

(Translation)

**Minutes of the 2015 Annual General Meeting of Shareholders  
of Thai Airways International Public Company Limited  
on Friday, 24 April 2015  
at Chaiyaphruek Room, Air Force Convention Hall (Thongyai Building),  
Paholyothin Road, Bangkok**

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Shareholders Present:

- |    |  |         |               |                 |
|----|--|---------|---------------|-----------------|
| 1. | The Ministry of Finance                      | holding | 1,113,931,061 | shares          |
|    | (Represented by Mr. Pitaya Uthaisang, proxy) |         |               |                 |
| 2. | Other 3,321 shareholders                     | holding | 511,177,346   | shares          |
|    | Totaling 3,322 shareholders present          | holding | 1,625,108,407 | shares in total |

**The Meeting commenced at 13.30 hrs.**

Mr. Areepong Bhoocha-oom, Vice Chairman, Independent Director and Acting Chairman of the Board of Directors presided over the Meeting as the Chairman (“**Chairman**”) with directors and other various committees including Management Executives being present at the Meeting as follows:

Board of Directors and Committees

- |     |                               |   |
|-----|-------------------------------|---|
| 1.  | Mr. Areepong Bhoocha-oom      | Vice Chairman, Independent Director and Acting Chairman of the Board of Directors           |
| 2.  | ACM Treetod Sonjance          | Independent Director, Vice Chairman and Chairman of the Good Corporate Governance Committee |
| 3.  | Mr. Kanit Sangsubhan          | Independent Director and Chairman of the Executive Board                                    |
| 4.  | Lt.Gen. Chatudom Titthasiri   | Director  |
| 5.  | Mr. Rungson Sriworasat        | Director and Chairman of Nomination and Remuneration Committee                              |
| 6.  | Mr. Rathapol Bhakdibhumi      | Independent Director  |
| 7.  | Mr. Veerathai Santiprabhob    | Independent Director  |
| 8.  | Mr. Weerawong Chittmittrapap  | Independent Director, Chairman of Audit Committee and Chairman of Legal Committee           |
| 9.  | ACM Siwakiat Jayema           | Director  |
| 10. | ACM M.L. Suprija Kamalasanana | Independent Director  |
| 11. | Mr. Charamporn Jotikasthira   | Director and President  |

Management Executives

1. Mr. Charamporn Jotikasthira President
2. Flt.Lt. Montree Jumrieng Executive Vice President, Corporate Strategy and Sustainable Development
3. Flg.Off. Suraphon Israngura Na Ayuthya Executive Vice President, Commercial
4. Sub Lt. Anussorn Naksrichum Executive Vice President, Aviation Business Unit
5. Flg.Off. Chalermpon Intarawong Executive Vice President, Technical Department
6. Flt.Lt. Kanok Thongpurk Executive Vice President, Human Resources and Compliance
7. Sqn.Ldr. Sathaporn Charoensiri Executive Vice President, Operations
8. Mrs. Charita Leelayudth Vice President, Investor Relations Management Department, Acting Executive Vice President, Finance and Accounting
9. Mr. Teerapol Chotichanapibal Advisor to the President
10. Mr. Danuj Bunnag Advisor to the President
11. Mr. Raj Tanta-nanta Vice President, Corporate Finance Department
12. Mr. Pichait Riengvattanasuk Vice President, Risk Management Department
13. Mr. Woranate Laprabang Vice President, Office of the President  
Acting Managing Director, Thai Smiles Airways Company Limited.
14. Mr. Krittaphon Chantalitanon Vice President, Aviation Services Support Department
15. Mrs. Busaba Sangkawibha Vice President, Marketing Development and Customer Services Department
16. Mrs. Suvimol Bualerd Vice President, Corporate Secretariat Department
17. Mrs. Duanpen Teekakul Vice President, Corporate Strategy and Planning Department
18. Mrs. Usanee Sangsingkeo Managing Director, Ground Customer Services Department
19. Mrs. Petchpring Sarasin Vice President, Corporate Image and Communications Department
20. Mrs. Benjamas Wilaichon Vice President, General Administration Department
21. Mr. Poonsak Chumchuay Managing Director, Catering Department
22. Sqn.Ldr. Bancha Choonasit Vice President, Heavy Maintenance Department
23. Mr. Wiwat Piyawiroj Vice President, Sales and Distribution-Thailand and Indochina Department
24. Mr. Viroj Sirihorachai Vice President, Sales and Distribution-Regional Department
25. Mr. Chutintorn Srisittikum Vice President, Digital Commercial Department
26. Mr. Chai Eamsiri Vice President, Petroleum, Corporate Insurance and Aviation Environmental Department
27. Ms. Wanida Thejatunga Vice President, Financial Accounting Department
28. Sqn.Ldr. Bhurith Sriwatana Vice President, Flight Operations Department
29. Mr. Somnerk Thumrongthammavong Vice President, Office of the Internal Audit
30. Mr. Griangsak Sakruanggam Acting Managing Director, Ground Equipment Services Department
31. M.R. Chirasak Chandratat Acting Managing Director, Cargo and Mail Commercial Department.

The representatives of the Office of the Auditor General of Thailand, as the Company's auditor, who were in charge of observing the voting process:

1. Mrs. Roongnapa Jaroenkunwiwat
2. Mr. Thurdpong Pongsaksri
3. Ms. Pattamon Puttaseema
4. Ms. Patthamika Pao-in

The volunteer shareholders who were vote-counting committee members:

1. Ms. Nuttawadee Indhawong
2. Ms. Sompatsorn Liewpolvanit
3. Mr. Vichapas Tansuwannarat

Mr. Areepong Bhoocha-oom, Chairman, welcomed attending shareholders and thanked them for sacrificing their time to attend this Meeting which, according to Article 34 of the Company's Articles of Association governing Annual General Meeting of Shareholders requires not less than 25 shareholders or their proxies attending the meeting or shareholders or their proxies from not less than half of the number of all shareholders and holding an aggregate of not less than one-third of shares already been distributed, to attend the meeting in order to form the quorum. The Company currently has a registered capital of Baht 26,989,009,500 divided into 2,698,900,950 ordinary shares with the par value of Baht 10 each. At this Meeting, there were 1,230 shareholders attending the Meeting in person representing a total of 4,196,543 shares or 0.1923% of the total number of shares, and by 349 proxies representing 1,398,278,799 shares or 64.0598% of its total number of shares thereby making an aggregate total of 1,579 shareholders and an aggregate total of 1,402,475,342 shares or 64.2520% of the total number of its shareholders which therefore constitute the quorum pursuant to the Company's Articles of Association. He, therefore, declared the Meeting open and then introduced the Company's Board of Directors, Management Executives who attended the Meeting and Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, who would act as a secretary to this Meeting.

For this Meeting, the Company has assigned Siam Premier International Law Office Limited as its legal counsel in order to look after and give pertinent advice to ensure that the Meeting be conducted as prescribed by the law. He then introduced the representative from Siam Premier International Law Office Limited i.e. Ms. Linda Osthaworanan and asked Mr. Charamporn Jotikasthira, the President, to introduce the Company's Management Executives who were present at the Meeting.

Mr. Charamporn Jotikasthira, President, introduced the Company's Management Executives and then asked the Chairman to announce the Company's Articles of Association governing the conduct of the meeting.

The Chairman explained that before getting to the Meeting's Agenda, there is a rule in its Articles of Association on Shareholders Meeting that the Meeting must proceed in accordance with the Agenda that have been set such that this Meeting would proceed accordingly. He then invited Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department to give shareholders an explanation for their further information concerning process of voting and count of votes on the Agenda.

Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, informed the Meeting that at this 2015 Annual General Meeting of Shareholders, in order to promote good corporate governance in regard to the protection of shareholders' rights and equality, the Company has allowed shareholders to make any proposal beforehand concerning any issue they would like to have included on the agenda as well as nomination of any individual with suitable qualifications as the

Company's directors at the 2015 Annual General Meeting of Shareholders in accordance with rules and procedures displayed on the Company's website at [www.thaiairways.com](http://www.thaiairways.com) between September 22, 2014 to December 31, 2014 albeit no issue has been forwarded nor nomination made by any shareholder. Thus, there would be a total of 9 Agenda for this 2015 Annual General Meeting of Shareholders as detailed in the Meeting Invitation Notice already sent to all shareholders in advance.

Rules governing the Meeting:

Article 36 of the Company's Articles of Association provides that "the Chairman of the Meeting is responsible for conducting the Meetings in accordance with the Company's Articles of Association in regard to Meetings and according to the order of issues on the agenda, as proposed in advance in the Meeting Invitation Notice, unless the Meeting resolves that such order be rearranged by a vote of not less than two-thirds of the shareholders present at the Meeting". And, to ensure that the Meeting proceeds smoothly and does not disrupt the attention of other shareholders in listening to the Meeting, every shareholder present at the Meeting was asked for the cooperation to kindly turn off the sound of their phones, to refrain from using their phones or communications device of any kind and to refrain from making any voice/visual recording of the Meeting.

Discussions:

Anyone who wishes to speak to the Meeting shall wait behind the microphone stands prepared for this purpose at 8 locations and give the following information once permission is granted by the Chairman on the call of the number assigned to the microphone at each point:

- name/surname of the speaker
- his/her status either as shareholder/or proxy
- he/she can then speak on the issue(s) in the Agenda

If there should be more than one speaker, they shall wait behind the microphone stands for permission from the Chairman for his/her turn after the preceding shareholder has finished. The Chairman will give priority to shareholders who have not presented their questions or comments before. However, shareholders were asked to speak on the issue or in relation to the issue stated in the item of Agenda with concision such that other shareholders may also cover the subject on a comprehensive basis. In addition, shareholders were asked to use polite language or avoid the use of wordings which may characteristically be criminal or defamatory to other individuals. And, to keep the Meeting within an appropriate duration of time, it might be necessary for the Chairman to limit the number of questions from shareholders for each item of Agenda as necessary.

Voting:

If any shareholder wants to vote against an Agenda or abstain from voting, she/she or his/her proxy shall hand the ballots indicating such votes to the Company's officers. Any shareholder or proxy who fails to hand in the ballots in respect of any Agenda shall be deemed to have voted in favour of that Agenda save in the case of Agenda 8 where all ballots will be collected.

Once the Chairman declares that collection of ballots for each agenda is closed, any ballots handed in after that shall be deemed invalid and shall not be included in the vote count.

The proxy who holds a proxy instrument in which the relevant shareholders has indicated his/her vote needs not hand the ballots to the Company's officers as the Company will count such vote as indicated in the proxy instrument.

Moreover, after the collection of ballots is declared closed, the Chairman may, to save time, proceed to the next Agenda immediately while waiting for the vote count and will announce the results of the votes to the Meeting once such vote count is completed.

Counting of Votes:

For Agenda 2, 4, 5 and 7

A resolution shall be adopted by majority votes from shareholders present at the Meeting and have the right to vote.

For Agenda 6 re: Consideration of Directors' Remuneration

A resolution shall be adopted by an affirmative vote of not less than two-thirds of the votes of shareholders present at the Meeting and have the right to vote.

Vote counting on Agenda 8 re: Consideration of Election of Directors

On this Agenda, all shareholders present, in person or by proxy, who vote for or against or who abstain from voting shall hand the ballots to the Company's officers. The Chairman shall have the ballots collected in respect of each person nominated to the Board, and the resolution of approval will be adopted by a majority of affirmative votes of shareholders present at the Meeting and have the right to vote.

Votes would be invalid:

- Where vote cast in the ballot does not correspond to the particular Agenda indicated for that vote.
- Where the ballot handed in to the Company is left blank and handed over to the Company's officers to be counted.
- Where the ballot is so damaged that the voter's intention cannot be determined.
- When the ballot is handed in after the Chairman has declared a collection of ballot for each agenda closed.

At this Meeting, the Office of the Auditor General of Thailand which is the Company's auditor sends its representatives to observe the voting process as listed below:

1. Mrs. Roongnapa Jaroenkunwiwat
2. Mr. Thurdpong Pongsaksri
3. Ms. Pattamon Puttaseema
4. Ms. Patthamika Pao-in
5. Ms. Duangporn Pornlertsubsin

Next, she invited the Chairman to proceed with the Meeting in accordance with the Agenda.

Mr. Montchai Rabruentaweasuk, shareholder, commented that for shareholders who have registered their attendance and were handed ballots for their votes albeit had to leave before handing over their ballots, these shareholders could not be considered as having given their votes of approval and that he would not accept the method of vote-counting as explained by the Company. He also

asked that the labour union or shareholders present at the Meeting appoint their representatives to check on the vote-counting process as well.

The Chairman explained that normally, volunteers would be sought from attending shareholders to act as witnesses in this vote-counting process.

Mr. Montchai Rabruentaweasuk, shareholder, commented that if the Chairman gave the opportunity to all shareholders to act as witnesses, the spaces arranged for this purpose would not be enough and he was of his opinion that there should be other people participating in this checking process too.

The Chairman stated that the Company would ask for volunteers among the shareholders to check on this vote-counting process.

Mr. Montchai Rabruentaweasuk, shareholder, reasserted that the Company should count the votes only from votes casted in the ballots that had been handed in in actuality and asked that shareholders who were volunteering help monitor the process to prevent any malpractices over this vote-counting process.

The Chairman reassured that the Company and its management team would conduct the Meeting with transparency and that it has proper mechanisms of control over proper and correct procedures for the Meeting in place.

Mr. Prasert Lertyaso, shareholder and proxy, commented that, as already explained by the Company's secretary on the meeting's procedures, every shareholder who attended the Meeting every year already have good understanding of the process. However, he has his doubt as to why there should have been a private law firm to monitor the Meeting and why the Office of the Council of State was not assigned this task to monitor and supervise the Meeting. His next issue was about directors nomination, which were announced on the Company's website without any nomination made by any shareholders, which he asked which section in the Articles of Association was applicable in this case because election of directors were under Agenda 8 in which shareholders would already be in the position to make their nominations of the Company's directors.

The Chairman asked for cooperation from shareholders that the Meeting should first proceed in accordance with the items on the Agenda. He then asked the Company's secretary to re-elaborate on rules governing the meeting's procedure and that discussions could take place once again on Agenda 8.

Mr. Prasert Lertyaso, shareholder, expressed his thanks and appreciation to the person who suggested that the Company gives gifts to shareholders in the form of Eung Luang by THAI Catering Green Curry Sauce and felt that it was, indeed, a very eccentric idea to hand out a gift like this.

Mr. Tongind Sangngarm, shareholder and proxy, commented that if shareholders were allowed to continue with their discussions, it would be a waste of time for the Meeting such that he asked the Chairman to proceed with the Meeting in accordance with its Agenda.

The Chairman then invited 3 volunteer shareholders to act as witnesses in the vote-counting process by explaining that anyone wishing to volunteer for this service should raise his/her hands in full view. Once the 3 volunteers have expressed their intention explicitly, he then announced that the Meeting was to proceed in accordance with its Agenda.

**Agenda 1: Report of the Chairman**

The Chairman stated that a great deal of elaboration would be made in today's Meeting on the Company's numerous activities. As no questions or comments were raised from shareholders, he then proceeded next to Agenda 2.

**Agenda 2: To consider and approve the Minutes of the 2014 Annual General Shareholders' Meeting**

The Chairman explained that Meeting Invitation Notice in conjunction with minutes of the 2014 Annual General Meeting of Shareholders held on April 29, 2014, had already been sent to shareholders since April 2, 2015 or 21 days in advance of the Meeting which is more than the minimum of 14 days advance notice required by the Office of Securities and Exchange Commission. He then invited shareholders who wish to raise any objection or to revise the minutes to express their opinion accordingly.

Mr. Suthep Suebsantiwongse, shareholder, expressed his admiration for Pol.Lt. Chatrachai Bunya-ananta, the Company's former President who had just passed away that he was a person who had made tremendous beneficial contributions to Thailand and the Company as he had, together with the Company's former Management Executives such as Captain Jothin Pamon-montri, Captain Sa-ard Sobsastrasorn, Captain Chusak Pachaiyut and Mr. Thamnoon Wanglee, established and built up solid progress for the Company. He then asked to revise minutes of the 2014 Annual General Meeting of Shareholders, page 12 in which he had mentioned several issues particularly the issue of the A340-500 aircraft that have had offers made to buy them from the Company by interested parties.

The Chairman explained that this item of Agenda was to consider and approve minutes of the Meeting for which a shareholder could seek revisions on the contents in the minutes written under the shareholder's name. He then asked shareholders if they wished to make any revision or not.

Mr. Suthep Suebsantiwongse, shareholder, stated that he has not as yet received answers to the questions he had raised at the previous meeting such that he would ask for additional explanation from the Company as he would be engaged elsewhere and would not be able to stay at this Meeting for long.

The Chairman explained that after this Agenda, there would be another agenda concerning acknowledgement of the 2014 Performance and explanation on the operating results which could be questioned and commented by shareholders then.

Mr. Suthep Suebsantiwongse, shareholder, stated that he did not wish to make any revision on the minutes. However, at the Annual General Meeting of Shareholders last year, the Chairman had stated that explanation would be given later albeit no explanation or answer has been given in any way as shown in minutes under Agenda 10. Thus, for the Company's interest, he would like the Chairman to give him an opportunity to give an explanation.

The Chairman asked Mr. Suthep Suebsantiwongse if he would be in the Meeting until it came to the Agenda on acknowledgement of the 2014 Annual Performance or not.

Mr. Suthep Suebsantiwongse, shareholder, stated that he would not be able to be present on that Agenda such that he had to ask for the Chairman's permission about this explanation and question. He had suggested that the Company's Management Executives and Board of Directors take an opportunity to discuss things out with Captain Jothin Pamon-montri in order to receive additional information on various issues and that, about these matters, he himself and Captain Jothin Pamon-montri had just received documentary evidences yesterday which would be beneficial to the Company but could not be explained to the Meeting.

The matter that he would like to explain is the case of sale of the Company's A340-500 aircraft when there was an offer to buy 4 of them all together at the price of US\$25 million each albeit no agreement could be reached, and about 2 more cargo aircraft which were put on sale by the Company last year without any interested buyer. From his check, however, it was found that the reason the said aircraft were put on sale was because there was an operating loss of as much as Baht 4,000 million as the result of modifications made by the Company on these 2 aircraft costing a total of Baht 1,700 million plus another Baht 225 million for the cost of equipment while these aircraft costed approximately Baht 1,200 million and have made loss for Baht 1,000 million. He would, therefore, like to ask for the reasons that the Company had offered these aircraft for sale during the course of last year. He has learned that these 2 passenger aircraft had been modified to cargo aircraft on the advice of a consultancy company called L.E.K. Consulting, which is a joint venture. However, after modifications were completed in April 2012, there was a turnaround to suggest that such aircraft be discharged from its fleet during the end of 2013 and he was of the view that this said incident has caused the Company to suffer great damages.

Mr. Sooksun Popun-ngarm, proxy, asked the Chairman to proceed in accordance with the items of agenda as they were still under Agenda 2 and had not yet got to Agenda 3.

The Chairman explained that he understood other shareholders but Mr. Suthep Suebsantiwongse used to be in the Company's Management such that he would ask for Mr. Suthep Suebsantiwongse to be given an opportunity to speak beyond the scope of the agenda and that he would give full opportunities for other shareholders to make their discussions pursuant to further agenda. However, if there were to be an interception like this again, shareholders and the management team would not be able to make their elaboration systematically such that he would ask shareholders to proceed pursuant with the agenda and would let Mr. Suthep Suebsantiwongse be the first to speak on the next agenda.

Pol.Col. Sermkiat Bamrungphruet, shareholder stated that he became the Company's shareholder since its first initial public offering (IPO) and has been holding the Company's shares ever since. He would like to revise page 11 of the minutes of the Annual General Meeting of Shareholders on the part in which he was speaking to Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, that he would like to receive the annual report in a booklet form but that when he made the contact to receive the documents by fax and had made a phone call to the Company asking to collect the annual report, he was told by an officer to collect it in front of the meeting room on the day of the next meeting. He felt that this was a clear violation of the requirement in page 11. Moreover, he asked to check the financial statements in which revisions were made at the Stock Exchange under Clauses 12 and 13 of the remarks but was not allowed to check. This case constitutes a willful concealment of facts that should be disclosed and subject to a fine of Baht 20,000 – 30,000 for which Mrs. Suvimol Bualerd must be held liable. In addition, he would like to applaud ACM Prajin Juntong who presided over the 2014 Annual General Meeting of Shareholders which was conducted from 13.30 hrs. to about 22.30 hrs. As for minutes of that meeting, he would like to review and revise the contents in page 43 which say: *“As risk management in both of these areas will have to depend on professionals, he would, therefore, like to propose that the entire management executives be replaced or advisors in each area should be procured to help the Company in its management. Also, he would like to make this proposal to the Management Executives who are permanent government official and holding high level positions to show their spirit by refraining from accepting payment of remuneration”* by adding the following wordings: *“reducing or refraining”* in view of the fact that he has proposed that the Company's Board of Directors reduces its remuneration and meeting allowance to set a good example and build up unity in an organization which was under a disunited disarray.

The Chairman explained that the Company was trying to take actions pursuant to the rules in every way and he would like the Legal Department to explain whether actions have been taken by the Company properly and in line with the law at every stage or not. As for information which the shareholder had said he would like to have, normally, they would be sent by express mail service

(EMS) immediately to shareholders. The management team has notified that the shareholder has already received them albeit with some delay.

Ms. Linda Osathaworanan, legal counsel, Siam Premier International Law Office Limited, explained that, pursuant to Section 113 of the Public Limited Company Act, it is prescribed that, other than the meeting invitation notice, the Board must send 3 more items of documents to shareholders, i.e. copies of the balance sheets, documents showing transactions under Section 114 and the annual report in which the law uses this term: “*to send the following documents*”. Thus, documents could be sent by the Board either in the form of hard copy or CD-ROM. If they are sent in the CD-ROM form, it would help reduce publication expenses pursuant to the Company’s policy to save costs.

Pol.Col. Sermkiat Bamrungphruak, shareholder, thanked the legal counsel and explained that he has made his intention known by fax and phone to take the documents in hard copy form. However, for the explanation that it would help reduce costs, he felt that when his intention was made explicitly in advance before the date of the meeting, the Company should have sent them immediately.

The Chairman stated that the Corporate Secretariat Department had immediately sent the requested documents to the shareholder.

Mr. Montchai Rabruentaweasuk, shareholder, explained that at the previous meeting, he had sent his request by fax later than the deadline and it transpired that the costs was Baht 9 and the documents he asked for reached him 2 weeks after the meeting. He, therefore, queried the relevant officer and was informed that the Company sent out every document pursuant to the shareholder’s request albeit there was no need to receive the documents again after the meeting has ended for more than 2 weeks. Thus, he would ask that the said officer’s conduct be reviewed by the Company accordingly.

The Chairman asked Mr. Charamporn Jotikasthira, the President, to consider about a practical method of sending out hard copy documents and asked whether any other shareholders wished to make any revisions on the minutes or not.

FS 1 Dumrong Waikhani, proxy, asked to make correction in page 43 of the minutes in that at last year’s meeting, he stated that “approximately Baht 1,300 million for expenses pertaining to labour lawsuits” and explained that the wordings which had been left out were: “*when compared with personnel costs, comes to approximately 3%. Besides, there was an overall organizational structure that the Personnel, Legal and Procurement Department come under the jurisdiction of one single person which shows that there is no mechanism in place for the balance of power. In other words, there is no good governance in the organization*”.

The Chairman accepted the proposal for such revision and asked if there was any other shareholders would like to have the minutes revised or not.

Mr. Tongind Sangngarm, shareholder and proxy, stated that this Agenda could have been dealt with speedily as he has been suggesting since 2008 to the present that the Company should send minutes of the meeting to shareholders for their revisions within 14 days before sending it to the Stock Exchange. Currently, other listed public companies no longer have an agenda to approve minutes of their general meetings of shareholders any more.

The Chairman explained that the Board has been discussing about this matter as well and thanked the shareholder for his advice. He then gave the opportunity to shareholders who would not be approving this item of agenda or would abstain from voting to send their ballots to the Company’s officers and then assigned the Corporate Secretariat Department to announce the results of vote count on Agenda Item 2.

The Meeting resolved by majority votes of shareholders attending the Meeting with the right to vote to approve the minutes of the 2014 Annual General Meeting of Shareholders held on Tuesday, April 29, 2014.

Votes cast by shareholders were as follows:

|                    |               |              |          |
|--------------------|---------------|--------------|----------|
| Affirmative votes: | 1,576,663,284 | representing | 99.9840% |
| Negative Votes:    | 27,000        | representing | 0.0020%  |
| Abstention:        | 220,922       | representing | 0.0140%  |

**Agenda 3: To acknowledge the 2014 performance report**

The Chairman informed the Meeting that Agenda 3 is to acknowledge the 2014 performance report which would be presented by a video presentation with the contents as follows:

*“Thai Airways International Public Company Limited, Thailand’s national flagship carrier, holds the status of a state enterprise under the jurisdiction of the Ministry of Transport and is listed in the Stock Exchange of Thailand. It conducts the business of providing air transportation both domestically and internationally and has its aviation base at Suvarnabhumi Airport, the aviation hub. Its main line of business is that of air-transportation for passengers, cargo and mail. In addition, Thai Airways also conducts related operations namely warehousing services, ground customer services, ground equipment services, catering and aircraft maintenance services as well.*

*In 2014, Thai Airways transported over 19 million of passengers, carried as much as 300,000 tons of goods for export and over 250,000 tons for imports. Catering has turned out 65,000 sets of meals per day or over 24 million sets per annum. Other than this, Thai Airways have a total of 11 affiliated companies, 2 of which are in the aviation sector, namely, Thai Smiles Airways in which it holds 100% shares and operates flights from both Suvarnabhumi Airport and Don Mueang Airport and Nok Airlines in which it holds 39.2% shares and operates at Don Mueang Airport.*

*Various circumstances and events in 2014 still remained major factors having an impact on the aviation industry and the volume of air passengers such as fuel prices which continued to fluctuate, economic problems encountered in various regions, fluctuating currency exchange, political unrests in several countries as well as the situation of competition which increases in severity as a result of network expansion and launch of new routes by airlines that are either providing full services or low-cost airlines as well as an increase of participation as business alliances in a variety of forms among various airlines. Moreover, for the aviation business in Thailand, it came under the impact of domestic political instability which has been ongoing from the end of 2013 to the 2<sup>nd</sup> quarter of 2014 which caused a drop in the volume of travel on a number of routes to and from Thailand.*

*These have resulted in Thai Airways’ performance failing to reach its targets such that at the end of last year, Thai Airways suffered a loss to the tune of Baht 15,612 million. However, the Company’s financial standing is still strong with good financial flexibility as it was able, in 2014, to go out into the money market with the issuance of its bonds and bills of exchange for an aggregate value of Baht 55,500 million which, indeed, is indicative of its stability and also of the confidence it received on a continuous basis from investors and investment institutions in the financial area.*

*During the course of last year, Thai Airways had carried out improvements on its work and business operations in several areas in order to handle with the severe competition in the aviation business such as taking delivery of 14 new aircraft into its fleet and discharge of 12 aircraft with the result that today, the average life of Thai Airways’ fleet is 11 years. Its fuel consumption also improved as it managed to reduce fuel consumption by 8% and its aircraft cost per unit dropped by 2%. In addition,*

*Thai Airways received numerous awards from various institutions both in the area of aviation operations in various sectors as well as for its corporate social responsibility.*

*Thai Airways is fully aware of the severe competition in the aviation business today which differs greatly from before, not only launches of low-cost airlines and airlines with unlimited funds, all of which augmented their fleets and competitive capacity in every dimension, but also, Thai Airways' current conditions are not conducive towards the competitive situation at present. For example, Thai Airways' fleets are in a number of varying forms and their hours of usage per day are lower than those of other airlines, they have higher operating costs vis-à-vis work efficiency while the operating process has not been improved for a long time which resulted in complications, inability to make up-to-date decisions such that it could not respond in a timely manner to business changes and opportunities and employees' encouragement is plummeted. Thus, it is the opinion of the Company's Board of Directors that it is necessary for Thai Airways to undergo a reformation or major change to reinstate its business operations and financial status back to stability, competitiveness and enabling it to survive further on a sustained basis. A plan of reformation of Thai Airways International Public Company Limited, therefore, was formulated and was approved by the Board of Directors on January 16, 2015. Action had been taken by Thai Airways pursuant to the rules which are to submit the plan to the State Enterprise Policy Committee or the SEPC chaired by the Prime Minister. Approval has already been given by the SEPC action to proceed pursuant to the Plan on January 26, 2015.*

*The plan of corporate reformation will be undertaken by Thai Airways on a continuous basis for 2 years, from 2015 to 2016 based on the Shrink to Grow concept. Work is divided into three steps as follows:*

*Step 1: Stop Making Loss or Stop the Bleeding by considering flight shut-down on routes without potential or reducing flight frequencies, changing the size and form of aircraft for the sake of suitability in order to put an immediate stop to its loss.*

*Step 2: Build up Strength vis-à-vis Competition or Strength Building by improving its efficiency to generate income and improving its operations and reducing costs in order to increase its efficiency and quality in line with international standards to enhance Thai Airways' growth with profitability in long-term. However, Thai Airways still maintains its stance as being the First Choice Carrier with Touches of Thai with developments of products and services which will meet the demands of its customers even more.*

*Step 3: Sustainable Growth with Profits or Sustainable Growth, once Thai Airways could resume its position of profitability again, it will proceed to expand its businesses with the use of its organizational strong points such as confidence, Thai charm, products and services and branding as the core for its growth.*

*The plan of reformation will be propelled by 6 main strategies, namely:*

*Strategy 1: Improvements on the network of its routes: Consideration will be given by Thai Airways on the potential of a variety of routes and initially, it will stop flying on deficit routes which had been running throughout at a loss. Action will be taken at the same time to expedite growth of income on routes with a potential which may not be as yet profitable and to reinforce potential routes which have been profitable on a continuous basis.*

*Strategy 2: Fleet improvement: Consideration will be made by Thai Airways to decrease aircraft type and model such that they are left with 8 forms instead of 11 which would enable Thai Airways to efficiently manage its costs over operations and maintenance. Furthermore, consideration will also be given to putting the various models of aircraft for use in synchronization with the distance and various routes.*

*Strategy 3: Commercial Strategy to enhance its efficiency on revenue generation: Action will be taken to expand its revenue management system and to control its seat allocation with greater efficiency, adjust its sales and every distribution channels to better facilitate access by customers and expand the bases of every customer segment. In addition, it will improve the services so as to upgrade customers' satisfaction and build up customer loyalty even more.*

*Strategy 4: Adjust its operations and reduce costs for enhancement of efficiency and quality pursuant to international standards: Action will be taken by control of expenses excluding non-fuel cash costs to ensure that they are comparable to those of rivals so as to be competitive in the final stage and to reduce the burden to pay off its debts.*

*Strategy 5: Improvement of organizational structure: Action will be taken by adjustments of its structure, size and manpower to be correlative with one another and revise remunerative structure by linking it up with Key Performance Indicator or performance management with clarity and objectivity.*

*Strategy 6: Systematic management of Thai Airways' business units or Portfolio Management: By identifying its core businesses and non-core businesses namely Business Unit, Warehousing Services, Ground Customer Services, Ground Equipment Services, Catering and Aircraft Maintenance Services. Action will then be expedited to get it well-prepared and in readiness as well as improving the efficiency of such Business Unit so that they could effectively control their expenses and generate profits on their own. Action will also cover the integration of common commercial activities between Thai Airways and Thai Smiles Airlines to provide services on a seamless basis with utmost efficiency.*

*It is Thai Airways' anticipation that after this plan has been implemented for about 1 year, i.e. at the end of 2015, Thai Airways would be able to achieve 70% profitability out of its full profit-generation capacity as at the time when its plan of reformation has been fully implemented at the end of 2016. Thai Airways would like to thank every shareholder and investor who has placed their trust and have throughout been standing by our side. We promise that we will be steadfast in our determination to develop our services and products and implement the plan of reformation to its successful conclusion in order to bring back the beauty of Thai Airways "the national flagship carrier of Thai people" back onto the sky once again".*

The Chairman reasserted that the Company would always be engrossed in developing its services and safety in its operations pursuant to standards of the world's leading airlines. He then gave shareholders the opportunity to have their say and present additional comments.

Mr. Suthep Suebsantiwongse, shareholder, added to his earlier speech that, from what the Company has stated that its performance would become cost-effective within 4 years, a loss of as much as Baht 4,000 million, however, was incurred after it has made the investment. After checking, he found that the Company had incurred expenses of over Baht 500 million for more than 20 items of consultancy fees. It was his opinion, therefore, that the President and the Board of Directors should make a check on such items of contractual hire and make pertinent revisions in view of the fact that most items concerned approval for small projects with an operating cost of Baht 2-8 million. He was of the view that this implied a lack of transparency and it is full of a lot of miscellaneous advisors. A project of interest is the THAI IT Transformation Program for which Accenture Solutions Co., Ltd. was contracted as the advisor with a contractual cost of as high as Baht 298.5 million. He opined that to set the cost of the contractual hire at this rate is a willful evasion of the Company's rules because any procurement with a value from Baht 300 million or more must be authorized by the Board of Directors. If it is less than Baht 300 million, then it would be within the President's approval authority. Moreover, there was a case where Yates & Partners Limited which has been allocated a budget for the contractual hire as a consultant of Baht 20-30 million for Thai Airways' business class improvement project. He would, therefore, like to ask for details of this contract, its background, the contracted company's expertise, price, budget and method of bidding as he was afraid that there were more expenses of several billion Baht to follow like the case when only slight changes were made on

Thai Airways' logo alphabetically, but it turned out then that the Company had to replace other in-flight equipment, such as cups, bowls or various logos at the same time.

As for the business class seats retrofit project, which he has learnt that employees had been instructed by the Company to test out services on other airlines' first, business and economy class seats so as to use them for improvements at the costs of more than Baht 500 million, he would ask if there has been any follow-up on the results and whether they had been really used for such retrofit or not.

He noted that engagement of consultants seem to be clustered on one group such as Hay Group, L.E.K. Consulting which are joint venture. The procurement process of these companies were based on price agreement which he considered to be a risky method as it could easily lead to dishonesty. The President should therefore check on and solve it on an urgent basis. Moreover, some projects are characteristically that of a monopoly. For instance, for procurement, it was the Executive Vice President of Corporate Strategy and Sustainable Development (DY) who would give the approval to the department which has submitted the request before sending it to the President (DD) for his consideration. On checking, however, it was found that all of them, the Executive Vice President of Corporate Strategy and Sustainable Development (DY), the President (DD) and the department which submitted the request were all the same person.

And, on an urgent project to determine the revenue of Commercial Department called Profit Recovery Plan, the first project was submitted for approval on December 19, 2013. Later, on December 26, 2013, another project was also submitted on an urgent basis. The value of both projects was more than Baht 10 million. However, they did not pass the inspection for acceptance checks because they were not following the operating procedure. It was like the back wheels of a car overtaking the front wheels. In other words, the results already came out but the purchase order has not as yet been issued. When the former Executive Vice President of Commercial (DN) was re-located to another position, other executive(s), however, did not proceed further because it was considered not to be cost-effective. He knew that there were several other projects having problems such as the project to contract advisors from Bain & Company, etc.

After L.E.K. Consulting closed down around the end of October after the former Acting President (DD) retired, he found that on October 27, 2014, the Company's Board of Directors contracted Bain & Company which was L.E.K. Consulting's group of former executives to give its advice concerning the Company's reformation. There was room for suspicion in this case as to why the new consultant company's executives should have come from L.E.K. Consulting. From further checks, it was discovered also that both L.E.K. Consulting and Bain & Company have their head offices located in Singapore which was connected to Temasek Company, a major shareholder of Singapore Airlines, our major competitor. He was of the opinion that this may cause information sabotage. Checks on the history and background of consulting companies, therefore, should be made in details before contracting them.

On the subject of downsizing its manpower, sale of assets and in particular shut-down of routes suffering from loss such as Moscow route, he asked whether such action would have an impact on the Agreement to Develop Tourism signed recently with Russia's Minister or not as he was afraid that it might have an impact on the growth of the travel industry in Thailand. He was willing to help and give information concerning operations and those in relation to what he has already discussed today. He then asked all 15 members of the Board of Directors to build up prosperity for the Company such that what it has left would not only be its name.

Lastly, he remarked on the Company's resignation project for employees that this issue was causing extreme stress for employees. He asked that the Board of Directors have a check on this and to also look after all of its employees.

The Chairman explained that the Company's Board of Directors and its Management Executives have the intention to reinstate Thai Airways to its dignified stance as before. Benefits and privileges for the Company's various directors, except their salaries and meeting allowances, had all been cancelled in good order. Everyone was well aware of the Company's current situation and what the competition was like today and was all set to carry out their work to the full. Even though some shareholders might not agree with action taken, the Board of Directors and the Company's Management Executives were nonetheless ready to listen to the opinion from every side. The Company does not belong only to its employees but it belongs to Thailand as well. It was not easy to carry out various kind of work but once targets have been achieved from such action, the Company would be able to return to its position of strength as before.

Sqn.Ldr. Jesda Niyompatama, shareholder, asked about the Chairman's position as to why he was an Acting Chairman and not appointed as the Chairman from the beginning. And, the second issue was about the process of nomination of the President (DD) according to the Act on standard qualifications for state enterprise directors and offices which took almost 1 full year. When one considers profits before financial costs, tax, depreciation and write-offs (EBITDA), one finds that the Company has a loss of over Baht 20,000 million. However, with changes in the currency exchange rates, there was a loss of Baht 15,000 million only. This shows that there were a lot of problems in the 2014 performance. Instead of expediting the appointment of the Company's core executive such as the President (DD) to step in to solve the problems in a timely manner, he asked as to why the President's nomination process was delayed. Other than the Chairman who was serving in an acting capacity, the positions of the President (DD), Vice President, Human Resources Department (DI) and Executive Vice President, Finance and Accounting (DE) were likewise serving in the acting capacity.

Mr. Tongind Sangngarm, shareholder and proxy, expressed his depression after he learnt of the report on the Company's performance and asked as to when shareholders would be receiving payment of dividends. He also asked the Company to make its check and consideration over this matter of shareholders not receiving any dividends for several years from their purchase price of Baht 60 per share to what it has plunged to Baht 12 per share and even to Baht 8 at times. If it continues like this, shareholders would not be in a position to accept the burden.

Today, there are people who wish to destroy the Company, destroy Thailand and the Thai territorial sky. Everyone will not allow other countries to overwhelm Thailand or to wipe out the Company. He was of the opinion that the Company's plan of reformation as proposed could not be carried out in actuality. It would also be difficult to cut down on the number of flights as the Company has several competitors. Other airlines would step in to snatch away the Company's customers. For instance, when Mr. Piyasvasti and Mr. Ampon cut down the Bangkok-Ubolratchthani flights, groups of customers turned to patronize Air Asia Airways which is a company from Malaysia. If we let this kind of situation go on, Air Asia would become Thailand's major airline.

And, on the issue of downsizing the Company's personnel by introducing early retirement, one sees that there is no employee who is willing to resign voluntarily. Once an employee is accepted into its employment, the Company should look after them until their retirement age.

The Chairman explained that employees were not laid off by the Company. He then gave other shareholders the opportunity to express additional comments.

Mr. Tongind Sangngarm, shareholder and proxy, asked the Company to further clarify about news in newspaper in 2008 that the Company would reduce its expenses, increase its revenue and refrain from purchasing aircraft for a certain period. But, instead, the Company turned to buy new aircraft to the tune of over Baht 250,000 million such that the Company now has a large number of aircraft left on ground. He has, on several occasions since 2008, suggested that the Company sold off its A340-500 aircraft. Offers had been made to buy off all 4 aircraft at the price of over Baht 6,000 million each for an aggregate total of US\$25 million. The Company, however, refused to sell them such that its current price has dropped by more than half.

Mr. Montchai Rabruentaweasuk, shareholder, commented that analysis and consideration to cancel flights on some routes must be weighed carefully as some of these routes might have good potential later on particularly during the high season.

Other than having many models of aircraft, there are problems with their engines too. Besides, the Company should reconsider as to why it has been able to develop and succeeded this far, for instance, works during Pol.Lt. Chatrachai Bunya-ananta's term when its products would sell itself with the name of Thai Airways, right from the Company's logo, Thai style uniforms, uniforms colour, food, etc. All have been successful. On the side of aviation, in the past, there were people like Captain Jothin Pamon-montri as the Executive Vice President of Operations (DO). There were advisors who made analyses and selection of useful and profitable routes while on the technical side, there was Captain Chusak who managed engines to have the same standards and expanded the wide-bodied aircraft maintenance centre in accordance with advice given by SAS.

However, it was currently reported in newspaper that the Company has contracted other party to carry out works of engines repair for a sum of over Baht 5,000 million. This is throwing money out of the country and is not right. The Company became wealthy and grew because it could do engines repair itself. Personnel built up by the Company, too, were almost reaching their retirement age now. There are less engine models that could be repaired by the Company's own employees now because the Company has acquired a great number of aircraft with different models of engines. It was his opinion that to reduce the model of aircraft only could not solve the said problems. He was confident nevertheless that the Company's situation would improve and asked that the Board of Directors kept their spirits up to continue with their work.

In addition, the first thing that the Company should do to turn the crisis into an opportunity is to sell off or lease out its aircraft like the 22 Airbus-600 and the B-737 which have been left around the Air Squadron 6 Station for a long time. And, for the A340 which the Company bought into the fleet as the seller gave high commission to the procurer, only 26 of them throughout the world could be sold during a 2 years period vis-à-vis a great number of the A320 sold. Thus, the current book value shows that the Company has bought such aircraft at an unrealistically high price.

Moreover, he would like to suggest that the Company should study and find an approach to solve the problems from Forbes magazine but it should not have proposed employees for early retirement, particularly for employees in the low echelons. There are some of the world's airlines of larger size with more aircraft and employees than the Company which have only 10 executives and a double number of aircraft that could fly worldwide without running into the same problems because these companies have less managers and executives than the Company. If the Company wishes to seek early retirement from employees, the results would perhaps be better if they had high-level employees resigning instead. At the same time, he suggested that consideration be made to seek the exercise of additional power under Section 44 of the temporary Constitution.

Captain Jothin Pamon-montri, shareholder, stated that during the preceding year, the Company suffered a loss of Baht 31,845.50 per minute. And, about procurement of the A340-500 aircraft, the Company assigned one member of the management team to take action and these problems were left up to now. He opined that even if the said aircraft could not be sold, the Company should nevertheless find a way to deal with that problem. He would like to explain to the Board of Directors later about details over this problem.

First issue, from the video presentation presented by the Company in the beginning, he was of the view that the Company should have replaced the term "airlines with unlimited capital" as it is not suitable. Currently, Middle Eastern airlines are having problems with the United States which is accusing Middle Eastern government(s) of providing support too.

Secondly, on this subject of Nok Air, during the times when Air Asia was stepping in to operate in Thailand and the Company proposed to set up Nok Air, good support has been given to

Nok Air throughout by every shareholder. However, when the Company's Management Executives and the Board of Directors invited Tiger Airways in which Singapore Airlines holds 49% equity to join in the investment, several shareholders raised their objections as they did not agree with this inducement of competitors into Thailand such that the said joint-venture project had to fold up. Subsequently, the Company set up Thai Smiles Airways and there were several shareholders who questioned as to why the Company would not develop Nok Air to its prosperous growth but would have turned instead to build up a new airline to compete with Nok Air.

With respect to a decrease of the models of engines, if the case of Nok Air is taken into account, one would find that Nok Air has purchased the B737-800 which used CFM56 engines that Nok Air has been using for 10 years. But when the Company considered selecting the B737 which used the same brand of engine that it has been using for 25 years, it turned, instead, to use the V250 engines which are the same as those used by Tiger Airways. Nonetheless, if there were a large number of the said aircraft, he viewed that the Company should build its own maintenance centre which would be of use.

There was another of the Company's projects for a joint venture with Singapore once again. This time, it was a joint venture between Nok Air and Scoot Company by setting up a new airline called Pete Air Company which received the Aviation Operator Certificate (AOC) No. 3/2557. Pete Air Company leased the B777-200 from Singapore and hastened to have them brought in to be registered in Thailand when they were 13.9 years old in view of the fact that there are rules in Thailand requiring special maintenance services or what is called Aging Aircraft Program to be carried out on aircraft of over 14 years old which entail quite high expenses before they could be put on charter flights on the Bangkok-Chiang Mai route.

At the same time, Nok Air held negotiations with Singapore Airlines and Scoot Company to set up a new airline called NokScoot to compete with Air Asia X. However, both Nok Air and the Company did not take part in NokScoot Airlines' operations as a new company has been set up called NOK MANGKANG CO., LTD with Scoot Company holding 49% of its shares. NokScoot Airlines submitted its application to the Department of Civil Aviation to change its name from Pete Airline to NokScoot and received the Aviation Operator Certificate (AOC) No. 17/2557. It was fortunate for the Company that the International Civil Aviation Organization - ICAO restrained these airlines to increase their flight frequencies as otherwise the Company would have to compete with several more new airlines.

In this regard, he would like to ask the Company's Management Executives which are member of Nok Airlines Public Company Limited whether they had raised any objections against such operations or not. If Nok Air were set up to compete with Air Asia X, why not set up a Nok X Airline but, instead, it turned to participate in a joint venture with a Singaporean company. In other words, out of a profit of Baht 100, Scoot Company would get Baht 49 without Thailand receiving anything out of such investment. Aircraft used, too, would be leased from Singapore, repaired in Singapore and Singaporean pilots were engaged while Singapore gets the rights to fly in Thailand.

The Company has about 100 aircraft and about 621 captains while Singapore Airlines have over 100 aircraft and 719 captains. One can see that Singapore has a great number of pilots left from carrying out their duties. Rates of pilots with low cost airlines currently in operations are about 4.5 – 5 per aircraft, vis-à-vis the rate of 6 pilots to one aircraft in our Company, and 9 pilots to one aircraft for Singapore such that new companies were set up to support this large number of pilots such as Air Asia X, Air Asia, Nok Air, NokScoot, Thai Lion Air.

On the subject of engaging a consulting company, Bain, he learned that 2 executives in the consultant team were from L.E.K. Consulting Company. These individuals had suggested cost and expense reduction in various areas such as a cut down on routes in which the Company suffered losses. He would like the Company to consider as to when the Company cancelled its routes such as Moscow, its passengers would turn to patronizing other airlines in lieu. If such routes are covered by

our competitor such as Singapore Airlines, then more profits would be gained by Singapore Airlines. For example, the Company used to fly 5 flights a week on Bangkok – Moscow route while Singapore Airlines and Aeroflot were doing about 7 flights a week. In other words, a total of 19 flights in all a week by these 3 airlines, they could carry about 30,000 passengers. When the Company's flights are cancelled, these passengers would turn to patronize Singapore Airlines or Aeroflot in lieu.

When this is compared with other routes such as Los Angeles route (LAX), the Company has 4 flights a week and was competing with other airlines with about 5.7 flights a week. The Company has been suffering a loss of Baht 55,500 million on this route over the last 5 years particularly during the period when it was using the A340 when it had to suffer a loss of approx. Baht 3,000 million per annum. This compared with only Baht 1,920 million of loss during the past 5 years on Moscow route, therefore, why the Company had not cancelled the Bangkok – Los Angeles route instead. He has learned of these figures from the statement made by the former President (DD) to Committee on Transportation that flights with such models of aircraft would have to be cancelled to prevent the Company from incurring more losses.

In the past, when Vietnam's territorial sky was closed down, the Company had to detour around the Vietnam Cape to Hong Kong with 45 more minutes of flight time such that the southern airlines which are the Company's rivals made an advertisement that flying from Europe to Singapore and then onwards to Hong Kong was faster than taking a connecting flight in Bangkok. Pol.Lt. Chatrachai Bunya-ananta, the Management Executives at that time, coordinated with Aviation Operations Department to solve that problem. There was only one way to solve it and it was to fly directly over Russia's territorial sky to Europe because that route was short and the wind was quiet. However, there were rules in Russia that for aircraft to fly through Russia, they must touch down for re-fuel and aircraft security check. Shortly after a proposal was made on this matter, the Ministry of Foreign Affairs sent a letter to notify that Russia has granted the permission for us to fly through without having to touch down which showed that we could cut down as much as 1 hour 45 minutes from our flight time and this gave birth to an airline called Trans-Asia Express. When Thailand was facing problems, it received assistance from Russia. But now that Russia was facing numerous problems, the Company turned, instead, to cancel its flight to Moscow. This could make Russia understand that Thailand was joining Western countries to impose a sanction on Russia.

Furthermore, he cited examples of other airlines' employment of their advisors to support the Company's consideration. In the past, before Switzerland join the European Union (EU), one European airline called Swissair contracted a consultant company called McKenzie to prepare a development and growth plan for Swissair for a value of over Baht 30,000 million. Advice given by McKenzie was to have Swissair negotiate to purchase of other airlines in a joint venture and to become its ally and finally, Swissair found itself under a heavy loss and had to go into bankruptcy in the end. The Swiss government therefore had to use its tax revenue to set up a new airline which is today's Swiss Airlines. However, for Swissair's subsidiaries like Sabena Airlines which went bankrupt as well, they could not be subsidized by the Belgian government as Belgium was a member of the European Union at that time. The EU has a rule forbidding any government from using its taxes and duties to assist the airline of its own government such that Sabena Airlines had to seek help from other institutions and became re-established under a new name of the SN Brussels Airlines.

If the Company were to claim that its own personnel are not capable of making plans and proceed to rehabilitate its operations, why then did the Company's Management Executives and Board of Directors appoint these people to their positions. The Company was not placed at a disadvantage or is of inferior quality vis-à-vis other airlines but the Company's problem is that it has been subject throughout to political interference.

Other than this, he was of the opinion that the Company's aircraft that were parked idle would not be able to get sold particularly the A340-600 which have not been used by other airlines any more, besides there was also a fact that they were also installed with Koito seats which were in the process of being banned by Airbus in the near future.

Ms. Jariya Jareeprasit, shareholder, suggested that the Company adjust the contents of its advertisements and public relations in various media channels so that they are to present in a straightforward manner with clear messages, and that the Company should determine the product prices with clarity. Furthermore, foods prepared by the Company at present were not good for health as they were only salty and sweet. Miss Jareeprasit considered that the Company should not serve this kind of food to anyone, whether to its shareholders or passengers because it would be deleterious to THAI Catering Department, which is the major base of production and capable of generating revenue for the Company. As for low cost airlines, not much importance was given to the in-flight meal but more on the side of price to attract passengers.

The Chairman thanked the shareholders and promised that the Company shall proceed according to the shareholders' advice.

Mrs. Chamsri Sukchotrat, shareholder, made the following statements to the meeting:

On the first issue, she learned that the Company has made an announcement to its employees on April 10, 2015 that, as Mr. Ampon Kittiampon, during his tenure as the Company's Chairman, and other members of the Board designated Mr. Chokchai Panyayong, Executive Vice President, Corporate Strategy at the time, to make an official statement regarding the reasons for terminating the employment of Mr. Piyasvasti Amranand, the former President. It was announced that the main reason for the employment termination was the purchase of 12 new generation aircraft. And subsequently the above persons asked the Company to announce that the statement given by Mr. Chokchai Panyayong was requested by several parties, including the journalists, and that the statement was made in good faith, without any purpose to cause damages to anyone. However, it transpired that the litigation for defamation was filed against one another. It was reported that the parties had now reached an understanding by which Mr. Ampon Kittiampon and other Board's members were of the opinion that Mr. Piyasvasti Amranand's procurement of aircrafts was made in good faith and had not caused damages to the Company. All cases of litigation had now been withdrawn by the contending parties. Mrs. Chamsri Sukchotrat advised that the list of directors appearing in the Company's official statement contained the names of the Chairman as well as several other Board members who were present at this meeting such as ACM M.L. Suprija Kamalasila, Mr. Weerawong Chittmitrapap, Mr. Kanit Sangsubhan and so forth. Mrs. Chamsri Sukchotrat asked if this case had been settled at present and for what reason did the Company's Board of Directors chaired by Mr. Ampon Kittiampon had terminated the employment of Mr. Piyasvasti Amranand.

The next issue concerned the case filed by the Company to demand damages from employees for their assembly on January 18-19, 2013 which was in the Labour Court at present. As shown in the video presentation, one of the reasons for loss suffered by the Company was the problem of employees losing their spirit in which the Company has given its promise to boost employees' spirit. Miss Sukchotrat stated that employee assembly during January 18 – 19, 2013 had arisen from Mr. Ampon Kittiampon's declaration of the Company's profits that was close to those in 2009, i.e. Baht 7,000 million and guaranty of one month bonus to employees. Every employee knew well that the Company was in a crisis. However, when the Rehabilitation Plan came out for the operations, Mr. Ampon Kittiampon announced that the employee salaries were not to be adjusted. The Company could not operate without the cooperation from its employees. No matter what the Reformation Policy would be, if employees felt disheartened and discouraged or if they felt they were not part of being the Company's owners, the Company would not be able to develop any further.

Employees assembled because they felt they were being oppressed. They sensed this unfairness and felt disheartened and discouraged such that they assembled to seek sympathy that the employees had given their cooperation in order to cut costs in the past years. If Mr. Ampon Kittiampon had declared that the Company's profits were close to those of 2009, or Baht 7,000 million, employees would have thought that the Company would have been profitable such that they asked the Company for increments as no adjustment had been made on their salaries for several years. The results of such assembly were beneficial to employees at every level. In other words, employees received salary

increments of 7.5%, Management Executives (levels 8 – 10) received 5.75% which were the highest so far, while Management Executives at Levels 11 -13 (Executive Vice President or EVP and Vice President or VP) received 4% increments. To sue just a few of the employees who join the assembly was therefore unfair. It would only make them feel battered and hateful against the Company. Mrs. Chamsri Sukchotrat would, therefore, like to ask the Company if such litigation was the decision made by the Company's Board of Directors. Besides, she felt that what the Company needed to reform was about having a good conscience, building a good corporate culture, good employer-employees relationships among employees, the Executive Management and the Board of Directors. If employees were working in the environment of hatred, suspicion and distrust of one another, the Company would not be able to make any further developments.

Furthermore, Mrs. Chamsri Sukchotrat learned that Mr. Niruj Maneepun, the former Executive Vice President, Human Resources and Compliance (DB) had made the pressure to have legal action taken in court against the Company's employees. Mr. Bumpen Suppasri from Legal Department also reconfirmed that the Company has filed the lawsuits as it had suffered damages and also to –prevent the claims from becoming time-barred. But what was the reason that the Company did not sue everyone who had benefitted from the assembly of employees. From minutes of the Executive Management Meeting (EMM), although it was stated that the Company's legal counsel had advised that the Company should sue every employee participating in the assembly, the Company ignore its duties by suing only 4 employees with the full knowledge that it was not possible for 4 persons to gather and protest for such a great outcome. If the Company wanted to take action in court, then it should sue every person taking part in the assembly as they were all in collusion resulting that the Company suffered damages. Otherwise, the Company should withdraw its lawsuits.

As for the demand of over Baht 300 million of damages from only 4 employees being sued, the Company claimed that such amount were damages ensuing from news which appeared in newspapers, commentaries, analyses, etc. Furthermore, the Company included the costs of outsourcing a company to make news clippings in the damages claimed from employees being sued despite the fact that the Company's Public Relations Department had a lot of employees and there were over 20,000 employees in the Company. Mrs. Chamsri Sukchotrat then asked for the reason that the Company using the outside company instead of designating its own personnel.

The Chairman acknowledged the matter and would take action further according to the suggestions and would clarify this issue later on. The Chairman then gave other shareholders an opportunity to make their comments before Mrs. Chamsri Sukchotrat taking up on another issue.

Mr. Phuttinun Valayapetch, proxy, asked the Chairman to keep the meeting concise as it had taken a lot of time and several shareholders had other business engagements to attend. If shareholders were allowed to discuss things outside the agendas or for a lengthy period, several shareholders would not be able to participate in the meeting until the end.

Mr. Surasit Sriprapha, shareholder, asked the persons hired by the Company to stop the meeting and to keep the discussions concise to go and sit together in one place.

The Chairman asked Mrs. Chamsri Sukchotrat, shareholder, to give a summary of the issues to be discussed as to how many they were and asked for her cooperation to discuss them briefly to give other shareholders an opportunity to speak.

Mrs. Chamsri Sukchotrat, shareholder, took up the next issue concerning the complaint filed by Mr. Niruj Maneepun with the Suthisarn Metropolitan Police Station about the Labour Union using loud speakers to oust Mr. Ampon Kittiampon from his post. She commented that the Company should drive out people who have made the Company suffer damages such as the former President who has vested interests in NokScoot Airline instead of suing people who were protecting the Company's interests.

Moreover, she was also sued by the Company in another case when she sent a letter to the former President and the Company's Board of Directors seeking their cooperation by not interfering with the Labour Union's work and to respect the State Enterprise Labour Relations Act B.E. 2543 (2000). Instead, the Company took up this matter to sue her in a case of defamation and sought to terminate her employment on the day of her retirement. To date, she had retired for 2 years whilst the said case had yet to begin. Mrs. Sukchotrat asked why the Company did not engage its Legal Department to handle the Company's litigation, such as labour case, instead of hiring the law firms with a budget of over Baht 1,000 million. Mrs. Sukchotrat considered that the Company was not using its employees cost-effectively resulting that it had to engage the outside law firms to carry out the litigation work. In particular, on the said defamation lawsuits, Mrs. Sukchotrat noted that the damaged party was not the Company but the former President, so the former President would have to be liable for such legal fees himself. Mrs. Sukchotrat asked that the Company clarify all issues.

The Chairman gave the opportunity to other shareholders to make any further comments.

Mrs. Tipaporn Ounsiri, representative from the Right Protection Volunteer, the Thai Investors Association, raised 3 issues as follows:

Firstly, as for the cabin factor for the 2<sup>nd</sup> Quarter which the Company had set at not less than that of the 1<sup>st</sup> Quarter, i.e. at 76%, Mrs. Tipaporn Ounsiri asked if it would be possible for the Company to increase the cabin factor and generate revenue since it is the low season during that period.

Secondly, as for the 22 aircraft pending sales, Mrs. Tipaporn Ounsiri learned from the news that the Company had already sold 8 aircraft out of them and asked when the proceeds of those sales would be realized and when the remaining 14 aircrafts would be sold.

Finally, as for the Company's announcement of its intention to participate in the Anti-Corruption Project, Mrs. Tipaporn Ounsiri asked that when the Company planned its Collective Action Coalition (CAC).

The Chairman assigned Mr. Charamporn Jotikasthira, President, to answer the questions.

Mr. Charamporn Jotikasthira, President, thanked Mr. Suthep Suebsantiwongse, shareholder, for his information concerning the past consultant companies and said that he would assign Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to check further on the matter. As for the expenses for various projects this year, they should not be more than Baht 500 million. The advisors hired either currently or in the past for the Company's reformation were to assist the Company on the following matters:

1. Strategic planning;
2. Designing new system that could be used by the Company on a permanent basis; and
3. Determination of new work procedures and processes which are more cost-effective and time-saving.

The Company had to take these approaches because the current situations were considerably different from the past. Problems which had caused the Company to suffer a great deal of loss during the past 2-3 years came mainly from changes in its environment which was hostile to the Company, whether such be fuel price at the rate of 20% during the early phase of last year with ensuing loss for the Company or economic conditions in EU and in global scale, political unrests, and, most importantly, the issue of competition which had been increasing dramatically.

The problems like these had never stroke the Company at the same time like they were at present, particularly this issue of competitors. In the past, the Company managed to achieve profitability from its flights with approximately 65% cabin factor out of its entire transportation volume. Whilst economy class fares in 1982 were about Baht 30,000, salaries for graduates with bachelor degrees were only Baht 3,000 per month, the salaries for new graduates with bachelor degrees at present were 5 times increase, i.e. Baht 15,000, with nearly the same economy class fares. One could see a great difference between competition today and in the past. The fact that the Company did not make any improvements from the past vis-à-vis great developments on the part of its competitors made the Company suffered a situation of loss. The Company needed to make a major reform now to enable it to resume its capacity to conduct operations on a proactive basis in the future.

Against the said background, the Company found it necessary to hire consulting companies to help it build up management systems to enable efficacious management under the highly competitive circumstances in order to survive under such hostile environment. Mr. Charnporn Jotikasthira was of the opinion that for the Company to survive on a sustainable basis, it must change or reform the Company. In the past, numerous airlines in the forefront of the World's aviation had to pass through changes and reformation in their operations to enable them to get through the crises, such as Japan Airlines, Malaysia Airlines and All Nippon Airways (ANA). Or even airlines that had gone bankrupt such as Trans World Airlines (TWA), Pan American World Airways, etc.

To date shareholders have not received dividends for a long time because the Company had suffered a loss. What the Government had done to help the Company at present was that the Company would receive assistance only when it has implemented its plan of reformation. In proceeding with that, the Company would have to arrange for close monitors, inspection, supervision and control by external work units such as State Enterprise Policy Office (SEPO). Shareholders could be confident that the Company would take action to solve its problems and develop the Company with prudence, precision and speed. As for adjustments during the high season, if the environment became friendlier, it would be reasonably possible to prepare a plan for the high season for the Company's interests.

The Company's reformation would be undertaken simultaneously in many aspects, including efforts to increase its revenue-generating capacity. Plans were made by the Company last December in collaboration with heads of its Sales Offices based at world-wide stations by which the Company could take good care of works of all commercial units involved and increased sales and marketing at every station. The Company could give more attractive offers that responded the needs of the current situation in a timelier manner resulting that the averaged cabin factor for the entire year rose to 76% from that of 68.9% in the preceding year. For this April, the Company's cabin factor was about 77%. This was quite a good progress made by the Company.

It was correct that the fuel costs help improving the Company's performance. Still, the Company needed to carry out its structural reforms for enhanced its efficiency. Even though great progresses had been made, the problem of loss might arise again like in the past if the Company were not careful.

As for operations by rival airlines or low cost airlines which could expand their business better than the Company, in fact several airlines also faced the problems of loss last year as a result of rapid expansion and lack of prudence. The Company had run into these problems and had learned from lessons. If the Company could learn how to turn a crisis into an opportunity, it would be able to get rehabilitated. Currently, these problems and conditions had not been ameliorated. The Company would therefore have to ask for the cooperation from its employees, Management Executives and every member of the Board of Directors to concentrate on their work and to re-organize their modus operandi. If the Company were to continue with its old methods which incurred high costs and was ineffective as far as sales and marketing were concerned, it could, indeed, face the old problems as before.

As for Captain Jothin Pamon-montri's suggestion that wordings in the video presentation be revised and his recommended guidelines to solve the A340 problems, the Company would like to thank him and would accept these recommendations for action as suggested. And, on this issue of Nok Airlines, he assigned Flt. Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, to give further explanation.

Flt.Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, commented that, for operations of each different airline particularly with different customer targets, consideration would have to be made on a number of details. For instance, Nok Airlines has a large number of competitors flying from Japan, China and Korea to Thailand and operating in this region, particularly those domestic flights.

As far as the Company is concerned, he reiterated that it would be difficult for the Company to compete in the low cost airline market, particularly in the medium and long range routes, because the Company held as much as 39% equity in Nok Airlines and also 100% equity in Thai Smile.

On this issue of the joint venture between Nok Airlines Public Company Limited and Scoot for operating an aviation business, the objective of the joint venture was to compete with its competitor, i.e. Thai Air Asia. However, in participating in a joint investment, consideration would have to be made as to which airline is the most ready airline in the region whose chance to participate in the investment would be high. At present there was no low-cost airline that succeeded in the medium and long-ranges operations. The Company would therefore have to take this matter into its consideration.

The Chairman then assigned Mr. Weerawong Chittmittrapap, Independent Director, Chairman of Audit Committee and Chairman of legal committee, to clarify the legal issues.

Mr. Weerawong Chittmittrapap, Independent Director, Chairman of Audit Committee and Chairman of legal committee, explained the issue raised by a shareholder concerning termination of Mr. Piyasvasti Amranand's employment that there were a large number of statements on this issue which led to a misunderstanding. However, at this point in time, the Company had already reached an understanding with Mr. Piyasvasti Amranand that both sides had been performing in good faith. The lawsuits, too, have been withdrawn and three were no issue unsettled at present. As for actions taken in court against the Company's employees, this issue involved the Executive Management, and not the Board of Directors.

Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained additionally to Mrs. Chamsri Sukchotrat concerning the issue of litigation on employee strikes which had an impact on the Company's operations that such action was taken pursuant to the decision of the Executive Management at that time. Currently, the case was in the court's consideration (at the stage of witness hearing) such that he could not give any additional details on the matter.

The Chairman then assigned Flt.Off. Chalermpon Intarawong, Executive Vice President, Technical Department, to explain on the progress of the sale of 8 aircraft.

Flt.Off. Chalermpon Intarawong, Executive Vice President, Technical Department, explained that, on the sales of aircraft in 2015 the Company had already sold and delivered 2 aircraft, i.e. one B747-400 and one A300-600. The Board had authorized the sale of additional 8 more aircraft, namely five A300-600 and another three A330-300 for which their deliveries would be completed by the end of July. There were still 4 aircraft grounded which were left over from the previous sale, i.e. four A340-500. And for the four B737-400, their Term of Reference (TOR) had already been already issued by the Company.

Moreover, the Company was preparing to sell off four more aircraft, i.e. two A300-600 and two ATR-72. These two ATR-72 had already been put up for sale by the Company but the buyers defaulted on payment. As for the two B747 which were chartered flight planes, their Term of Reference (TOR) for sale and lease had already been announced by the Company. The Company has already been contacted for leasing both of them out under the ACMI form or Wet Lease.

The Chairman assigned Mr. Charamporn Jotikasthira, President, to give an explanation on closure of routes and on an employment of consultants/advisors

Mr. Charamporn Jotikasthira, President, explained about the closure of routes that the Company had given careful consideration on the matter by making pertinent checks and verified that actual loss had been incurred and that the closure of such routes could, in return, be beneficial to the Company. For instance, the Moscow route showed up a figure of loss of approximately Baht 300 million per annum such that the Company found it necessary to close down that route on an urgent basis. One of the main reasons for the Company's loss of Baht 15,000 million per annum stemmed from the fact that the Company was still going on with its flights on routes which were unprofitable. Routes to be considered for closure by the Company were routes which could not be adjusted and caused problems of loss that was unable to be solved within 12 – 18 months. From the past December on, the Company was facing severe financial problems such that the adjustments had to be made de pronto.

As for the issue raised by a shareholder that the Company has selected a consulting company with personnel who used to work for the past Company's consulting company, Mr. Charamporn Jotikasthira explained that it was necessary for the Company to use experts well-versed with worldwide aviation businesses, particularly with experience during the past few years in view of the fact that knowledge in managing aviation affairs are constantly changing. People mentioned by the shareholder were just a group of personnel from other advisors throughout the world. And, in this case, it was not the same subject or the same agenda such that there should not be any concern over the conflicts of interests.

Ms. Warawimol Na Ranong, proxy, chided the Company for the meeting venue requiring one to climb up a high staircase; the air-conditioners in the meeting room that were too cold; lack of hot beverages such as tea and coffee served, the location that was rather far and the proxy documentation that were too much such that it is a waste of money. And, to facilitate shareholders or proxies who would be attending the meeting about their registration, the Company should state clearly what documents are required and not to have them having to open up the Invitation Notice and see it for themselves. Moreover, there were very few passengers on some routes and she would like to suggest that the Company increase its flights to Chiang Mai and Songkhla. Then, she criticized food flavours and about shareholders not receiving any special privileges from the Company and would like to ask for the reason for having to make additional payments for changing from a Thai Smiles flight into that of the Company despite the fact that the Company holds the entire equity in Thai Smiles.

Ms. Supanee Boonyawatana, shareholder suggested that the Company should take up the problem of political intervention as the first risk factor in its management of operations in view of the fact that the Company has faced numerous problems from politicians who stepped in to interfere with the Company's operations. The Company was prosperous and famous in the past because it was run by the Royal Thai Air Forces people. She hoped that within 2 years, one would see the results of the Board's performance and suggested that the Company include the matter of personnel training and development as one of its risk factors as well in view of the fact that there were no new employees in the Company since 1997 and it still asked for employees to enter into early retirement as well as hiring outside companies from time to time to carry out work in lieu because of the Company's poor financial position. Moreover, several former employees wanted to come back to work for the Company despite the fact that they would have to be transferred to work with Wingspan Services Co., Ltd. on a temporary basis, but the Company refused to take them back, such that it could not train and develop personnel in time to take the place of those who were retiring. Employees she referred to here were

ground or office personnel and not flight crews or air hostesses/stewards who were already recruited every year. In addition, she was concerned that the Red Airline was stepping in to fly on routes that the Company had already made its marketing plans for. She, therefore, asked that the Company take whatever action to prevent the Red Airline from flying in its place on those routes.

Mr. Somsak Manop, shareholder, suggested that every member of the Board stand up to apologize to shareholders present at the meeting because several members of the current Board had been setting out the Company's policy and managing it since 2012 up to now and had caused the Company to suffer a loss and its shareholders not to receive dividend payments.

The Chairman explained that every member of the Board wished to see the Company profitable and prosperous albeit there were several problems which the Company could not solve, including the competition and political protests which had an impact on travelers into Thailand and insurance for passengers. This current Board is devoting their all to work and have been consulting with the Company's Executive Management and employees to set up guidelines which would propel the Company forward such that it becomes profitable once again.

Mr. Somsak Manop, shareholder, thanked the Chairman for his explanation and demonstration of his determination to perform. He then made a suggestion of 4 guidelines to reduce the Company's loss situation as follows:

1) A suggestion that the Company stop contracting external law firm to handle its labour litigation because the figure of expenses concerning labour disputes which had arisen from 2009 onwards amounted to over Baht 1,000 million per annum. For instance, Baht 1,667 million of expenses in 2009, Baht 1,751 million in 2010, Baht 1,343 million in 2011, Baht 1,410 million in 2012, Baht 1,299 million in 2013 and Baht 1,321 million in 2014. He would, therefore, like to propose that the Company cut this portion of expenses so as to generate a profit of Baht 1,000 million immediately.

And, he suggested that the Company uses its own personnel for labour lawsuits because it was not necessary to use lawyers to handle the litigation in lieu. This could help cut down costs.

2) In the case of the Company contracting an external company to make news clippings on the Company at a cost of several hundred thousands of Baht. He would like to ask why the Company did not use its own public relations personnel to handle this clipping of news appearing in the mass media or the television but had to contract an outside company instead. He also asked if the Company has been using the contents of the news, whether on the negative or positive side, for appraisal of damages or not, for example, the case of news reported by newspapers and the television on the Company's employees rallying in protest to demand payment of bonus and salaries. The company which was contracted to handle news clippings had made an appraisal of all damages at Baht 300 million. Currently, news of the Company's loss and various problems were reported in the mass media, Mr. Manop asked that whether the clippings of news and damages were appraised and the reasons were given for their materialization. And, from whom will the Company make a claim for damages that had been thus appraised.

3) The case of complaint filed with the Office of the National Anti-Corruption Commission (NACC) on the abuse of power to assist employee who has already left its employment after an appeal was filed and the penalty reduced from dismissal to a cut of salary. He asked about the NACC's determination on the prima facie ground of this case. Employee morales and spirits were involved with this case while it was the ground for the Company's loss as well.

4) He asked the Company to explain about complaints filed with the NACC about the case of salary increments given by an executive to himself, about the case of using people who have reached their retirement age for work in the parking bays area at the rate of Baht 1,500 per day covering only 3 flights a day, and about the labourers of the draftees of the Royal Thai Air Force to work in the parking bay areas just like the Company's employees which were not right as it was not a

soldier's duties to render menial services but to protect the country, and the case of executive who had resigned but unduly increased the salary for his subordinate.

Dr. Autana Laowhathaimongkol, shareholder, complained about the food provided by the Company that it was unqualified, about the temperature of the meeting room that is too cold, about the having no tea or coffee for the shareholders, and about the hygiene and the numbers of the restrooms which are not enough compared to the numbers of the shareholders attending. Moreover, she also suggested that the Company should add more flights to India during March to September apart from flights in the high season (October to February) because Thai people travel to India throughout the whole year.

Mr. Suthep Suebsantiwongse, shareholder, asked for the reason why in page 34 of the 2014 Annual Report re: Aircraft discharged from the fleets, there was no mention of the A340-500, or it was a typographical error. He then criticized the venue for the meeting that it was rather inconvenient for shareholders, and food distributed to shareholders were sub-standard and were not fit for Muslim shareholders before asking the President to explain about the contractual costs for projects that had already been expended for 20 items of Baht 500 million. He expressed his concern about leakages of the Company's data arising as the result of employing Bain Company, particularly the case of personnel from consultant companies stepping in to work with rival airlines.

Pol.Col. Sermkiat Bamrungphruek, shareholder, discussed with the meeting that he had checked the Management Discussion and Analysis (MD &A) on the Company's website and felt concerned as the Company's entry into its Reformation Plan was likely to have a great impact on its employees, particularly with reduction of expenses with high costs and downsizing of manpower on the voluntary basis. This would have an impact on employees at the lower echelons as those in the upper levels would not be volunteering to resign because of their high remuneration. The Company's failure to maintain unity with its lower-level employees could be the starting point of its next problem. He therefore hoped very much that Mr. Charamporn Jotikasthira, the President, who graduated from Harvard and well-versed in business affairs, particularly with aviation would gather up all information already discussed by shareholders in the past up to now and then duly analyzing them to make proper adjustments to improve the next 2-3 quarters performance and that he would be able to unite our organization more as every shareholder was willing to help the Company gratuitously.

Furthermore, the main point in organizational management concerned risk management as the Company's costs were high in every area, including fuel costs and other expenses. Besides, the Company was currently paying great attention to operate a low cost airline despite the fact that it was a premium airline flying at the scheduled airline level. The Company was given maximum confidence by its passengers on this subject of satisfaction as its employees were set resolutely on their tasks and sacrificing themselves for the organization to the extent of having built up numerous achievements. He, therefore, hoped that the Company would continue to stay on and that Mr. Charamporn Jotikasthira would be able to solve the problems. And if there was anything that could not be done, he suggested that the former Chairman of the Board of Director, ACM Chalit Pukbhasuk, be approached for advice.

Mr. Suthep Suebsantiwongse, shareholder, asked about employing Bain Company to conduct the work of reforms. He asked for additional details as work was specified to be completed within a timeframe of approximately 57-58 days only at the cost of Baht 40 million which could be separated into Baht 35.7 million of advisor costs and approximately Baht 2.8 million of costs on bartered tickets. He felt that these expenses were not appropriate when compared to work to be conducted at only 57-58 days without being able to specify the direction on the matter of reforms they were to make. He felt that the main point to reform the Company was to reform its marketing system to produce high revenue. Reformation already explained by the Company in the beginning was to reduce its headcount, flight frequencies and sale of assets. He thought that this method should not be right. If the advisor company made only these strategies, then we should not have wasted as much expenses as Baht 40 million. And, on the subject of damages from Tiger Airways, Thai Smiles Airways and NokScoot Airways, including the case of A340-500 aircrafts, all these had arisen because of one single person

who had retired at present. Only two weeks after leaving the Company, he took up the post of Chairman of a company which operates another airline that was the Company's competitor. He asked the Company to follow up on damages which have been incurred too as he felt that even though the said person could hold a position in another company, it was something inappropriate and the Board should be well aware of this matter. He himself and Captain Jothin Pamon-montri have a lot evidence and information which can show that the Board was aware of this matter.

Mr. Montchai Rabruentaweesuk, shareholder, stated that every time problems were raised for discussion at the meeting, he had hoped that the Company would be able to solve them. But, on the problem of food particularly tea and coffee beverages mentioned by a shareholder earlier on, the Company has taken no action whatsoever. He added that the Company's Executive Management was under a system which lacked good governance. If we were to sit here further in a meeting, it would be acceptance of what the Board had already done as well as what the Chairman has accepted to take for reformation albeit no action whatsoever had been taken. He would therefore ask that shareholders go back home such that the meeting would lack a quorum and a new meeting would have to be convened.

Mr. Sittichok Boonvanit, shareholder questioned about last year's debts of Baht 20,000 million as to what action would be taken by the Company to solve the problem. He asked whether the Company's Plan of Reformation had any thought to prevent the Company from the intervention of politicians or anyone who would be seeking benefits out of it. As the Company was a national flagship carrier, even though the Ministry of Finance might, indeed, be its major shareholder, he felt that the Company should not have let the Ministry of Finance be entitled to vote because any side which becoming the Government would have it voted along its side. The Company should be the independent like PTT Public Company Limited. Furthermore, he raised queries on the 4 aircraft that he had asked at last year's meeting as to whether they could take off in flight or not because last year the Company said they could not be put on flights because of their heavy fuel consumption and that would make the Company suffer a loss with high costs of fuel. But, with a drop on current fuel prices, he wondered if the Company could bring back these 4 aircraft on rotation for flights to Japan.

On this issue of sale of passenger tickets, he would like to propose that the agency system be ceased and that the call center system be used in lieu, or to have direct phone calls for reservations instead. Three weeks ago, there was the news about a woman reserving a ticket for her children and then the reservation was cancelled because the agent which took her reservation did not send it to the Company for further action.

On the issue of debts, he had already asked one financial institution. The Company could, if it was seeking financing by means of hire-purchase or pledge, place its aircraft to obtain a loan from the bank in order to solve its, financial problem.

The Chairman explained about the enactment of laws to separate the Company from the intervention of politicians that this issue was being considered by the Government and the NCPO in the overall picture particularly about supervision of state enterprises that have been listed in the stock exchange to ensure that they could run with efficiency.

Mr. Kriangkrai Wongmaleewatana, shareholder, asked about the sale of the Company's 10 aircraft whether that would be a regular sale or a special sale to reduce loss.

The Chairman explained that they were being sold because their conditions were too old.

Mr. Kriangkrai Wongmaleewatana, shareholder, asked if all of the aircraft to be sold were old or if some could still be used but had to be sold in a hurry to reduce the Company's loss.

The Chairman explained that the sale of these aircraft were for a change in the Company's image by using new aircraft that would be put into its fleet and could provide full services.

Mr. Kriangkrai Wongmaleewatana, shareholder asked about the number of routes which would be closed down by the Company because of loss from their flights and whether any survey and researches had been conducted by the Company at the outset prior to launching flights on these routes or not. Why did they suffer losses when they started to go off? In this respect, he felt that Mr. Ampon Kittiampon should not be in the Company to manage it, or in every state enterprise in Thailand for that matter.

Mr. Takon Thanalertlap, shareholder commented that the meeting was not proceeding in accordance with the agendas. The main issue was to select executives with capabilities and vision. As for this matter of cutting off or selling any property, he felt that this rested at the discretion of the Board. The issue to be considered by the Company was whether it has a management system to handle political domination or various kinds of dishonesty or not. If this Board of Directors made the Company suffer a loss this year, then next year, shareholders would have to consider making a change and let the Board they have already screened to have the authority to act in lieu. He would also like to say that the Company's first class seats could not even be compared to business class seats of Emirates Airline. He asked the Company to improve on the quality of its meals because Thailand is regard as a kitchen of the world which is capable of exporting its foods overseas. He asked the Company to review its strategies that have been set once again to give the Company the maximum competitive edge. Besides, the Company should not think of itself as a top level airline because there are several low cost airlines which could take over several airlines at the international level. Thus, consideration must be made by the Company as to what should be done to bring back its patrons and passengers and to become profitable as the fact of the matter was that, with all its seats filled on every flight nowadays, the Company was still suffering a loss.

Mr. Tul Ngeyvijit, proxy, asked the Chairman to control the meeting to be contained within the agenda.

Mr. Suchart Mitpakwaen, proxy, discussed about the Company's good governance that the Executive Management always refer to internal and external factors throughout their explanation about the Company's profits and loss. For example, in the case of external factors, they often refer that fuel prices were high or because of the fluctuating exchange rates the Company was made to suffer a loss. Or else, for internal factors – the Executive Management often claimed that it involved the Company's procurement affairs despite the fact that these problems were merely secondary. The main reason for loss or profits stemmed from the appointment of people to carry out work or to manage these internal or external factors. If the Company appointed good people with the qualifications in line with its requirements, it would have been able to achieve profitability. Currently, people were being transferred unfairly within the organization based on favouritism. They were cross-transferred over their lines when they have no proper skills or capabilities. He would therefore suggested that appointments and transfers of personnel be made fairly by the Company based on its selection of good and knowledgeable people who would help manage the Company's affairs.

The Chairman commented in concurrence with the shareholder and stated that Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, were trying to set up a system and take action on this matter.

Mr. Suchart Mitpakwaen, proxy, asked about the subject in which he has previously sent a letter to the former Chairman concerning execution of agreement for the lease of spaces with Airport of Thailand PLC. ("AOT") that the Company was placed under a very serious disadvantage because it has to pay rental to the AOT of about Baht 6,000-7,000 million a year and that when the Company built any building there, it still had to pay lease for that building as well. This constitutes double payment of lease. He has already told ACM Prajin Juntong about this issue but has not as yet heard any results on it.

The Chairman explained that this matter was under the process of consideration by the Board.

Ms. Suporn Patumsuwanvadi, shareholder said that the reason for the Company's loss came from its expenses which were unnecessary and not in line with its objectives such as salary increments during the time that it was suffering a loss, procurement of aircraft at high prices and high maintenance/repair costs.

Mr. Surasit Sriprapha, shareholder, asked for the progress pursuant to the report in page 32 of the Minutes of last year's meeting concerning the policies on drugs suppression and thefts of passenger's belongings at Phuket Station in which there were damages of several hundred million Baht each year and the results of investigations and follow-up actions. And, in page 41 in which people at retirement age were contracted to drive heavy high loaders for aircraft boarding for which the Company's insurers would not make any indemnification if there was an accident, he would like to know if such action was in contravention of the Cabinet's resolution or not, and that if problems did, indeed, arise, who would be accountable for them. The next issue concerned employing ground personnel at retirement age at the rate of Baht 1,500 per day albeit they were to work only for 3 flights. In page 57, he asked Sub Lt. Anussorn Naksrichum, Executive Vice President, Aviation Business Unit, to explain the reason for the Company outsourcing labour by special method despite the fact that the regular method would be priced much lower than the special method. He then suggested that the Company send the matter to the investigation authority if it is made by a special method.

Mr. Charamporn Jotikasthira, President, assigned Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to give an explanation on the budget of Baht 1,000 million for disputes and an explanation on bringing back retired employees to drive loading vehicles.

Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained that the budget for the portion of labour disputes of Baht 1,000 million were reserved as a potential debt which may arise albeit the Company did not have to be responsible for them as yet. After checking, it was found that this was the case of terminating 2 employees as the result of embezzlement after an investigation and penalty were imposed by the Company. These employees however, turned to demand damages from the Company of Baht 500 million each. As for the budget connected with the litigation of labour disputes in the country, the expenses would not be more than Baht 15 million.

As for the question raised on the reason the Company had to contract external law firm to handle its cases of litigation, he explained that at the moment, there were only 3 litigators or lawyers in the Company and for such labour cases, the Company had assigned personnel in its Human Resources Department to represent it in the case. Currently, the Company has trained and assigned 5 of its employees to assist lawyers in the labour dispute litigation.

As for cases under the charge of the Office of the National Anti-Corruption Commission (NACC), he would like to say that all documentation had already been sent to NACC, and the case of giving salary increases to themselves is at the process of fact-findings. And, the case of the former executives granting incorrect salary increase, investigations had been made and the case was close to being concluded. As for the case of employing retired employees to drive vehicles in the airport, he would like to say that this matter is covered by insurance and that today no such employees were employed in this respect. In the case of outsourcing by special method, criteria and terms have been set by the Company as to when they could be made. However, on the subject of extending the contract which was expiring by special method, the Management did not allow action to be taken that way now.

Mr. Charamporn Jotikasthira, President, explained that this meal problem was acknowledged by the Board which was studying the problem urgently. And, on this subject of shareholders not receiving payment of dividends for a long time, he would like to explain that before shareholders could receive dividends, the Company would have to turn around to generating profits first. He would like to inform the meeting that there were several works which the Board, Executive Management and the Company's employees needed to do to implement the plan. The Company would, therefore, ask

for the cooperation from every shareholder to ensure that the Company could manage its operations and move forward.

On the subject of unity within the organization, this was being considered to be extremely vital but everyone must help one another. In other words, everyone can think differently, but no matter at what level such differences of opinion might be, once the Company has decided on a course of action, we ask that everyone join us in moving forward together and come back to become the Company which is the pride of Thailand once again. And, about the route to India which is the route to Bodh Gaya, he would accept the matter for further consideration.

The Chairman expressed his opinion that a reasonable time has already been used by shareholders to discuss this agenda. He, therefore, asked that the Meeting consider giving its acknowledgement to the 2014 Annual Report.

Mr. Somsak Manop, shareholder, made additional comments that the Company has not as yet given its answer on hiring an outside company to handle news clippings for appraisal of damages and the loss of its image, and would also ask further about the reason for terminating Mr. Piyasvasti Amranand's employment because even though the litigation could be settled, there was the damages of having to contract lawyers to handle the case. Also, about the Executive Management deciding to sue 4 members of the Labour Union whether that was the Board's resolution or not.

The Chairman explained that it was not the Board's resolution but was the Executive Management's affairs.

Mr. Weerawong Chittmittrapap, Independent Director and Chairman of the Audit Committee, explained that the cost of contracting lawyers was not over Baht 1,000 million. But as there were 2 employees suing the Company for termination of their employment as the result of dishonesty, they were demanding damages of over Baht 500 million each. However, in recording entries in the account books when action was entered in court against the Company, the auditor must state in its Remarks pursuant to what Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, has already explained above. As for fees for lawyers handling the labour lawsuits, the real figure was over Baht 10 million. There were only 3 employees in the Company who could handle litigation. As for the case of terminating Mr. Piyasvasti Amranand's employment, that was in line with the nature of the contract which gave the employer the right to make such termination and the issue of dispute was whether the said case was unfair termination or not. However, the Company and Mr. Piyasvasti Amranand had been able to reach an agreement and had reached an understanding on the matter.

Mr. Charamporn Jotikasthira, President, explained about the issue of news clippings that it was a modern kind of work specifically carried out by an external service company. That service company also works for hundreds of client companies. Today, no company takes the work of news clipping on its own any more because it would have to be done electronically. In his opinion, the budget for this portion of work should not be that much but he would nevertheless accept this matter for consideration.

After the Chairman gave the Meeting an opportunity to raise any further queries and there were no more doubts from shareholders, he then proposed that the Meeting consider acknowledging the report on 2014 performance.

The Meeting acknowledged the report on 2014 performance as detailed in the 2014 Annual Report sent to shareholders together with the Invitation Notice of this Meeting.

**Agenda 4: To consider and approve balance sheets and income statements for the year 2014**

The Chairman assigned Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, to give details on this agenda.

Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, gave the following explanation to the meeting:

#### Profits and Loss Statement

2014 Consolidated Financial Statements comprise Financial Statements for Specific Ventures and for 5 subsidiaries, namely:

- 1) THAI-Amadeus Southeast Asia Co., Ltd.
- 2) Wingspan Services Co., Ltd.
- 3) THAI Flight Training Co., Ltd.
- 4) Euangluang Tour Co., Ltd.
- 5) Thai Smile Airways Co., Ltd.

In 2014, the Company and its subsidiaries suffered losses before currency exchange, income tax and loss from assets impairment for the total of Baht 23,019 million while in 2013, the Company suffered a loss before currency exchange, income tax and loss from assets impairment for the total of Baht 3,608 million. The Company's loss was caused mainly by competition which increased in severity and the impact of protracted political situation from the end of 2013 which increased in severity during the 1<sup>st</sup> Quarter which was the High Season such that there was a huge drop in the number of passengers on the Asian Regional routes, particularly from core markets such as China, Japan, Korea, etc. Even though the political situation might have ameliorated in the 2<sup>nd</sup> Quarter, the number of overall passengers for the entire year, however, was still less than that of 2013 by approximately 11.2%. Statistics of foreign tourists coming in to Suvarnabhumi Airport and Don Mueang International Airport also show a drop of 11.3% from the preceding year.

Furthermore, the Company still had non-operating expenses, i.e. loss from impairment of assets and aircrafts of Baht 6,342 million but generated profits from currency exchange of Baht 12,623 million.

In 2014, the Company and its subsidiaries suffered a net loss of Baht 15,573 million vis-à-vis net loss of Baht 12,000 million in 2013. Thai Airways' net loss were Baht 15,612 million or a loss of Baht 7.15 per share, vis-à-vis Baht 5.52 per share of net loss in the preceding year. Its profits before financial costs, tax, depreciation and write-offs (EBITDA) were Baht 3,589 million which was Baht 18,885 million less than those of the preceding year.

#### Statement of Financial Position as at December 31, 2014

The Company had total assets for an aggregate of Baht 307,267 million which was increased by Baht 182 million or 0.1% as the result of:

- Current Assets increased by Baht 5,800 million as the result of increased Cash and Cash Equivalents of Baht 11,589 million from procurement of loans.
- Land, Building and Equipment decreased by Baht 7,428 million as the result of:
  - Baht 12,769 million decrease on aircrafts – the main reasons being 9 aircraft discharged from the fleet being transferred to non-current assets held for sale.

- Decrease of Baht 5,618 million from aircrafts, engines and spare parts paid for in advance – the main reasons being advance payment made for 5 aircraft taken delivery of this year under the form of lease.
- An increase of Baht 10,520 million for aircrafts under lease as the result of delivery taken of 5 aircraft.
- Baht 1,810 million increase in Other Non-Current Assets from income tax pending write-off and increased expenses pending write-off.
- Debts increased by Baht 15,805 million or 6.3% to Baht 265,971 million, with an increase of Baht 23,300 million in short-term loans as the result of loans made for use as the Company's working capital. However, there was a drop of Baht 7,798 million in long-term debts as the result of the Baht currency strengthening at the end of 2014.
- There were Baht 41,296 million in Shareholders Equity with Baht 15,623 million or 27.4% drop as the result of loss incurred from 2014 performance.

Details of the above Financial Statements are shown in the 2014 Annual Report that had already been sent in advance to all shareholders.

After due consideration was made on the said Financial Statements, it was the Board's opinion that the meeting of shareholders should approve the Balance Sheets and Income Statements that had already been audited by the Audit Committee and the Auditor or the Office of the Auditor General of Thailand.

The Chairman asked if any shareholder had any concern or wished to make any further queries.

Mrs. Chamsri Sukchotrat, shareholder, commented that the Company should explain about its submission of the issue of the Executive Management's abuse of power to the Office of the National Anti-Corruption Commission (NACC).

The Chairman assigned Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to explain.

Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance explained that currently there were two issues being considered by the Office of the National Anti-Corruption Commission which has been making its investigation into the Company and that the matter was at present at the process of consideration.

FS 1 Dumrong Waikhani, proxy, asked Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, that, according to the accounting report, how the expenses concerning litigation cases were separated under the expenses category. Which account the Costs of hiring legal counsel and lawyers were recorded. He also asked about the case of Southern Air Company making claims for damages against the Company.

The Chairman explained that the Board could not give any explanation if it concerned the litigation.

FS 1 Dumrong Waikhani, proxy, explained that this issue was not that of litigation but he would like to ask for accounting items on the Southern Air case where there were damages of approximately Baht 632 million as that item did not appear in the accounts whilst that of Mr. Piyasvasti Amranand's case was shown in the accounts. He would, therefore, like to ask where the Southern Air accounting item was recorded.

The Chairman assigned Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to give an explanation on the matter.

Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained that there were errors in recording accounting items on the operating results and expenses. As for facts in the case of Mr. Piyasvasti Amranand, it had already been resolved and concluded at the Central Labour Court on April 24, 2014 under Red Case No. 1275/2557. For lawyers' fees, he would ask Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, to explain accordingly.

Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, explained that in page 184, clause 5.31 in the Annual Report re: Contingent Liabilities, there was a report on the case of labour litigation as already explained by Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, and for the costs of legal counsel and litigation costs, they were given in page 179, clause 5.25 under the heading of Other Expenses.

Mrs. Tipaporn Ounsiri, representative from the Right Protection Volunteer, the Thai Investors Association, asked that in 2012, the Company had generated Baht 6,229 million of profits, and, that subsequently in 2013 and 2014, it suffered a loss of more than Baht 10,000 million. She would, therefore, like to ask for the information as to when, in which year after the Company has undertaken its reforms, it would become profitable again.

Mr. Charamporn Jotikasthira, President, explained that according to the Plan of Reformation, the Company would take 2 years to carry out work. In other words, from January 2017 onwards, the Company would be able to become profitable in the full form. He was of the opinion that the Company should start to generate about 60 -70% profits during the January 2016 period.

Ms. Warawimol Na Ranong, proxy, commented that, if there were vacant spaces on any of the Company's flights, they should be offered for sale to shareholders as a means of compensation. They could be sold at the price between 25 – 30% of the original price and this would give additional income to the Company. As for food given to shareholders attending the meeting, she was here as a proxy for 2 shareholders but the staff told her that she would only receive one box of food. She would, therefore, ask as to what the Company planned to do with the food that was left. Other than this, she would like the Company to ask the Stock Exchange of Thailand whether there would be any conflict of interests if the Chairman of Company A would be a director of Company B at the same time while Company A and Company B are co-traders and have been trading goods with each other for a very high sum of money. A comparison of the case is made like this: the Company's Chairman being a director in PTT Public Company Limited at the same time when these two companies are co-traders with a value of fuel transactions totaling Baht 11,709.33 million pursuant to the 2014 Annual Report, page 104. Would the Company be considered as having good supervision/control of its affairs or not and whether this would constitute a conflict of interests or not within the scope of contravention of the concepts of good governance of the Stock Exchange of Thailand, of the Association to Promote the Institution of Directors of Thai Airways and of the Securities and Exchange Commission in any way.

The Chairman asked the Legal Counsel to answer the said shareholder's questions.

Ms. Linda Osathaworanan, Legal Counsel from Siam Premier International Law Office Limited, explained that on this question, the Company would ask for permission to explain about the issue on conflicts of interests where a director of Company A is also a director of Company B under circumstances which there are rules prescribed on this issue by the Securities and Exchange Commission issued by virtue of the Securities and Stock Exchange Act B.E. 2535, Section 89/12, which laid down the ground that directors, executives or related entities may enter into transactions with the Company only once it has received the approval from the meeting of its shareholders except when such transactions fall within the scope of transactions constituting commercial agreements in the

like manner in which people with ordinary prudence would execute under the same circumstances with their contractual parties in general with the bargaining power commercial-wise which are free from the influence of their holding the position of directors or such related parties and that such are trading agreements which have been authorized by the Board or are in line with the principles that the Board has already authorized.

Thus, when the Company's Board of Directors had, on August 13, 2008, given its approval for the Company to execute inter-related transactions with its directors, executives or related people, if there are agreements commercial-wise in these transactions in the like manner which should be conducted under the same circumstances by people with ordinary prudence towards their contractual parties in general with the bargaining power that is free from the influence of their holding the positions of directors or related parties, then people who hold the positions of directors in the Company and in PTT Public Company Limited would be able to make pertinent contact to place their purchase orders because the Company conducts the business of transportation such that it would have to use fuel as raw materials in the course of its operations. Purchase of fuel, therefore, constitutes the Company's normal course of business. Besides, the price of fuel which the Company purchases are market price and the same as that set for sale to other non-related individuals or enterprises such that it is a fair and suitable price. Thus, the answer on this issue is that there are no conflicts of interests between each other.

FS 1 Dumrong Waikhani, proxy, stated that the answer from Mrs. Charita Leelayudth did not answer his queries about the lawyer's fee as she was explaining about the costs of the legal counsel while he was asking whether the Company had recorded its expenses for all labour lawsuits such as lawyers fees or damages for every case or not. How could a shareholder understand as to which part of expenses had been recorded by the Company. And, in the case of this sum of Baht 632 million which appeared on page 44 of the minutes of last year's meeting of shareholders which was given an explanation by Mr. Thongchai Singhakul at that time that there were Baht 632 million as Southern Air's expenses, he would like to ask once again as to in which part was this item of expenditure recorded.

The Chairman asked Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, to give further explanation to the shareholders.

Ms. Warawimol Na Ranong, proxy, commented that answers given by the directors and the Executive Management to shareholders were prepared in advance. Besides, the Ministry of Finance who holds 51% equity in the Company holds more votes than every other shareholder such that there is no way that minor shareholders would have a chance of winning against the Company.

The Chairman explained that if no objections were raised by anyone against such provision of law, he would ask the meeting to consider and approve the Company's Balance Sheet and Income Statements for 2014 as detailed in the Company's 2014 Annual Report already sent in advance to the shareholders. He asked that any shareholder who would not approve this agenda or abstain from voting on it to hand in his/her ballot card to the Company's staff while those who did not do so would be deemed by the Company to have cast their votes of approval.

Mr. Somsak Manop, shareholder, made this objection that Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting had not as yet answered his question.

The Chairman explained that he would assign Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, to give her explanation during the vote-counting process.

Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting, explained that all legal counsel costs had been recorded together with the costs of advisors as detailed in legal service fees for the Antitrust litigation at approximately Baht 60 million and another approximately Baht 104 million for the Koito case. The rest are costs of other advisors of Baht 149 million.

FS 1 Dumrong Waikhani proxy, stated that he was making enquiry on the sum of Baht 632 million which was not shown in the accounts which no one had given him an answer so far.

After shareholders were given an opportunity by the Chairman to raise any further queries, there being none from the floor, the Chairman thereupon proposed that the Meeting consider approving the Company's 2014 Balance Sheet and Profit and Loss Statement.

The Meeting resolved by majority votes of shareholders attending the meeting with the right to vote to approve the Company's 2014 Balance Sheet and Profit and Loss Statement that had already been audited and duly certified by Office of the Auditor General of Thailand (OAG), the Company's Auditor.

Votes cast by shareholders were as follows:

|                    |               |              |           |
|--------------------|---------------|--------------|-----------|
| Affirmative Votes: | 1,623,412,535 | representing | 99.8960 % |
| Negative Votes:    | 159,533       | representing | 0.0100 %  |
| Abstention:        | 1,528,539     | representing | 0.0940 %  |

**Agenda 5: To consider and approve the suspension of dividend payment in respect of the Company's business operations for the year 2014**

The Chairman assigned Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting to give an explanation to the Meeting on this Agenda.

Mrs. Charita Leelayudth, Vice President, Investor Relations Management Department and Acting Executive Vice President, Finance and Accounting explained to the Meeting that it is the Company's policy to make payment of dividend of not less than 25% of net profit before gain or loss on exchange rate of the consolidated financial statement subject to investment plans, necessity and other suitable factors in the future. For the 2014 fiscal year ending on December 31, 2014, the Company and its subsidiaries suffered a net loss of Baht 15,573 million, which Baht 15,612 million constitute the parent company's net loss after deducting exchange gains. The Company, therefore, suffered a net loss before deduction of exchange gains of Baht 28,235 million so that the payment of dividend for 2014 could not be made pursuant to the Company's policy governing payment of dividend.

After shareholders were given an opportunity by the Chairman to ask for any further information and there being no doubts raised from the floor, the Chairman proposed that the Meeting should consider and approve suspending payment of dividend for the Company's 2014 performance.

The Meeting by majority votes of shareholders present and holding the right to vote, approved the suspension of payment of dividend for the Company's 2014 performance.

Votes cast by shareholders were as follows:

|                    |               |              |           |
|--------------------|---------------|--------------|-----------|
| Affirmative Votes: | 1,624,772,911 | representing | 99.9800 % |
|--------------------|---------------|--------------|-----------|

|                 |         |              |          |
|-----------------|---------|--------------|----------|
| Negative Votes: | 163,807 | representing | 0.0100 % |
| Abstention:     | 163,889 | representing | 0.0100 % |

**Agenda 6: To consider the Directors' Remunerations**

The Chairman assigned Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, to give an explanation on this Agenda to the Meeting.

Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, explained to the Meeting about the criteria governing determination of directors remuneration and meeting allowances for the period from May 1, 2015 through to April 30, 2016 pursuant to the resolution adopted by Nomination and Remuneration Committee No. 2/2558 held on February 23, 2015 and to have them submitted to the Meeting for consideration and approval accordingly, as detailed below:

Remuneration and Meeting Allowances for Company's Directors:

- Directors will receive a payment of remuneration of Baht 50,000 per month each on a regular monthly basis and a meeting allowance of Baht 30,000 per meeting. If there should be more than one meeting in a month, they will receive a meeting allowance of Baht 30,000 each only. Meeting allowance for the Chairman of the Board of Directors will be 25% more than that of Directors while that for the Vice Chairman will be 12.5% more. Directors shall be personally responsible for payment of their own income tax. The said remuneration shall be the same sum as being approved by the Meeting of Shareholders in 2014.
- Where a Director is appointed by the Board of Directors or Chairman of the Board of Directors as a director, a member of a sub-committee or a member of other working groups in the Company, the Director so appointed shall be additionally remunerated with a meeting allowance of another Baht 10,000 each per meeting. If there should be more than one meeting in any month for any of such committee, they will receive a meeting allowance of Baht 10,000 each only. The remuneration in this respect shall be the same sum as being approved by the Meeting of Shareholders in 2014.
- The Audit Committee will be remunerated on a monthly basis for a sum equivalent to meeting allowance for members of the Board of Directors. The Chairman of the Audit Committee, however, will be remunerated at a rate of 25% higher than that of director. The Audit Committee will receive such remuneration even if there is no meeting in any month as provided by the Ministry of Finance's Regulations governing Audit Committees and Internal Auditing Units of State Enterprises, B.E. 2555 as published in the Government Gazette which came into force from September 8, 2012 onwards. The rates of remuneration which were approved by Meeting of Shareholders in 2014 is that the Chairman and members of the Audit Committee shall be remunerated on a monthly basis for a sum equivalent to meeting allowances for members of the Board of Directors and shall also be remunerated in any month though no meeting is held.

Details of sub-committees and their scope of authority are mentioned in page 83 – 89 of the Company's 2014 Annual Report. It was resolved by the Nomination and Remuneration Committee not to offer any annual bonus and any air-ticket privileges to the Directors for 2015.

The Chairman then gave shareholders the opportunity to make their comments or raise their queries on this Agenda.

Mr. Prasert Lertyaso, shareholder and proxy, asked the Company to consider the circumstances and other conditions when they consider the directors' remuneration by suggesting that every item of directors' remuneration should be reduced by half. He then asked for an explanation on 2014 annual remuneration given to its directors whether the same rules or the rules currently being proposed to the Meeting were applied.

The Chairman explained that remuneration paid to directors in 2014 was based on the original rules, which were approved by shareholders at the previous shareholders' meeting. There were no changes for this year's remuneration besides air-ticket privileges which had been removed from the Directors' remuneration by the Management Executives.

Mr. Charamporn Jotikasthira, President, explained that the present Board of Directors is cutting down various privileges in order to raise the income received by the Company, starting with taking off air-ticket privileges for its Directors since last year.

Mrs. Chamsri Sukchotrat, shareholder, asked Mr. Charamporn Jotikasthira, President, to give additional details.

The Chairman assigned Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to give additional details concerning air-ticket privileges.

Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance explained that the Board of Directors has proposed that air-ticket privileges should be removed for both domestic and international flights since 2014.

Mrs. Chamsri Sukchotrat, shareholder, asked whether the free air-ticket privileges for the directors' families are still available and whether the removal of air-ticket privileges was for one year or not, and how.

The Chairman explained that it will not be removed only for one year, but this privilege is cancelled forthwith.

Mrs. Chamsri Sukchotrat, shareholder, applauded the Board of Directors for their sacrifices.

The Chairman explained that this privilege has already been cancelled for one year.

Ms. Warawimol Na Ranong, proxy, asked about expenses pertaining to the Company's Board of Directors as stated in page 192 of the 2014 Annual Report by asking the Chairman to give details as to how many times the meetings were held, what were the contents of such meetings and what action has been taken by each director. She asked for an explanation or else a document should be prepared and sent to all shareholders.

The Chairman explained that some information were already given in the 2014 Annual Report, but if any shareholders wished to obtain additional information, the Company would have them sent to those shareholders.

Ms. Warawimol Na Ranong, proxy, commented that other shareholders also wanted to obtain such information.

The Chairman explained that the said information was already shown in the 2014 Annual Report.

After the Chairman gave the Meeting a chance to seek additional information and no more questions came forth, the Chairman proposed that the Meeting should consider and approve according to the details as proposed by the Nomination and Remuneration Committee.

The Meeting resolved with votes of not less than two-thirds of the total number of shares held by shareholders present at the Meeting to approve criteria governing determination of directors' remuneration as explained by Mr. Rungson Sriworasart, Director and Chairman of Nomination and Remuneration Committee.

Votes cast by shareholders were as follows:

|                    |               |              |           |
|--------------------|---------------|--------------|-----------|
| Affirmative Votes: | 1,624,613,081 | representing | 99.9700 % |
| Negative Votes:    | 313,537       | representing | 0.0190 %  |
| Abstention:        | 173,989       | representing | 0.0110 %  |

**Agenda 7: To consider the appointment of an auditor and to determine the audit fees**

The Chairman assigned Mr. Weerawong Chittmittrapap, Independent Director, Chairman of Audit Committee and Chairman of Legal Committee, to give a report on this Agenda.

Mr. Weerawong Chittmittrapap, Independent Director, Chairman of Audit Committee and Chairman of Legal Committee explained that the Organic Act on State Audit B.E. 2542 (1999) provides that the Office of the Auditor General of Thailand (OAG) shall serve as an auditor for all state enterprises. Thus, the Company, which is a state enterprise, has always have the Office of the Auditor General of Thailand (OAG) conducting the audit for its accounts as well as those of its subsidiaries which are likewise the state enterprises since the Company is their major shareholders or holds the entire shares in such subsidiaries, e.g. THAI-Amadeus Southeast Asia Company Limited. and Thai Smile Airways Company Limited. However, the Office of the Auditor General of Thailand has never acted in any way as an auditor for any other of the Company's subsidiary or associated company(ies) which do not hold the status of state enterprises. The Company was required by laws to appoint a new auditor every year and to have the Office of the Auditor General of Thailand serve as its auditor as well. Thus, the Audit Committee, at its meeting No. 1/2558 on February 20, 2015, considered proposals from the Office of the Auditor General of Thailand which had been duly approved by the Company's Board of Directors to have them submitted to the Meeting of Shareholders for their consideration and approval, as follows: (a) approval to appoint the Office of the Auditor General of Thailand as the Company's auditor; and (b) approval to set the Company's auditing fee for 2015 of Bath 2,500,000 and fee for reviewing three of its quarterly financial statements of Bath 350,000 per quarter, which are the same as the 2014 fees for the audit of its accounts and review of its financial statements.

The Chairman gave shareholders a chance to express their opinions and raise questions concerning this Agenda before proposing that the Meeting to consider the approval of the appointment of the Office of the Auditor General of Thailand as the Company's auditor and set the 2015 auditing fee at Baht 2,500,000 and the fee for reviewing three of its quarterly financial statements of Baht 350,000 per quarter.

The Meeting resolved by majority votes of shareholders who were present and holding the right to vote to approve the appointment of the Auditor as well as authorizing the auditing fee for 2015 as proposed by the Audit Committee.

Votes cast by shareholders were as follows:

|                    |               |              |           |
|--------------------|---------------|--------------|-----------|
| Affirmative Votes: | 1,624,907,811 | representing | 99.9880 % |
| Negative Votes:    | 35,157        | representing | 0.0020 %  |
| Abstention:        | 157,639       | representing | 0.0100 %  |

**Agenda 8: To consider the election of Directors**

The Chairman asked those who were nominated for the election of directors to leave the meeting room and assigned Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, to handle this Agenda and give pertinent details to the Meeting.

Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, referred to Article 17 of the Company's Articles of Association which stated that one-third of directors in the Board shall, at each annual general meeting, retire from their posts or, if their number is not a multiple of three, then the number nearest to one-third shall retire from their posts. Directors to retire after the first and second years following the registration of the company shall be drawn by lots. For subsequent years, however, directors who have been longest in office shall retire. Directors retiring at the end of their term may be re-elected to their position. This year, directors to retire at the end of their term are as follows:

1. Mr. Areepong Bhoocha-oom
2. AM Pakdee Saeng-xuto
3. Mr. Pongpanu Svetarundra
4. ACM M.L. Suprija Kamalasila
5. Mr. Charamporn Jotikasthira

Opportunities were given by the Company for shareholders to nominate individuals they considered appropriately qualified to be elected as members of the Board pursuant to criteria that have already been disclosed in the Company's website between September 22, 2014 to December 31, 2014 and in the Prachachat newspaper (3 days publications, since October 9, 2014). However, shareholders had made no such nomination to the Company. Thus, the Nomination and Remuneration Committee selected individuals who would be appropriately nominated as members of the Company's Board by their qualifications and suitability pursuant to the recruitment process by making their selection from individuals they consider qualified, with expertise in a variety of areas, clean work records, far-sighted vision, endowed with good moral and ethics, who enable to express their opinion independently, have discharged their duties well as directors in the past and holding appropriate qualifications. At the Meeting on February 23, 2015, the Nomination and Remuneration Committee, excluding directors with vested interests, have resolved to propose to the Company's Board of Directors and the 2015 Annual General Meeting of Shareholders to appoint five directors, as follows:

1. Mr. Areepong Bhoocha-oom as director for another term.
2. AM Pakdee Saeng-xuto as director for another term.
3. ACM M.L. Suprija Kamalasila as director for another term.
4. Mr. Charamporn Jotikasthira as director for another term.
5. Mr. Damri Tunshevavong as director to replace Mr. Pongpanu Svetarundra

Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, gave shareholders a chance to express their opinion and raise questions on this Agenda

FS 1 Dumrong Waikhani, proxy, asked for the reason why Mr. Charamporn Jotikasthira, who has just stepped in as the Director of the Company, was at the end of his term.

Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, explained that Mr. Charamporn Jotikasthira has taken over as a replacement of a former director who

retired before the end of his term. Thus, Mr. Charamporn Jotikasthira's term in office would be the remaining term of such former director whose term was now expiring by the time of this Meeting.

FS 1 Dumrong Waikhani, proxy, asked further as to which director was Mr. Charamporn Jotikasthira replacing.

Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, explained that Mr. Charamporn Jotikasthira has taken the position of a director to replace Police General Adul Sangsingkeo.

Mrs. Tipaporn Ounsiri, representative from the Association of Thai Investors' Shareholders Protection Volunteers Group, asked if there is any Independent Directors in the Company who has been staying in office for more than 3 terms or more than 9 years. Since the Association of Thai Investors give much importance to the independency of directors.

Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, answered that there was no independent directors in the Company who had stayed for more than 3 terms or more than 9 years in the office.

Mr. Natee Niamsrichand, shareholder, commented that if there were ladies in the Company's Board of Directors, this would create a balance in the performance of work or cause the Board to have the potential to help the Company to grow and prosper further.

Mr. Rungson Sriworasat, Director and Chairman of Nomination and Remuneration Committee, gave shareholders an opportunity to raise additional questions. Without further doubts expressed from the floor, he therefore proposed the Meeting to give its consideration on the approval for election of directors.

The Meeting resolved by majority votes of shareholders, attending the Meeting and eligible to cast the vote, to approve the appointment of five directors in lieu of Company's Directors who have retired at the end of their term, as follows:

1. Mr. Areepong Bhoocha-oom

|                             |               |              |           |
|-----------------------------|---------------|--------------|-----------|
| Affirmative Votes:          | 1,608,964,193 | Representing | 98.9878 % |
| Negative Votes:             | 4,141,859     | Representing | 0.2548 %  |
| Abstention:                 | 163,921       | Representing | 0.0101 %  |
| Non-exercised voting right: | 12,146,034    | Representing | 0.7473 %  |

2. AM Pakdee Saeng-xuto

|                             |               |              |           |
|-----------------------------|---------------|--------------|-----------|
| Affirmative Votes:          | 1,612,910,395 | Representing | 99.2306 % |
| Negative Votes:             | 211,957       | Representing | 0.0130 %  |
| Abstention:                 | 171,221       | Representing | 0.0105 %  |
| Non-exercised voting right: | 12,122,434    | Representing | 0.7459 %  |

|    |                              |               |              |           |
|----|------------------------------|---------------|--------------|-----------|
| 3. | ACM M.L. Suprija Kamalaksana |               |              |           |
|    | Affirmative Votes:           | 1,612,510,385 | Representing | 99.2060 % |
|    | Negative Votes:              | 610,317       | Representing | 0.0375 %  |
|    | Abstention:                  | 178,621       | Representing | 0.0110 %  |
|    | Non-exercised voting right:  | 12,116,684    | Representing | 0.7455 %  |
| 4. | Mr. Charamporn Jotikasthira  |               |              |           |
|    | Affirmative Votes:           | 1,613,100,445 | Representing | 99.2423 % |
|    | Negative Votes:              | 125,107       | Representing | 0.0077 %  |
|    | Abstention:                  | 81,171        | Representing | 0.0050 %  |
|    | Non-exercised voting right:  | 12,109,284    | Representing | 0.7450 %  |
| 5. | Mr. Damri Tunshevavong       |               |              |           |
|    | Affirmative Votes:           | 1,612,930,195 | Representing | 99.2318 % |
|    | Negative Votes:              | 152,657       | Representing | 0.0094 %  |
|    | Abstention:                  | 193,771       | Representing | 0.0119 %  |
|    | Non-exercised voting right:  | 12,139,384    | Representing | 0.7469 %  |

**Agenda 9: Other Business (if any)**

The Chairman gave shareholders the opportunity to make their statements or raise any queries they might have with the Company.

Mr. Thongchai Phongsawaleeratana, proxy, commented that in announcing the voting results, it should also be annotated as to how many shareholders had casted their votes in view of the fact that the affirmative votes were quite high and might lead to a misunderstanding that a large number of shareholders was present in the Meeting up to this last Agenda despite the fact that in actuality such affirmative votes were the votes casted by the Ministry of Finance only, as the single major shareholder. Once most shareholders left the meeting, voting on the latter agendas was made with speed and concision. In addition, he would like to suggest that the Company uses 4 measures of plus and 4 measures of minus, as follows:

- Minus One is to curtail its debts which means reducing unnecessary debts. The Company must cut down on debts incurred in every section and department.
- Minus Two is to curtail its loss in view of the fact that the Company has been incurring continuous loss for several years which might also have an impact on shareholders who could be classified as the debtors too.
- Minus Three is to curtail political and corrupt practices in view of the fact that political and corrupt practices go hand in hand with and have been interfering with the Company's operations throughout, and
- Minus Four is to curtail internal conflicts within the organization. The Management and its employees must cooperate with each other to reduce such conflicts.

and, 4 measures of plus consist of the followings:

- Plus One is to increase the morals and spirits of its operators, directors, managements and personnel. The Company should build up a power of inducement and spirits for work among its personnel as well.
- Plus Two is to increase the power of inducement for its shareholders in view of the fact that shareholders are people with vested interests in the various activities in the Company. When an opinion is given to or a complaint is filed with the Company by shareholders, the Company should listen to them in order to derive benefit from those opinion or complaint effectively for further improvements.
- Plus Three is to boost the rise of the new generation in Thai Airways. In other words, action should be expedited by the Company to adequately and appropriately increase the number of its personnel in various departments in view of the fact that only ground staff and traffic control personnel are currently being recruited. Personnel in other departments, too, should be increased, and
- Plus Four is to boost up the confidence of the Thai people as the Company is the National Flagship Carrier. Currently, there was news that the Company has not received International Civil Aviation Organization - ICAO's accreditation. This scenario caused a great deal of concern among shareholders. Furthermore, the Company should publicize videos pertaining to its reformation which were distributed to shareholders today to the mass media and the general public as well in order to build up the confidence and creditability, besides to faith, of the Company from its shareholders and the Thai people. In addition, the Company should have measures in place to prevent politicians from intervening in its operations otherwise it would go back to the same old vicious circle of loss.

The Chairman stated that he would take up the shareholder's suggestions for further consideration and would try to prevent the Company from political intervention and further losses.

Mr. Prasert Lertyaso, shareholder and proxy, commented that the Company should hold two annual general meetings of shareholders each year to enable shareholders, who are the Company's real owners, to meet with the Company's Board of Directors, who are the Company's temporary employees. He also considered the appropriateness of adding another agenda prior to the next-to-last agenda as an agenda of answering all queries raised by shareholders since there were some issues the Board has not yet given the answers to shareholders, such as the issue concerning the loss of money at the London branch office. He learned that this item was not included in the Company's Balance Sheet Statements. He had already asked the Board about it several times, along with questioning about several issues, for example: the revision of Article 12 of the Company's Articles of Association concerning the Company's investment which leads to a modus operandi for management that is when new individuals join the Company's management, they would always purchase new aircraft which might lead to corruption; why had the Company not purchased its fuel from PTT Public Co. Ltd. and borrowed funds from Krung Thai Bank; his request for the Board to cut down its remuneration by half; and so forth. Thus, he would like to suggest that the Company arranges to include an additional agenda before the last agenda. Moreover, the Chairman still could not control the Meeting and keep it in line with the Agendas so that more time had been consumed than what necessary. The Company should also make some improvements by not having political interference in its affairs and such political interference was the Ministry of Finance. He would, therefore, ask the Ministry of Finance's proxy to identify himself/herself accordingly to the Meeting and to explain as to what instructions he/she had received to cast his/her votes.

Mr. Pitaya Uthaisang, proxy, announced that he was the Ministry of Finance's proxy and was instructed to vote pursuant to what the Ministry of Finance has considered appropriate.

The Chairman announced his confidence that Mr. Pitaya Uthaisang, the Ministry of Finance's proxy, has tried to carry out his duty to the best of his ability and within the framework of the rules in every respect.

Mr. Prasert Lertyaso, shareholder and proxy, commented further that once the Company planned to reform its organization, based on the fact that the Government's policy and the current draft Constitution have laid down the principles which would provide its citizens with the highest power, at the next annual general meeting of shareholders, therefore, the Company should give shareholders the opportunity to be appointed as members of the Board. He would also write to the Ministry of Finance and the Permanent Secretary of Finance to have votes casting to approve the appointment of shareholders to perform the duties as a member of the Company's Board of Directors in order to monitor and check on the management's works.

The Chairman explained that the Company's Board of Directors had complied with rules governing all meetings in every respect and that the Company was able to explain and answer every query of shareholders.

Mr. Suchart Mitpakwaen, proxy, commented that the Company's performance of work fell short of good corporate governance. For instance, there were unequal treatment and injustice when consideration was made in order to mete out penalties for executives and employees in the lower echelons who have committed wrongdoings. And, he asked the Board to check on malfeasances committed by the Management Executives which had caused the Company to suffer damages but they were not subject to penalty. On the other hand, the lower-echelon employees who might have committed minor wrongdoings or offences which did not cause damages to the Company were nonetheless subjected to punishment by being fired.

The Chairman accepted the said suggestions for consideration and asked Mr. Suchart Mitpakwaen to give details of such violations of the law to the President after the Meeting ended.

Mr. Suchart Mitpakwaen, proxy, commented further that there should be a third party conducting the evaluation of the Management's performance every quarter in order to ascertain if the Management Executives could perform their work well or not. This would prevent cronyism and solve the problem of loss. He also was of the opinion that the Company should have a policy to conduct its operations at Don Mueang Airport which was prospering.

The Chairman explained that the Company arranges to evaluate the performance of its Management Executives every 6 months based on the results of work they have been assigned by the President.

Mr. Suchart Mitpakwaen, proxy, commented further that the said performance evaluation should be done by a third party to ensure that such evaluation was justly determined and ruled out any favouritism.

Ms. Suporn Patumsuwanvadi, shareholder, commented that the Company should change its venue of the Annual General Meeting of shareholders next time. She suggested that it should be held in town and that the Company should consider using premises of educational institutions, this could be financial supports for the educational institutions. Moreover, the Annual General Meeting of shareholders should be held on a Saturday instead of a regular business day which would give the Company more time to consult with its Management Executives and shareholders in order to ensure that discussions on various issues could be made with a greater clarity. Moreover, the Ministry of Finance should give the opportunity to minor shareholders to vote without being overwhelmed by votes from the Ministry of Finance, as the major shareholder.

The Chairman stated that the Board would accept the said issue for consideration to ascertain if there was any educational institution suitable to be used as the venue for the Company's Annual General Meeting of shareholders or not, and how.

Mr. Natee Niamsrichand, shareholder, cheered up the Company by saying that discouragement is not for a wise man, let not the wise man be discouraged. He also encouraged the Company to keep up with its spirits. He then commented that the process of assigning a proxy is too complicated and full of hassle when compare with other companies', therefore the Company should improve this process in order to facilitate its shareholders. Moreover, the Company has the Department of Planning and Strategy, but has no Department of Policy which should be set out for operating the guidelines for the Company's operations. Thus the Company should add a Department of Strategy and Tactics as well as a Department of Following Up and Evaluation in order to monitor the Company's performances afterwards.

The Chairman expressed his thanks and invited the next shareholder to the stand.

Mr. Wiwat Koosakul, shareholder, stated that from page 81 - 88 of the 2014 Annual Report, if there were no errors in the said information, anyone could see that there were more than 10 members in the Company's Board of Directors, numbers of them being independent directors and three of them being members of the Audit Committee. He suggested that in order to obtain a greater assurance an independent director should accept only a post in one committee of the Company since there are also other independent directors so that the remaining ones could hold a post in other committees. This would reduce a duplication of responsibilities and the chance of having any conflicts of interests among the committees. Though he believed that all independent directors would discharge their duties on an unbiased basis, but during the period of reformation, it should be better to reduce every possibility which would sabotage the trustworthiness of the Company's Management Executives.

The Chairman explained that all independent directors may hold a post in the Audit Committee as well as the Risks Management Committee; however most of the independent directors would not be involved with the management but would discharge their duties concerning personnel selection. This should be along the same line as that proposed by the shareholder.

Acting Sub Lt. Adulya Wiwattanapataptee, shareholder, commented that the Company should reinforce relationships between its shareholders and the Management Executives on a more closely-knit basis in order to build a good attitude towards each other. For instance, a budget should be allocated to give about 100 passenger tickets in a lottery for shareholders. Other than this, with several years of its operating results being in loss, the Company should think of reducing its director remuneration even more.

The Chairman said that the Company also wished to be close to its shareholders. The Board would, therefore, find ways to build up further relations between the Company and shareholders.

Mr. Sittichok Boonvanit, shareholder, stated that the closing price of the Company's shares was Baht 13 per share, being positive by 40 Stangs. He then asked the President, who used to hold a post in the Stock Exchange of Thailand, as to: what plans of operations were there for the short and long term; what action has been taken objectively so that the Company's performance in the short term would be successful; and what plans were there for the conduct of business in the medium and long term which would give profitable returns to the Company between 2017 and 2019. He then suggested that an agenda on anti-corruption, which has been causing damages to the Company throughout, and it should be incorporated into the agenda the requirement of a person who would be taking a position in the Board or any committee in the Company which requires to submit a declaration of their properties as a measurement to prevent malfeasances and as an indication of their integrity.

The Chairman explained that every director has already had the duty to file his/her list of properties.

Mr. Sittichok Boonvanit, shareholder, expressed additional opinion that the Company's website was not as interesting as that of other airlines. He, therefore, asked that action be taken by the Company to adjust its website so as to be more interesting. Other than this, he complained that the Company's air hostesses were not interested in Thai passengers which might have an impact on the Company's image. He, therefore, asked the Company to check on the facts of this matter and improve things as well.

The Chairman asked the Marketing Department to explain about the Company's website and reiterated that the Company's air hostesses took care of every passenger on an equal basis.

Mr. Serm Penchart, shareholder, commented on the use of the Company's logo which was also related to Thai Smiles Airways that, as Thai Smiles Airways' logo was beautiful and communicated its point of strength, there was a disadvantage in an intermingled usage of the Company's logo with that of Thai Smiles which impaired the strength of the logo and might cause confusion on the product. The Company's White Champaka logo points to the operator's premium brand with clear-cut targets and one can say that it is a 5-star logo. But, it is not something usually done in the business to intermingle the logo with that of an inferior product. And, even though Thai Smiles Airways might stand out in the airport, to place the Company's logo at the tail-end of Thai Smiles' aircraft with inferior services, however, might create confusion among consumers concerning the level of quality of the products and could be deleterious to the image of the Company's services by pulling it down. The Company should, therefore, adjust the use of such logos so that they remain clearly separated to give customers a correct anticipation on the level of services they will receive. Furthermore, when looking at the Company's reformation plans, one finds another weak point which is an inadequate income which, from experience, the Company has given very little importance to this issue. The President has explained to the Meeting that the cabin factor has increased from the former 68% to 74-75% in March. But, from statistics of the private sector and the travel industry, one found that there was an increase of 24% of tourists. The Company, therefore, should increase the rate of its operations much more than this. This might be involved with what is scarce in the Company, namely participation in special promotion activities which were not involved with pricing but are sales promotion that relating to the customers via participation with department stores. The Company should not be focused only on reducing passenger fares alone.

The Chairman expressed his thanks for the suggestion and assigned Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to provide an explanation on the case of litigation in London, and Flg.Off. Suraphon Israngura Na Ayuthya, Executive Vice President, Commercial, to give an explanation on the marketing to the Meeting.

Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained that in the civil lawsuit where the action has been entered in court, judgment has already been rendered for indemnification of Baht 500 million of damages pursuant to entry of action by Mr. David Cook, Sales from the Thai Airways London Branch Office. And, in the labour lawsuit filed by the Company against the person in charge of the commercial line, the court decided that a good work of supervision had taken place and the Labour Court's judgment was stayed by the Supreme Court. The case has now reached its final conclusion. On the Anti-Corruption case, questions were made by the National Anti-Corruption Commission (NACC) asking for evidences on the said matter and the case was now in the process of the NACC's consideration.

Flg.Off. Suraphon Israngura Na Ayuthya, Executive Vice President, Commercial, explained that great importance was given to the Company's Commercial Department since the volume of service users increased. The Company has currently developed its internet system in a form that would facilitate its users with quick responses as well as solving the problem of limiting the financial line. There was now in place a secure system for payment of passenger fares and the credit-card verification

process was curtailed when checking-in as well as adding more payment outlets over and above credit cards, i.e. at 7-Eleven convenience stores, Big C Department Store, Tesco Lotus Department Store, ATMs and Family Mart convenience stores. And, passenger tickets would be automatically issued by the system immediately on payment. The Company's website, too, could carry out online check-in which was characteristically in the website made by the Company. As for the results of website usage from last January through to March, the ratio of usage increased when compared to usage on a month-to-month basis during the preceding period. The Company earned the revenue of US\$44,900,000 in January and US\$35,600,000 in February which was 17% more than that of February in the preceding year. It also achieved the revenue of over US\$38 million in March which was 34% more than that of the same month last year. Thus, during the last 3 months, the Company has been generating more income of as much as 15% over the same period last year. And, from the Company's averaged income, one finds that income derived from the online sales of air tickets were approximately 13% of its total revenue or an increase from last year's averaged value of 10%. On the issue of market growth, overall growth at the Suvarnabhumi Airport of actual in/out passengers during January through to March rose by approximately 15%. When being compared with Thai Airway's growth rate on almost every route, the rates would be higher than those entered/depended at Suvarnabhumi Airport except for the African, Johannesburg, Australian and European routes as the result of economic factors which have not yet been recoverable. However, the growth rate of the Company's business rose to approximately 24.6% vis-à-vis last year.

Mr. Boripat Tanomnam, proxy, stated that today he has learned a lot of information about the Company from shareholders as well as received answers on several issues from the Management Executives. He would ask that the Management Executives take up suggestions made by shareholders for further action and that, in the current situation, every Board member who has stepped in to discharge his/her duties with a remuneration that has been drastically curtailed are deemed to have made great sacrifice. He would like to give the Company's Management Executives a morale support to continue working for the Company then asked the Chairman to limit discussions as a lot of time has already been used for this Meeting.

The Chairman expressed his thanks and then invited the next speaker to have his say.

Sqn.Ldr. Jesda Niyompatama, shareholder, asked about passengers who booked tickets for trips to Japan and the case of leasing the Airports of Thailand Public Company Limited (AOT)'s spaces while the airport was closed down for 10 days from November 24, 2008 through to December 3, 2008 whether the Company had to pay the AOT any rental for such spaces during that period or not, and how. And, the Company's taking delivery of three to four A320 aircraft but having to have them grounded for over a month, this showed that the Company did not have an aircraft allocation plan. Moreover, if aircraft are grounded without taking off in flights, the Company would suffer a loss of income.

The Chairman assigned Flg.Off. Suraphon Israngura Na Ayuthya, Executive Vice President, Commercial, and Flg.Off. Chalermpon Intarawong, Executive Vice President, Technical Department, to give an explanation to the Meeting respectively and then invited the next shareholder to take the stand.

Mr. Prasert Tissyadhigom, shareholder, commented that currently consumers have turned to using low cost airlines rather than using the Company's services. He would like to suggest the Management Executives a method to enable the consumers to learn the better services provided by the Company, which are of superior quality after the Meeting. Moreover, the Company should solve the problems of tickets left unsold but not by dramatically reducing the prices.

Mr. Surayos Keratichevanun, shareholder, suggested that at the next meeting, the Board should first give their explanation in all aspects and in accordance with the agendas before giving shareholders the opportunity to ask questions or make comments at the same time as it would keep the meeting time concise and ended with speed. This would enable most shareholders to stay on until the

meeting ended which would be more beneficial towards the Company's development. He also asked that the Board considers arranging a meeting venue which would be more suitable and that it should set up a scope for the questions-answers series without having to give the answers on every issue as otherwise more time would be needed for the meeting than necessary.

Mr. Somsak Manop, shareholder, suggested that the Company check whether any of its high-level executive(s) has been giving former executive(s) who has retired any of the Company's information pertaining to its business plans or not. He also suggested that privileges should be withheld from all former executives who have retired from the Company and joined other airlines, including air hostesses, stewards or anyone who was the employee of the Company.

Mrs. Chamsri Sukchotrat, shareholder, asked if a shareholder comes across any unlawful act which has caused damages to the Company, what right does the shareholder have to file a complaint for action to be taken according to the law, or how can s/he file a complaint for action to be entered in court. She then asked about Southern Air Inc.'s money of Baht 632 million which the Executive Vice President, Finance and Accounting, had once said that facts would have to be verified first. She asked the Company to explain whether the Company has received the said sum of money or not because this item was not recorded in the Company's financial statements. She also made an additional suggestion that former management executives who had resigned and went on to work with other airlines which, indeed, constituted a conflict of interests, should also have their privileges removed. She felt that once you work with a particular airline, then you should receive the privileges of that airline and should no longer be entitled to receive the various welfare benefits from the Company. In this respect, she proposed that the privileges of Mr. Chokchai Panyayong must be duly removed as he has now a chairman of the board of Directors of NokScoot Airlines. She added that in the past, the Company had run into various crises arising from dissatisfaction with the management. As a former employee, she well understood the feelings of those employees who have been accused in the social media. However, she felt that, the Company's employees, as service providers should not directly argue with customers but that the Company's Public Relations Department should take additional responsibility on this matter.

The Chairman commented in concurrence with the shareholder's suggestions and explained that the Company's Public Relations Department has started to present its response on a more proactive basis and that the public relations system would be further improved.

Mrs. Chamsri Sukchotrat, shareholder, thanked the Public Relations Department and explained that as she was once an employee in the Company, she has never looked on foreign passengers as being superior to Thai passengers. She added that every employee in the Company was all determined and set on preserving the Company from political intervention over its affairs. She did not want those who protected the Company's interests to be looked upon as villains. Even though the Board might have come from the political world, which is a good side nonetheless. She believed that the Company could still retain its status as a state enterprise. She then asked that the Board set out the positioning of the Company and that of Thai Smiles with clarity as to whether the Company would like to have Thai Smiles compete with domestic low-cost airlines or not as there were concerns regarding the cancellation of its routes from Bangkok to Chiang Mai or Phuket to let Thai Smiles take over with their flights on those routes. She asked that the Company reaches an understanding with its employees on a straightforward manner and stay true on facts.

The Chairman expressed his concurrence with the comments that the Company must be clear with its employees on the said matter.

Mrs. Chamsri Sukchotrat, shareholder, suggested further that the Company should outline the area in which it takes its positioning as a premium airline in order to compete with worldwide airlines and that the term "Premium" does not mean that it is an airline with higher prices but rather with the high quality of its products, services and personnel. The Board must present facts on a straightforward manner to show its sincerity to its employees and she would like to leave this matter also with the current President.

The Chairman expressed his thanks for the suggestions and then asked Mr. Weerawong Chittmitrapap, Independent Director, Chairman of Audit Committee and Chairman of Legal Committee to give additional explanation on some issues.

Mr. Weerawong Chittmitrapap, Independent Director, Chairman of Audit Committee and Chairman of Legal Committee explained to the Meeting about Southern Air Inc., both on the case of the Company's claims against it and being claimed by Southern Air Inc. as well by saying that it rather is the issues of legal complexity as Southern Air Inc. has entered into the process of rehabilitation in the United States and was in the process of negotiations and litigation, the Company could not give an explanation nor give the Meeting the definitive sum of damages on this matter.

Mr. Charamporn Jotikasthira, President, informed that the Company's Good Corporate Governance Committee would welcome all shareholders who come across anything suspicious. And, on this issue about Baht 632 million, he would take this issue up and seek for clarification then give further explanation to the shareholders. On the issue of removing privileges from former management executives who went to work with other airlines, he would also take this matter up for consideration. As for the issue on Thai Smiles, the Company did not have any hidden agenda but there was a lack of clarity and good communications with its employees and the public. On business competition with low cost airlines, he felt that low cost airlines have been able to induce passengers who have been travelling by other means to come to travel by air which built up a greater base of clientele and would be beneficial to the Company's operations. However, it is the Company's duty to increase its sales by inducing passengers to patronize its services which provide premium services and put in highest investment on the safety. He then expressed his thanks to every shareholder who has kindly given their advices to the Company's Management Executives.

The Chairman further stated that the Company's Board of Directors, its Management Executives, the President and every employee would set out on work to have the Company get back to operating well as before.

There being no other matter to be considered or acknowledged by the Meeting, the Chairman declared the Meeting ended, thanked every shareholder who has attended the Meeting and participated in the discussions today, and wished everyone a safe trip home.

**The Meeting was adjourned at 19.50 hrs.**

(signed) Sub Lt.*Pitak Nakabhat*

(Pitak Nakabhat)

Director, Corporate Secretariat Office

Minutes Keeper

(signed) *Suvmol Bualerd*

(Mrs. Suvmol Bualerd)

Vice President, Corporate Secretariat Department

The Meeting's Secretary

(signed) *Charamporn Jotikasthira*

(Mr. Charamporn Jotikasthira)

President

(signed) *Areepong Bhoocha-oom*

(Mr. Areepong Bhoocha-oom)

Acting Chairman of the Board of Directors

The Meeting's Chairman