207,414,076 (99.0851%)	29,617,196 (0.9149%)	15,321,152	34,950
3. Mr. Tevin Vongvanich	3,206,177,763 (99.0467%)	30,859,068 (0.9533%)	15,315,593	34,950
4. Mr. Somporn Vongvuthipornchai	3,213,365,331 (99.2688%)	23,668,193 (0.7312%)	15,318,900	34,950
5. Mr. Kulit Sombatsiri	3,207,531,444 (99.0897%)	29,467,323 (0.9103%)	15,353,657	34,950

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. One director' (number 1) is an independent director according to their declaration that their qualifications conform to the PTTEP Definition of Independent Director.

Agenda Item 7: Other Matters

The Chairman informed the Meeting that all six previous agenda items were completed, and they had now come to Agenda Item 7 – 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 7, 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 the companies under PTT Group to organized Annual Shareholding Meeting at the same period and venue as to save organizing expenses.

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

2. Ms. Suporn Prathumsuwawadee, a shareholder, made a recommendation on the Company site visit to exclude the shareholders' names who had already participated before sending out the invitation letter to shareholders; and also to give opportunity to shareholders holding less than 100 shares.

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

3. Mr. Chaiwat Areeraksa, a shareholder, enquired about the impact to the Company from the draft Petroleum Act and the establishment of National Oil Company (NOC) which are under the National Legislative Assembly's consideration.

The Chairman explained that PTTEP, being an experienced operator in E&P business for more than 30 years, is ready to operate under any fiscal regime – concession or production sharing contract as determined by the Government.

4. Mr. Prasert Kaewduangtien, a shareholder, enquired about the timing that demand and supply of crude would balance each other under the policy of OPEC and non-OPEC.

CEO clarified that the demand and supply is likely to balance by end of this year or early next year. However, there are many other factors that need to be monitored such as shale oil production in the U.S. and the macro economic situation.

5. Mr. Rittipan Sukkapan, a shareholder, made 2 enquires as follows:

- (1) From PTTEP goal as a Sustainable Organization, how PTTEP manage to cut cost?
- (2) How does the oil price relate to the share price?

CEO clarified as follows:

- (1) PTTEP have been carrying out the cost reduction for several years by launching "SAVE to be Safe" cost reduction campaign and introducing "SPEND SMART" program. This was to communicate clear understanding to all employees that it was not just about reducing expenses but to spend efficiently for sustainable growth. Activities performed included contract renegotiation to reduce service costs e.g. drilling rig service, change in work process to reduce number of drilling days as well as standardize of engineering design of production platform and to increase bargaining power for the procurement process. All the activities were performed while given the first priority to safety. For people management, PTTEP had reviewed the number of employees and reduced expatriate staff as per requirement and appropriated.
- (2) The global oil price had impact and had a direct relation to PTTEP's share price.

6. Mr. Wasan Phongputtamon, a shareholder, made 2 enquiries as follows:

- (1) How would the protest against energy policy such as the bidding of Bongkot project impact PTTEP?
- (2) Will alternative energy resources impact E&P business?

CEO explained as follows:

- (1) PTTEP closely monitors and is well-prepared to bid as per the Government's condition and proposed fiscal regime.

The Chairman explained that with experiences for more than 30 years in E&P business both domestic and internationally, PTTEP has understanding in concession and production sharing contract regimes and PTTEP is hence ready to compete.

- (2) For alternative energy, PTTEP monitors and studies such alternatives in parallel with the E&P operation, focus however still remain in E&P business.

Mr. Tevin Vongvanich added that for alternative energy, there is increasing trend in electricity use; however we still need natural gas as a main fuel source in generating electricity. As for liquid product, it is used in growing petrochemical business. Also, alternative fuel such as bio-energy still has high cost, and hence alternate energy uses did not increase so rapidly.

Mr. Twarath Sutabutr further explained that it might sound that electricity would substitute oil as fuel for cars. In his personal opinion, it may take some more time to develop further and it would initially for small electricity vehicles. Oil are still main fuel for plane and other transportation businesses. E&P would still be the required business to address the oil and natural gas demand in plane and transportation sectors.

7. The Chairman addressed questions from Ms. Anong Kullawan, a proxy holder from Ms. Kanokwan Kullawan, about the cost reduction which had been reduced by 30% whether there are rooms for further cost reduction and about impact in case that PTTEP is not allowed to continue the operatorship in the expiring concession.

The Chairman explained that PTTEP has successfully managed to reduce cost from about 45 US dollars per BOE in 2014 to 30.46 US dollars per BOE in 2016. For the expiring of Bongkot concession, CEO informed that if PTTEP were unable to continue the operatorship of Bongkot the impact to the Company should be around 25% of the sales volume.

When there were no further questions, comments or suggestions from meeting participants, the Chairman expressed sincere thanks to the volunteer shareholder and requested Admiral Tanarat Ubol, 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 1,609 shareholders attending in person and 682 proxy holders, totaling 2,291 persons, equivalent to 4,297 shareholders. This represented 3,252,413,155 shares, which corresponded to approximately 81.9251% 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. The Meeting was then adjourned.

Closing of the Meeting: 16.22 hours

Recorded by: Ms. Montana Chai-oon

Certified true and corrected by: Ms. Pranot Tirasai

Prajya Phinyawat

Prajya Phinyawat

Chairman

Somporn Vongvuthipornchai

Somporn Vongvuthipornchai

President and Chief Executive Officer