

**Minutes of the 2016 Annual General Meeting of Shareholders of
Thai Airways International Public Company Limited
on Friday, 22 April 2016
at Chaiphruet Room, Air Force Convention Hall (Thongyai Building)
Paholyothin Road, Saimai District, Bangkok**

Shareholders Present:

- | | | |
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| 1. The Ministry of Finance | holding | 1,113,931,061 shares |
| (Represented by Mr. Pitaya Uthaisang, proxy) | | |
| 2. Other 3,326 shareholders | holding | 481,558,662 shares |
| Totaling 3,327 shareholders present | holding | 1,595,489,723 shares in total |

The Meeting commenced at 13.44 hrs.

ACM Treetod Sonjance, Vice Chairman, Independent Director, and Chairman of the Corporate Governance and Social Responsibility Committee, presiding over the initial phase of the Meeting as the chairman of the meeting in place of Mr. Areepong Bhoocha-oom, Chairman of the Board of Directors (the “**Chairman**”), declared the meeting open as requested by ADM. Bunnawit Kengrean and Mr. Tamnoon Julmaneechot, shareholders, pursuant to section 104 of Public Limited Companies Act, B.E. 2535 (1992) and after that Mr. Areepong Bhoocha-oom acted as the chairman of the meeting, with other members of the Board of Directors and the Management Executives being present at the Meeting, as follows:

Board of Directors :

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|------------------------------------|---|
| 1. Mr. Areepong Bhoocha-oom | Chairman and Independent Director |
| 2. ACM Treetod Sonjance | Vice Chairman, Independent Director, and Chairman of Corporate Governance and Social Responsibility Committee |
| 3. Mr. Kanit Sangsubhan | Independent Director and Chairman of the Executive Board |
| 4. Pol. Gen. Chakthip Chaijinda | Independent Director |
| 5. Mr. Damri Tunshevavong | Independent Director |
| 6. Mr. Peraphon Thawornsupacharoen | Director |
| 7. Gen. Chatudom Titthasiri | Independent Director and Member of Audit Committee |
| 8. Mr. Rathapol Bhakdibhumi | Independent Director and Member of Audit Committee |
| 9. Mr. Weerawong Chittmitrapap | Independent Director, Chairman of Audit Committee and Chairman of Legal Committee |
| 10. Mr. Somkiat Sirichatchai | Independent Director and Member of Audit Committee |
| 11. ACM M.L. Suprija Kamalasanana | Independent Director and Chairman of Risk Management Committee |
| 12. Mr. Charamporn Jotikasthira | Director and President |

Management Executives:

1. Mr. Charnporn Jotikasthira President
2. Flt. Lt. Montree Jumrieng Executive Vice President, Corporate Strategy and Sustainable Development
3. Mr. Teerapol Chotichanapibal Executive Vice President, Commercial
4. Mr. Danuj Bunnag Advisor to the President
5. Mr. Niruj Maneepun Advisor to the President
6. Flg. Off. Chalermpon Intarawong Executive Vice President, Technical
7. Flt. Lt. Kanok Thongpurk Executive Vice President, Human Resources and Compliance and Acting Vice President, Legal Department
8. Mr. Narongchai Wongthanavimok Executive Vice President, Finance and Accounting
9. Mrs. Usanee Sangsingkeo Executive Vice President, Aviation Business Unit and Acting Managing Director, Ground Customer Services Department
10. Sqn. Ldr. Bhurith Sriwatana Executive Vice President, Operations
11. Mr. Pichait Riengvattanasuk Vice President, Risk Management Department
12. Mr. Woranate Laprabang Vice President, Office of the President, and Acting Managing Director, Thai Smile Airways Co., Ltd.
13. Mr. Krittaphon Chantalitanon Vice President, Aviation Services Support Department and Acting Vice President, Alliances and Commercial Strategy Department
14. Mrs. Suvimol Bualerd Vice President, Corporate Secretariat Department
15. Mrs. Petchpring Sarasin Vice President, Corporate Image and Communications Department
16. Mr. Viroj Sirihorachai Acting Vice President, Revenue Management and Commercial Services Department
17. Mr. Chai Eamsiri Vice President, Petroleum, Corporate Insurance and Aviation Environmental Department
18. Mr. Somnerk Thumrongthammavong Vice President, Office of the Internal Audit
19. Flg. Off. Somboon Limwathnapong Vice President, Heavy Maintenance Department
20. Mrs. Varangkana Luerojvong Managing Directors, Catering Department
21. Plt. Off. Panom Chotichong Vice President, Technical Support Department
22. Flg. Off. Ekachai Klinmahorm Vice President, Aircraft Maintenance Center, BKK Base Department
23. Sqn. Ldr. Pongtorn Thepkanjana Vice President, Aviation Resources Development Department
24. Mr. Griangsak Sakruangngam Managing Director, Ground Equipment Services Department
25. Mr. Dumrongchai Sawangchareon Managing Director, Cargo and Mail Commercial Department
26. Mr. Chaiyong Ratanapaisalsuk Vice President, Network and Fleet Management Department

27. Mrs. Pranee Chandracherd	Vice President, Business Development and Corporate Strategy Department
28. Ms. Somporn Chotigannayut	Vice President, In-Flight Services Department
29. Mr. Arichai Numlamun	Vice President, Comptroller Department
30. Ms. Piyanee Sungtong	Director, Finance and Accounting and Acting Vice President, Management Accounting and MIS Department
31. Mrs. Pariya Chulkaratana	Director, Commercial and Acting Vice President, e-Commerce and Ancillary Marketing Department

Representatives from the Office of the Auditor General of Thailand as the Company's auditor to observe the voting process:

1. Mrs. Nipaporn Punyanon Director of Financial Audit Office No. 4
2. Ms. Balloon Sirisingsongchai State Audit Senior Expert
3. Ms. Pattamon Puttaseema State Audit Expert

Volunteer shareholders as members of the vote-counting committee:

1. Ms. Cholathorn Poosunthornsri, proxy
2. Mr. Nattapat Wongsiri, proxy
3. Ms. Krittiya Wuddhahiranpreeda, proxy
4. Mr. Thongchai Phongsavaleeratana, proxy

Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, apologised for the delay in calling the meeting to order. She informed the Meeting that the Chairman had earlier been engaged in an unexpected matter and was now on his way to the meeting and that by virtue of Article 35 of the Company's Articles of Association, which stipulated that "...if the Chairman of the Board of Directors is not present or is unable to perform his duties at a meeting, the Vice Chairman of the Board, if any, shall preside at that meeting...", ACM Treetod Sonjance, Vice Chairman, would preside over the initial phase of this meeting. She then welcomed the Board of Directors and the Management Executives to the Meeting.

ACM Treetod Sonjance, Vice Chairman, Independent Director, and Chairman of the Corporate Governance and Social Responsibility Committee, acting for Mr. Areepong Bhoocha-oom, welcomed all shareholders to the 2016 Annual General Meeting of Shareholders and thanked them for their time. According to Article 34 of the Company's Articles of Association, at least 25 shareholders and their proxies, or at least one-half of the total shareholders holding an aggregate of at least one-third of the total shares issued shall form a quorum for a meeting of shareholders. As at 31 December 2015, the Company's registered capital was Baht 26,989,009,500, divided into 2,698,900,950 ordinary shares of Baht 10 each, and the paid-up capital was Baht 21,827,719,170 comprising 2,182,771,917 shares of Baht 10 each. As 1,568 shareholders and their proxies, representing 1,538,307,641 shares or 70.4750% of the total shareholders were present at the Meeting, thus forming a quorum in accordance with the Company's Articles of Association, he declared the meeting open and asked Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, to introduce the Company's Board of Directors and the Management Executives to the Meeting.

Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, introduced the Directors, the Chairmen of various committees, and the Management Executives to the Meeting and then handed over the meeting to ACM Treetod Sonjance, Vice Chairman, Independent Director, and Chairman of Corporate Governance and Social Responsibility Committee.

ACM Treetod Sonjance, Vice Chairman, Independent Director, and Chairman of the Corporate Governance and Social Responsibility Committee, informed the Meeting that the Company had retained Siam Premier International Law Office Limited as its legal advisor to monitor the proceedings so that they met all legal requirements. Ms. Linda Osathaworanan, legal advisor from Siam Premier International Law Office Limited, was then introduced to the Meeting.

Mr. Montchai Rabruentaweasuk, shareholder and proxy, expressed his opinion about the number of shareholders present, which he believed was unlikely to be 1,568 since the current meeting room could, in his opinion, accommodate only 850 people. He suggested that the number of shareholders registered for the meeting be recorded instead of the number of those present.

ACM Treetod Sonjance, Vice Chairman, Independent Director, and Chairman of the Corporate Governance and Social Responsibility Committee, explained that 1,568 were the shareholders registered for the meeting as displayed on the monitor in the meeting room. He then asked Mr. Charamporn Jotikasthira, President, to introduce the Management Executives present at the meeting.

Mr. Charamporn Jotikasthira, President, introduced the Management Executives to the Meeting.

ACM Treetod Sonjance, Vice Chairman, Independent Director, and Chairman of the Corporate Governance and Social Responsibility Committee, stated that before proceeding further, he would like to make clear about the voting process and the counting of votes in regard to the relevant issues on the agenda. He accordingly asked Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, acting as the Secretary of the Meeting, to explain the same to the Meeting.

Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, informed the Meeting that in order to promote the corporate governance regarding the protection of the shareholders' rights and equality, the Company had given the shareholders an opportunity to propose any issue to be put on the meeting agenda as well as to nominate any qualified persons as the Company's directors at the 2016 Annual General Meeting of Shareholders beforehand, with the rules, criteria and procedures as shown on the Company's website (www.thaiairways.com) from 17 September 2015 to 31 December 2015. As no shareholder had proposed any issue and the shareholder who had made the nomination was found to be unqualified on account of holding shares in the Company for less than one year up to the nomination date, there would be nine issues on the agenda at this 2016 Annual General Meeting of Shareholders, as detailed in the Invitation to the Meeting already sent to all shareholders. Before considering each issue on the agenda, the shareholders were to familiarise themselves with the rules for meeting, as follows:

Rules governing the Meeting:

Article 36 of the Company's Articles of Association provided that "the chairman of a shareholders' meeting has the duties to ensure that the meeting is carried out in accordance with the Company's Articles of Association on the meetings. In this regard, the Chairman shall conduct the meeting in compliance with the order of business given in the notice of the meeting, except the Meeting resolves to change the order of business upon an affirmative vote of not less than two-thirds of the number of shareholders present at the meeting." Besides, in order for the proceedings to be smooth and uninterrupted, all shareholders present were asked to refrain from using cell phones or communications devices of all kinds as well as from making any audio/visual recording of the Meeting.

Discussion:

Any person wishing to voice his/her opinion at the Meeting was to wait behind the microphone stand provided by the Company. When permitted by the chairman of the meeting, that person was to:

- state his/her name;
- state his/her status (either as shareholder or proxy); and
- discuss the relevant issue on the agenda.

If more than one shareholder wanted to have a voice in any issue, they were to wait behind the microphone stand. After the preceding shareholder finished his/her discussion, the chairman of the meeting would cue the next shareholder when it was his/her turn. The shareholders who had yet to ask questions or express opinions would be given priority. The discussion had to be relevant to the issue at hand and not be redundant or repetitive. The shareholders should discuss in a polite manner and avoid words that might give rise to criminal offences or infringements of the civil rights of others. In order to control the meeting time, it might be necessary for the chairman of the meeting to limit the number of questions asked by the shareholders for each issue on the agenda.

Voting:

In order for the meeting to be precise and not taking too much of the shareholders' time, the Company set out the voting procedures as follows:

If any shareholder wanted to vote against an issue or abstain from voting, he/she or his/her proxy would hand in his/her ballot voting to that effect to the Company's officer, failing to do so the Company would take it as an affirmative vote of that shareholder on such issue, except for the case of Agenda 8 where all ballots would be collected.

Once the chairman of the meeting announced the closing of ballot collection for each agenda, any ballot handed in after that would be deemed invalid and would not be included in the vote count.

A proxy with a proxy instrument in which the relevant shareholder had indicated his/her vote need not hand in the ballot to the Company's officer since the Company would count such vote as indicated in the proxy instrument.

After the closing of ballot collection and during the wait for the vote count, the chairman of the meeting would, to save time, immediately proceed to the next agenda. Once the vote count was completed, the chairman would announce the results of the vote to the Meeting.

Counting of Votes:

In the case of 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.

In the case of Agenda 6: To consider the Directors' Remuneration

A resolution would be adopted by an affirmative vote of at least two-thirds of the shareholders present at the Meeting.

In the case of Agenda 8: To consider the election of Directors

Every shareholder and proxy present who voted for or against or abstained from voting would hand in his/her ballot to the Company's officer. The chairman of the meeting would have the ballots collected according to each nominated person. A resolution for Agenda 8 would be adopted by a majority vote of the shareholders present at the Meeting and have the right to vote.

Invalidity of Votes:

A vote would be invalid if:

- it was cast in the ballot inconsistent with the agenda on which that vote was cast.
- the relevant ballot handed in to the Company's officer for the vote count was left blank.
- the relevant ballot was so damaged that the voter's intention was not clear.
- the relevant ballot was handed in after the Chairman had announced the closing of ballot collection for the relevant agenda.

At this Meeting, the Office of the Auditor General of Thailand, which was the Company's auditor, sent its representatives to observe the voting process, namely:

1. Mrs. Nipaporn Punyanon Director of Financial Audit Office No. 4
2. Ms. Balloon Sirisingsongchai State Audit Senior Expert
3. Ms. Pattamon Puttaseema State Audit Expert

Next, the Chairman proceeded with the issues on the agenda.

Mr. Areepong Bhoocha-oom, Chairman and Independent Director, acting as the chairman of the meeting after ACM Treetod Sonjance, Vice Chairman, Independent Director, and Chairman of the Corporate Governance and Social Responsibility Committee, stated that before proceeding to the issues on the agenda, he needed three shareholders to volunteer to be witness to the counting of votes.

Mr. Montchai Rabruentaweesuk, shareholder and proxy, stated that he had two points to share. The first point was that as he believed the first three volunteers to be those prepared by the Company, if there ever was a fourth volunteer who really was the Company's shareholder, the Chairman and the Meeting should accept that fourth volunteer. His second point was that he disagreed with the vote-counting method as explained by the Company Secretary. In his opinion, although over 1,500 shareholders had registered for the meeting, but more than 700 had already left, and counting the votes of those who had gotten back or who had left their ballots with others to vote on their behalf was incorrect and improper. Besides, since the Company, together with the top ten shareholders on the List of Shareholders, held as much as 51% of the Company's total shares, the results of the vote would certainly be as the Company wanted them to be. Therefore, he objected that the Company was not to count the votes of those who had left because they could not know the details and the facts revealed at the meeting. If the Company still adhered to such counting method, it might be against the Company's principle of good governance as covered in Chapter 1 (page 75) of the 2015 Annual Report.

The Chairman allowed Mr. Thongchai Pongsawaleerat, a proxy, to be an additional witness to the counting of votes and asked the legal advisor to explain about the vote-counting method applicable to this Meeting.

Ms. Linda Osathaworanan, legal advisor from Siam Premier International Law Office Limited, explained to the Meeting that every company in Thailand had to arrange its annual general meeting in accordance with the rules and regulations of the Thai Investors Promotion Association for the evaluation of the meeting quality. If the Company was to always count the number of shareholders present at any one time and if the shareholders who wanted to cast their votes were to hand in their ballots for every issue on the agenda, it would be inconvenient for the shareholders as well as delay the proceedings. The vote-counting method as described by the Company Secretary was the usual practice of the companies in Thailand where meetings of shareholders were concerned.

Mr. Montchai Rabruentaweasuk, shareholder and proxy, asked the Company to present such rules and regulations to the Meeting since he had never seen the vote-counting method so claimed. When the Company introduced such method at the meeting of shareholders, if no shareholder objected to the method, then the Company could go ahead with it. For the sake of corporate governance, he therefore asked that the Company refrain from using such method of vote counting as described by the Company Secretary since the fact remained that with or without this method, the results of the vote would still be as the Company wanted them to be.

Mr. Thamnoon Julmaneechote, shareholder, expressed his opinion as follows: Firstly, before proceeding to each issue on the agenda, the Chairman was to comply with the law on public limited companies by inquiring whether the shareholders present had any other opinion. Secondly, the Company should introduce to the Meeting the person representing its major shareholder, which was the Ministry of Finance holding more than 50% of the Company's total shares, since the Ministry of Finance's vote had a direct effect on the votes of the Meeting. Besides, Section 98 of the Public Limited Companies Act B.E. 2535 (1992) stipulated that the Company was to hold an annual general meeting within 4 months after the end of its fiscal year (i.e., 31 December 2015). This present meeting was therefore the annual general meeting for the year 2015. In order to be in line with the principle of good governance, which is the state policy on anti-corruption, and to be in compliance with Section 85 of the Public Limited Companies Act B.E. 2535 (1992), all relevant documents done by the Company were to present the results of operation for the year 2015. Lastly, as the first issue on the agenda was Report of the Chairman, the Meeting would like to know the Company's guidelines for achieving success and prosperity. It was important that the clear guidelines for such achievement be explained to the Meeting at the initial phase; otherwise, some shareholders who were to leave early would miss the chance to know those guidelines. The next issue on the agenda (Agenda 2) was Approval of the Meeting Minutes. He asked that the issue on the follow-up of the previous meeting where certain questions had been asked by the shareholders be added after the Approval of the Meeting Minutes so that the Meeting could proceed smoothly and all shareholders had an opportunity to express their opinion. In addition, Section 60 of the Public Limited Companies Act B.E. 2535 (1992) stipulated that the Company was to hold a general meeting of shareholders within 21 days after closing the share registration. When the Company had held a meeting on 17 February 2016 and closed the share registration on 7 March 2016, the general meeting should have been held on 28 March 2016. However, this meeting was held today, which was 25 days later than it should have been, as required by law. He accordingly asked the Company to explain the delay. He also added that if the Company and the other shareholders wanted more information, he would explain further by using a powerpoint presentation.

The Chairman stated that the Company accepts all points and issues raised by the shareholders and would have the Legal Department review them. As for the issue of the results of operations and the direction in which the Company's operations would take, the Company would deal with them further on the agenda. The Company recognised which issues had not yet been explained at the previous Meeting.

Mrs. Niruebon Buanoi, shareholder, commented that she had been attending the Company's general meetings for more than 10 years and never once had the meetings proceeded in accordance with the agenda because the chairman of the meeting had failed to strictly control the direction of the meeting by allowing the shareholders to discuss beyond the scope of the agenda from the very first issue, thus lengthening the meeting time. Therefore, it was the Chairman's duty to solve this problem and control the direction of the meeting so that all issues on the agenda were discussed respectively and in a precise manner. She stated that she would leave the meeting early and reproached the Company for not starting the meeting at the specified time, which was 1.30 p.m., while some shareholders had arrived since 9.30 a.m. If the Chairman was unable to be present at such time, he should have assigned the task to another person so that the meeting could start punctually. This delay might directly affect the credibility of the Company's Board of Directors and might cause damage to the Company. She asked that the Chairman be punctual next time and proceeded with the meeting in accordance with the agenda. Then she expressed her appreciation for the Board of Directors', Mr.

Charamporn Jotikasthira, and all employees' valuable contribution to the Company as justified by the Company's share price, which now increased from Baht 9 per share to Baht 15 per share, which was higher than she had expected.

The Chairman asked Mr. Weerawong Chittmitrapap, Independent Director and Chairman of the Audit Committee, to explain further about the proceedings of the meeting.

Mr. Wisut Sahachatmanop, shareholder, stated that before proceeding further, he wanted to make a point about his letter to the Finance Minister asking that the issue of "Other Business" be put second on the agenda. He would like to know who represented the Ministry of Finance at this meeting so he could inquire of the Ministry's answer. In the past, whenever he discussed about corruption at the meeting, the Company often switched off the microphone, and despite his discussion on corruption for more than 12 years, there had been no response whatsoever from the Company causing him to file a lawsuit against the Chairman, the Board of Directors, and the Management Executives, totaling 10 persons, and to petition to the National Anti-Corruption Commission (NACC) regarding Electronic Flyback, which was now under the investigation of the NACC Sub-committee, and false bookkeeping because corruption was, for him, a serious matter. He therefore asked the representative of the Ministry of Finance to identify himself to the Meeting since the proceedings were about to carry on to the second issue on the agenda. He also wanted the Ministry of Finance representative to reply if the issue of "Other Business" would be allowed to come up early on the agenda. If it was not allowed, then he would pursue the lawsuit. He added that he had evidence of the corruption. He stated that the Company's operations involved a considerable amount of benefit, for instance, duty-free shops, which had been taken away by politicians under the pretext of self-operating policy but had actually been operated by private companies. He asked that the Chairman listen to what the shareholders had to say and not to dismiss them.

The Chairman stated that he would conduct the proceedings according to the agenda and would allow the shareholders to discuss when the relevant issues came up and that he had never had the microphone switched off on anyone or dismissed any shareholder. He then asked the representative of the Ministry of Finance to identify himself to the Meeting.

Mr. Pitaya Uthaisang, representative of the Ministry of Finance, stated that the Ministry of Finance had received Mr. Wisut Sahachatmanop's complaint submitted to the Finance Minister and had forwarded it to the Secretary to the Board of Directors for consideration. As for Mr. Wisut Sahachatmanop's request asking the issue of "Other Business" to come up early on the agenda, the Company had invited the shareholders to propose issues to be put on the agenda for the 2016 Annual General Meeting during the period 23 September - 31 December 2015, but no shareholder had made any proposal, and now the duration had elapsed. Besides, the Public Limited Companies Act B.E. 2535 (1992) prescribes that the authority to change the order of the issues on the agenda lay with the general meeting, so it was beyond the power of the Finance Minister to do what Mr. Wisut Sahachatmanop was asking.

The Chairman thanked the Ministry of Finance representative and asked Mr. Weerawong Chittmitrapap, Independent Director and Chairman of the Audit Committee, to explain further about the proceedings of the meeting.

Mr. Wisut Sahachatmanop, shareholder, asked the Chairman to confirm that the "Other Business" would not be allowed to come up early on the agenda.

The Chairman explained that the meeting would proceed until all issues on the agenda were dealt with.

Mr. Wisut Sahachatmanop, shareholder, added that if so, he would wait until the meeting proceeded to the "Other Business" and then he would show evidence of the corruption of the Management Executives.

Mr. Weerawong Chittmittrapap, Independent Director and Chairman of the Audit Committee, inform the Meeting that for the first issue regarding the change of the order of the issues on the agenda, the Company had received the Ministry of Finance's letter declining the request for such change. The Meeting accordingly was to proceed further so as to avoid delay and excessive meeting time. As for the second issue, the shareholder's comment on the method of vote counting was, in his opinion, a good idea, and the Company used to discuss about it. However, it was impracticable for the Company to always count the number of shareholders present since it was necessary to use the electronic equipment to collect the votes of all shareholders pursuant to the actual number of shareholders present at the time of vote casting. Therefore, all companies in Thailand which faced the same problem used the same method as described by the Company Secretary. However, this was not a moot point, and the Company would consult with the Stock Exchange of Thailand to see if and how the Company could comply. Then, he asked the Chairman to continue the proceedings.

Mr. Wisut Sahachatmanop, shareholder, stated that since the Ministry of Finance did not grant an approval to change the order of the issues on the agenda, the Chairman was then asked to grant such approval because if he waited until the latter agenda to discuss corruption issue, at that time most shareholders would have left already and would never know the facts and evidence of the corruption so discussed. Besides, at the 2014 Annual General Meeting, he had provided the Company with evidence of the corruption and the Company had included it in the meeting minutes. However, when Mr. Prasert Lertyaso, shareholder, subsequently submitted the evidence of forgery to the Company, the Company did not include it in the meeting minutes, claiming that the law did not permit such inclusion as the issue had not been discussed at the meeting. If the Company's claim was true, then the inclusion of his evidence in the meeting minutes may have been unlawful too.

The Chairman stated that the Company would answer all points raised by the shareholders.

Mr. Wisut Sahachatmanop, shareholder, added that he would submit evidence about the investigation concerning the false bookkeeping of 2012, where Baht 632 million was shown in the financial statements but no such amount was actually remitted to the Company. The financial statements were closed in the year 2012, but such amount was now (2016) pending lawsuit in America.

Ms. Yuree Pongratanakul, shareholder, stated that as the Company had made a loss for several years running, she wanted to know the Company's strategy or investment plan for the next 5 years, in descending order of importance.

The Chairman stated that the Company's operations in the past year and its future plan would be discussed later.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, objected to the Chairman's decision. He reasoned that since the representative of the Ministry of Finance, which held 51.03% of the Company's total shares, had already informed the Meeting that the Ministry had not approved to change the order of the issues on the agenda, the Chairman should leave it at that and proceed further by giving the shareholders an opportunity to discuss the relevant issues on the agenda. However, he did not agree with the explanation of why the votes of the shareholders present could not be counted at the time of casting votes on each issue due to the problem of the electronic equipment. He accordingly asked the Chairman to acquiesce to the objection made by the Meeting and continue the proceedings without delay.

The Chairman stated that the voting process had already been explained and then proceeded in accordance with the issues on the agenda.

Agenda 1: Report from the Chairman

No shareholder raised any questions or comments regarding this issue, so the Chairman proceeded further to Agenda 2.

Agenda 2: To consider and approve the Minutes of the 2015 Annual General Shareholders' Meeting

The Chairman explained that the Company had sent the Invitation to the Meeting, together with the Minutes of the 2015 Annual General Meeting of Shareholders, to the shareholders since 31 March 2016, being 21 days in advance of the meeting date, which exceeded the minimum 7 days as specified in the regulation of public limited companies and the Stock Exchange. He then asked if any shareholder wanted to make any objection to or revision of the said meeting minutes.

Sqn. Ldr. Jessada Niyompatthama, shareholder, referred to page 13 of the meeting minutes where he had raised certain points at the previous meeting. He stated that the contents shown in the minutes were different from what he had discussed then, that is, he had at that time asked why it had taken a long time to find a new President despite the one-year timeframe specified by law.

The Chairman asked in what way the shareholder wished to revise the meeting minutes so that they covered the points raised by him.

Sqn. Ldr. Jessada Niyompatthama, shareholder, stated that since what was shown in the minutes differed from what he had discussed, he would discuss that issue again.

The Chairman asked for a record in the meeting minutes stating that the shareholder wished to revise the meeting minutes pursuant to what he discussed. This is the usual practice on how to revise the meeting minutes.

Sqn. Ldr. Jessada Niyompatthama, shareholder, stated that then let it be recorded as he had said.

The Chairman thanked the shareholder.

Sqn. Ldr. Jessada Niyompatthama, shareholder, stated that the relevant Act requires the state enterprises to complete the selection process of the Company's President within 1 year. While 2014 was one of the Company's years of crisis as the Company had loss in total of Baht 15,000 million for the second year running, the Company, however, spent the whole year selecting its President despite the fact that the Company was at its liberty to select the President on its own, which in his opinion was superfluous. He, therefore, cited the selection of President in 2002 and 2006 as examples which the applicable law, at that time, specified that the selection process shall involve other three ministries. In 2002, the selection took two months and it took only one month in 2006. And between January 2014 and December 2014, the Company had appointed two Acting Presidents namely Mr. Chokchai Panyayong and ACM Siwakiat Jayema, and then in December 2014, Mr. Charamporn Jotikasthira was appointed as the President.

The Chairman asked in what way the shareholder wanted the minutes to be revised so that the Company would put it on record.

Sqn. Ldr. Jessada Niyompatthama, shareholder, added that he had not raised only the point about the President but also about the Chairman of the Board of Directors which in 2014, there are three Chairmen in the Company: Mr. Ampon Kittiampon, ACM Prajin Jantong, and Mr. Areepong Bhoocha-oom. However, it was surprising that Mr. Areepong Bhoocha-oom was appointed as an Acting Chairman. It must have been the first time ever for the Company to appoint an Acting Chairman instead of a Chairman. Also, there was no CFO or Executive Vice President, Finance and

Accounting (DE) in 2014 but instead, there was an Acting DE and CFO. In his opinion, the Company must be the only company in the world that had the Chairman, CEO, CFO, HR and Legal Department all in an acting capacity.

The Chairman acknowledged his point and invited the next shareholder to discuss.

Ms. Yuree Pongratanakul, shareholder, asked about the losses incurred by the Company for several years.

The Chairman stated that this issue would be explained later.

Ms. Yuree Pongratanakul, shareholder, asked if the Company had a strategy or an investment plan to improve its results of operation for the next 5 years in descending order of importance. She also asked whether the Company could explain now or had to wait until the end of the meeting.

The Chairman stated that the said issue would be discussed later as normal practices.

Ms. Yuree Pongratanakul, shareholder, asked again if the Chairman could discuss such issue first.

The Chairman explained that each issue would be respectively discussed according to the agenda and then invited the next shareholder to discuss.

Pol. Col. Sermkiet Bamrungpruek, shareholder and proxy, stated that the Chairman had to control the Meeting to be proceeded in order and in accordance with the issues on the agenda.

The Chairman thanked the shareholder.

Pol. Col. Sermkiet Bamrungpruek, shareholder and proxy, stated that the meeting minutes to be revised which appeared on the first page was the matter that has already been informed to Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, regarding the procedure on how to receive documents during the meeting. Also, he has already raised this issue in the previous meeting by asking the minutes to be revised.

The Chairman asked the shareholder that which page of the meeting minutes that he wished to revise.

Pol. Col. Sermkiet Bamrungpruek, shareholder and proxy, stated that the first point he wanted to raise was on page 8 of the meeting minutes, which he would not read the whole page but would like to conclude that Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, has already revised the meeting documents and delivered such documents to him. Therefore, he would like to thank her for that.

The Chairman thanked the shareholder.

Pol. Col. Sermkiet Bamrungpruek, shareholder and proxy, stated further that the second point, which is an important matter, was on page 24 of the meeting minutes. The last line of that page mentioned that "...*which the shareholder had been discussing up until now*" Today, he brought the document in question, which was about the damage which happened to the seats on the planes bought from a Japanese company, for the Chairman and the President. However, this company has now gone bankrupt. As a result, the Company had filed suit against such company, and the outcome had been shown in the financial statements. He had already received a letter from the former President, which he would give to the Chairman today. He also stated that the Company had been repaid in the amount of US\$ 50.5 million and expected to get more than 2 million pounds from a lawsuit proceeded at the English court. He would like to check out such amount against the financial statements, to prove that

the follow-up had paid off. All this had been the work of the former President Mr. Sorajak Kasemsuvan, and a letter signed by the President had been sent directly to Pol. Col. Sermkiet, which he has brought to the meeting. Pol. Col. Sermkiet stated further that he would like to provide the Company with useful information regarding the organizational management and improvement, therefore the Company should review such information.

The Chairman asked if any shareholder wished to discuss anything, other than the foregoing.

Pol. Col. Sermkiet Bamrungpruek, shareholder and proxy, stated that he would discuss the above two points only and would give the aforesaid document to the Chairman and the President.

The Chairman thanked the shareholder and invited the next shareholder to discuss.

Mr. Prasert Lertyaso, shareholder and proxy, stated that on page 6 of the meeting minutes, he had asked why the Company had had to retain a private law firm to monitor the Meeting despite the fact that all shareholders could understand the meeting procedures as explained by the Company Secretary. He added that such private law firm still attended this present Meeting and that the explanation provided by such firm was not in accordance with the law.

The Chairman asked how the shareholder wanted the meeting minutes to be revised.

Mr. Prasert Lertyaso, shareholder and proxy, replied that no revision was required but what he had said had to be put on record.

The Chairman stated that the Company would put what the shareholder had discussed on record.

Mr. Prasert Lertyaso, shareholder and proxy, asked again why the Company had to retain a legal advisor to monitor the Meeting. He reasoned that the Company had its own Legal Department and the shareholders were all of age and well-educated; some were holders of Bachelor's degree or Master's degree or doctorate and some were retired government officials. He did not think it necessary at all to retain a legal advisor.

The Chairman explained that every meeting of shareholders had to comply with the law on meetings of shareholders, so a legal expert was required to supervise the meeting for clear understanding and avoidance of mistakes. He then asked if the meeting minutes, in the shareholder's opinion, were correct.

Mr. Prasert Lertyaso, shareholder and proxy, stated that they were correct.

The Chairman asked if there was any other point the shareholder wanted to revise.

Mr. Prasert Lertyaso, shareholder and proxy, stated that another point he wanted to revise was about the nomination of the Company's directors as announced on the Company's web site, which the Secretary of the Meeting had declared that there had not been any nomination, which was not true.

The Chairman asked on which page such issue appeared in the meeting minutes.

Mr. Prasert Lertyaso, shareholder and proxy, stated that it was on page 6 of the meeting minutes where he had at that time asked why the Company had had to retain a private company to monitor the meeting since he himself even used to draft the Constitution and local by-laws and that the second issue was about the nomination of the Company's directors announced on the web site.

The Chairman state that since those issues had nothing to do with the meeting minutes on this Agenda, he asked to let the next shareholder discuss.

Mrs. Chamsri Sukchotrat, shareholder and proxy, asked that the Chairman strictly proceed in accordance with the agenda.

The Chairman reiterated that this Agenda was about considering and approving the meeting minutes, so he asked the shareholders to consider and approve the said minutes.

Mrs. Chamsri Sukchotrat, shareholder and proxy, stated that she wanted to revise the sentence on page 19 (line 3) of the meeting minutes which states that “*she suggested that the Company expel any person who had caused damage to the Company, for instance, the former President (DD).*” She wanted to change it to “*the former Acting President.*” In the next paragraph on page 19 which states that “*in the case that she had sent a letter to the former President,*” which she would like to change to “*the former Chairman and the Board of Directors.*” Lastly, before the last sentence which states that “*...particularly in such slander case, she pointed out that the aggrieved party was not the Company, but the former President. Therefore, the former President should have paid for such legal fees.*” She would like to change it to “*the Former Chairman should have paid for such legal fees*”.

The Chairman thanked her and invited the next shareholder to discuss.

Mr. Tongind Sangngarm, shareholder, referred to page 9 of the Invitation to the Meeting and asked why the Company did not follow his suggestion that, within 14 days after the meeting date, the Company must send the documents (the meeting minutes) to the Stock Exchange of Thailand, the Ministry of Commerce, and the shareholders who had expressed their opinions at the meeting so that they could revise such documents, which would save the meeting time wasted on arguments. He therefore asked the Company to seriously consider this matter.

The Chairman acknowledged his point and asked if any other shareholder wanted to revise the meeting minutes.

Mr. Pornsak Chaiwanichaya, representative from the Shareholders’ Right Protection Volunteers of the Thai Investors Association, referred to page 19 of the meeting minutes where the Shareholders’ Right Protection Volunteers had asked about the Collective Action Coalition (CAC). As there was no answer to such question in the meeting minutes, he asked if and how the Company would answer.

The Chairman explained that the Company had not answered such question at the previous meeting but would give an answer at this present meeting. Then, he invited the next shareholder to discuss.

Ms. Nithikannaporn Mangmeesri, shareholder, referred to page 32 of the meeting minutes where there appeared these two sentences: “*According to Section 89/12, only with an approval of the meeting of shareholders may the directors, executives or related persons enter into transactions with the Company*” and in the next paragraph, “*Therefore, when the meeting of the Company’s board of directors passed a resolution on 13 August 2008 that....*” She pointed out the discrepancy and asked the Company to check out if there was any error in the recording.

The Chairman stated that he would have it checked out and corrected it accordingly. Then he proposed that the Meeting consider and approve the Minutes of the 2015 Annual General Meeting of Shareholders.

Mr. Thamnoon Julmaneechote, shareholder, stated that after Agenda 2 about the adoption of the meeting minutes, after that there would be the follow-up of the performance report from the previous meeting, which was an important issue. Therefore, all ballots must be collected regardless of whether or not the meeting minutes were approved. He also noted that there were a number of opinions and comments made by the shareholders at the previous meeting but there was no answers from the Company. He therefore would not vote for the approval of the meeting minutes since, in his

opinion, the Company lacked corporate governance. The Company had to either allow the shareholders who had expressed their opinions at the previous meeting to make further inquiries or answer all those unanswered questions. This was very important as it would enhance the Company's principle of good governance. As he was promoting the Company's corporate governance in accordance with Section 85, he asked that the Chairman follow up all issues questioned by the shareholders, regardless of whether or not the meeting minutes were approved. He expressed this opinion for the sake of the Company's working efficiency.

The Chairman asked Mr. Weerawong Chittmittrapap, Independent Director and Chairman of the Audit Committee, to explain this issue.

Mr. Weerawong Chittmittrapap, Independent Director and Chairman of the Audit Committee, explained that as a rule, the issues on the agenda which are put in order were the matters relating to the Company's affairs while all questions asked by the shareholders, either at this meeting or at the previous meeting, would be put in the "Other Business," not the "Matters to Follow up" as in the Board of Directors' Meeting. The Company accepted the shareholders' opinions and would answer all questions of the shareholders on the "Other Business" agenda.

Mrs. Niruebon Buanoi, shareholder, stated that she was well aware that there was no "Matters to Follow Up" on the agenda of the meetings of shareholders. Since there were not many shareholders who had expressed their opinions at the meeting and whose opinions had been recorded in the meeting minutes and the Company could not put the "Matters to Follow Up" on the agenda, she suggested that the Company send the meeting minutes to the shareholders who had discussed at the previous meeting beforehand. If those shareholders wanted to make any corrections, they could notify the Company in advance. If no correction was made, it would be deemed that the relevant shareholder waived his/her right. Either that or the Company might invite the relevant shareholder to come over to express his/her opinion. Then the Company would explain to him/her and put what the shareholder wanted in the meeting minutes. In other words, the Company should come to some arrangements with those shareholders, who were not many in number, rather than let the other 1,000 or so shareholders wait for each issue on the agenda.

The Chairman announced the results of the vote on Agenda 2: To consider and approve the Minutes of the 2015 Annual General Meeting of Shareholders.

The Meeting resolved, by majority votes of the shareholders present and entitled to vote, that the Minutes of the 2015 Annual General Meeting of Shareholders held on Friday 24 April 2015 be approved.

Votes cast by the shareholders were as follows:

Affirmative votes:	1,594,946,101	representing	99.9861%
Negative votes:	102,853	representing	0.0064%
Abstentions:	119,422	representing	0.0075%

Agenda 3: To acknowledge the 2015 performance report

The Chairman informed the Meeting that Mr. Charamporn Jotikasthira, President, would be presenting reports on the Company's performance and on work to be undertaken in the future to the Meeting.

Mr. Charamporn Jotikasthira, President, explained to the Meeting that Agenda 3 concerned acknowledgement of the 2015 Annual Performance Report which the Company would be submitting in a video presentation with the following particulars:

“A thing which propels Thai Airways forward is not merely the Power of Engines but, indeed, the power of beauty which is transferred from generations to generations. We have increased areas of comfortableness, but have never made a cut-down on meticulous details. No matter how distant your end-destination may be, we will make you feel that it is so near. Even though ways of life may change, our Thai Ways, or Thai Touch will never do so. This is because we, Thai Airways, are the National Flagship Carrier which flies under the Thai National Flag, and have, indeed, been with the Thai people for over half a century”.

The President would be dealing with 2 issues under Agenda 3 on the 2015 Annual Performance Report. The first issue concerns the industry’s environmental conditions and the second issue is that of the reformation plan and performance in 2015. The Company was facing competition from a great number of foreign airlines, 115 in all, which entered into the markets in Thailand with as much as 375,000 flights and a high growth rate of 15% per annum while market shares of major Middle East Airlines have expanded from the previous rate at 11% in 2005 to the current rate at 33%. In 2015, competition of low-cost airlines in the Southeast Asian region was with the world’s highest rate at 56.8%, comparing to that of the average global standards at 25%. In addition, purchasing of new aircraft by low-cost airlines, or, in other words, the supply for aircraft doubled. In 2013, an amount of supply was only 1,200 aircraft, but it is anticipated that such amount will lead to 2,400 aircraft in 2025, indicating that this business will be more competitive.

Ways of travel between Thailand and Europe have dramatically changed. In 2011, the Middle East airlines held only 14% market share while the Company 86%. However, it may be seen that, as of today, the situation has dramatically changed. Market share of airlines in the Middle East has increased to 33% in 2014 while that of the Company has decreased to 67%. Airlines in the Middle East are successful in drawing passengers to use their major hubs. Nowadays, the aviation hubs of these airlines in the Middle East are considered as the world’s aviation hubs, since passengers are able to travel from one particular point to almost any other points throughout the world. Due to current aircraft and modern technology it is possible that passengers are able to travel with non-stop flights which never happened before.

In addition, either the Company or, Thailand is facing many other problems, including regulatory problems which are considered as external factors. In other words, significant safety concerns in the areas of aviation were discovered by the International Civil Aviation Organization (ICAO), resulting that the European Aviation Safety Agency (EASA) was of significance to reconsider EU Air Safety List for every 6 months in order to ascertain whether to allow Thailand’s airlines to fly into Europe. Subsequently, around July, the Federal Aviation Administration (FAA) downgraded Thailand into Category 2 with the result that strict ramp inspection would be carried out on a continuous basis by aviation safety work units, leading to the higher costs to which the Company is subject and also the limitation to expand the routes to Europe and America.

Growth rates of tourists to Thailand have simultaneously increased for the previous years. Only in 2015, the growth rates of tourists account for 20.6%, and another 14.5% be predicted in 2016 which is a positive outcome. However, the Company has not done quite well in its competitive prowess or self-adjustments, including abilities to sell tickets. The average rate of cabin factor of IATA industry accounts for 80.6%. Albeit that the Company managed to reach only 73.3% last year, it was much better than that at the rate of 68.9% in the preceding year. With regard to yield, the Company’s yields from its pricing are not competitive with other operators, compared to other airlines of IATA on the basis of 2005 Index to one hundred.

On the subject of aircraft models, the Company bears too much costs comparing to other airlines. The Company has aircraft from 7 families and 11 engine types while Singapore Airlines has

only 4 families and 6 engine types. Other airlines, too, were at a lesser level, leading that the Company's costs were high.

On the subject of Transformation Plan and 2015 Performance, there were 3 steps for the Company's reformation as follows:

Step 1: Stop the Bleeding

Step 2: Strength Building (reinforcing competitive capacity)

Step 3: Sustainable Growth

In 2015, the Company took an action to stop the bleeding based on 2 out of 6 strategies. The first two strategies were to stop the bleeding or improve its flight routing networks by reducing and improving its fleets. At the same time, in 2015, the Company took an action to build up its competitive edge in order to recover its growth once again in 2017, or next year. However, before the Company could return to compete in an international stage again, if it were a sportsman, it would indeed have to improve itself to the point of being able to compete there. In other words, it must build up its competitiveness. There are 4 strategies to strengthen competitiveness as follows: commercial strategy which means the Company must be smarter in generating income, cost improvement strategy which means the Company must reduce the costs, human resources and organizational management strategy and strategy to manage its affiliated companies and affiliated groups. Details for each strategy are provided as follows:

Strategy 1 is route improvement. The Company has closed down 4 stations which had been run at a loss, namely at Johannesburg, Moscow, Madrid and Los Angeles, stopped flying on routes with a loss such as Phuket-Seoul, Bangkok-Jakarta, and by having Thai Smile Airways flying instead on some of these routes such as Chiang Rai, Khon Kaen and Hat Yai. This has reduced the Company's productivity by 6.2%.

Strategy 2 is fleet improvement which was to sell aircraft with high running costs. Last year, a total of 38 aircraft were discharged and sold off from its fleet. 24 aircraft had already been sold with 14 remaining to be sold in 2016 such that these aircraft families would be reduced to 7 types, 11 subtypes albeit this was still high.

Strategy 3 is commercial strategy, to increase its capabilities to generate income, or to be smarter in sale and distribution. This covers 3 areas. Firstly, sale and distribution with more specific segmentation such as corporate or official clientele, and enhancement of network sales, i.e. sale to other allied airlines. The second area is management of prices and Company's revenue. Pricing adjustments must be made succinctly, continuously and speedily with improvements in the quality of services provided on reservations and issuance of passenger tickets like improvements made last year on the call centre.

Strategy 4 is improvements on operations and costs. In other words, it is called cost reductions. In this regard, the Company closed down stations and sale of aircraft last year. Therefore, the Company was able to cut down its costs in these two areas. At the same time, with its "Mutual Separation Plan" or MSP, work were carried out to improve the efficiency of its management of services for economy class passengers. Costs were cut and the Cargo and Mail Commercial Department was improved. Examples of the results of improvement in this Cargo area show that for the first time in several years, it was able, from March onwards, to generate profits and it can be seen that the Company started to make profits as from June.

On its strategy to improve corporate structures, with its “Mutual Separation Plan”, with participation by 1,401 employees and Baht 5,300 million budget deployed, it was able to cut down costs by as much as Baht 1,400 million per annum, etc. There was an organizational restructure with as much as 147 work units scrapped, and personnel remuneration was now veered more towards their Key Performance Index (KPI).

The last strategy is segmentation. Guidelines were set on management of assets such as real property and on investment in affiliated companies and subsidiaries to ascertain as to which company will be retained and which will be not. Coordination of services between the Company and those of Thai Smile were improved to make them seamless.

Important results of these works can be summarised that the Company’s efficiencies is clearly in higher level. The Company was able to take care and provide services to passengers by as much as 11.3% more, i.e. from 19.1 million passengers to 21 million; its Cabin Factor increased from 68.9% to 72.9% with a reduction of 7 aircraft for its operations and a cut down of 4 stations showing that the Company could take care of more passengers and reduce costs for management of 7 less aircraft and closure of 4 stations. This showed that the Company could, indeed, take care of more passengers at lesser costs.

With respect to cost reductions, the Company was certainly aware that the prices of fuel had gone down; nevertheless, it has been able to make a reduction of approximately Baht 7,200 million or 67% on non-fuel costs.

In relation to quality of services, including call centre services, the Company has been able to lower abandoned calls to about 4% today from 27% in last January. Today, this was better than the world’s standards.

About services in other areas, the example is In-flight services for Business Class of the Company was downgraded to 18th rank of the world as rated by Skytrax, The Company has also reformed its business class services to respond the need of each passenger, starting with greeting, food serving to respond the need of each passenger, to sending the passengers off till landing. This has received good responses from passengers. However, more improvements are needed for higher efficiency.

On the issue of Airline’s Performance, the example is the On-Time Performance (OTP) of arriving aircraft which was one of the five factors used by passengers to choose their airlines of which the Company began the On-Time Performance project, its On Time Arrival was, indeed, very low, only at 68%, 73% and 75% respectively. But, after the implementation of the project which integrates almost all departments and more than 10,000 officers, including those of Cargo, Maintenance and Repairs, Check-in Service as well as Food Catering. It is evident that the project was implemented, the outcome of the On-Time Performance of the Company was much better. Only in May and June, the On-Time Arrival went respectively up to 84% and 85%, which were much better than before.

With regard to performance highlights, it is evident that the income of the Company was about the same range, with a slight drop from Baht 191 thousand million to Baht 189 thousand million primarily. A major factor to such was the Cargo in which Company did not use two Boeing 747 aircraft. Expenses, on the other hand, dropped visibly from Baht 208 thousand million to Baht 184 thousand million. Concerning passenger yields, it will drop due to high competition among airlines. In terms of Cabin Factor, it goes up from 68.9% to 73%.

Therefore, profits from the performance in 2014, the Company (Single Step Income Statement) got loss in operating profit to Baht 22 billion. But for the previous year, the Company gained profit Baht

570 million which is the first time for several years. But we have to accept that such profits came from fuel fee which is of Baht 16 billion. However, there are still positive factors which can lead to profits to Baht 570 million of the Company which is acceptable.

On the issue of upgrading aviation safety standards, ICAO problems were, indeed, Thailand's problems which had an impact on the Company. In other words, ICAO issued its red flag on Thailand in February 2015, leading that the Company might send its representatives to clarify and explain on such matters in person, even though the Company was not a work unit in the Civil Aviation Department. The Company, in June, had to clarify its capabilities on safety in Brussels. As the result, Thailand was not classified as one of countries with problems by the European Union (EU). The Company thus is able to continue with its European routes as usual. Nevertheless, the Company had not rest easy on this issue as an assessment would be made by ICAO every six months such that it initiated a project called "Safety Beyond Compliance" which led to its receipt of the Licenses to fly into EU territorial sky, or Third Country Operator (TCO) from EU since December 2015. The Company has been operating the said project since April 2015 and succeeded to the point of being granted the license. The Company therefore could fly into Europe without having to worry whether Thailand would run into a problem with the EU Air Safety List again.

In brief, the Company was awarded 4 Best Awards and was proud to receive other numerous awards even though it was facing some problems.

1. It received 4 Business Traveller Asia-Pacific Awards in 2015, as follows:
 - The 2nd World's Best Airline Economy Class.
 - Top 3 Award for the World's Best Frequent Flyer Program.
 - Top 3 Award for the Best Asia-Pacific Airline.
 - Top 3 Award for the Best Airline Lounge in Asia Pacific.
2. 3 awards from Travel and Leisure Magazine in 2015, as follows:
 - The 5th World's Best Airline for Customer Service 2015.
 - The 7th World's Best International Airline 2015.
 - The 7th World's Best Airline for Food 2015.
3. The Company was listed by Airlineratings.com among the top ten airlines which provided excellent First-class services and the best long-distance services for the Economy class.
4. Awards from Smart Travel Asia in 2015:
 - The World's 3rd Best Airline for In-flight Services.
 - The World's 5th Best Airline for Business Class In-flight Services.
 - The World's 6th Best Airline.
5. The World's Best Spa Lounge Award in 2015 from Skytrax.

6. Asia-Pacific Best Airline Award 2015 from TTG Travel Awards.
7. Asia's Most Admired Brand 2014-2015 from WERC, Singapore and KPMG – India as a company with the determination to develop its products and services and a leading organization of economic significance in Asia.

Furthermore, it also received awards for Outstanding Corporate Management, such as:

1. Excellence Award for an environmental friendly and up-to-standard Green Office organization.
2. Excellence Award for the Disabled-Oriented Premises.
3. Thailand Energy Awards 2015 for Outstanding Energy-Saving Designed Buildings.
4. Thai Airways call centre was awarded the Plaque for Commendation as a work unit which received the Standards Index for Transparency at an Outstanding Level.
5. Thai Airways warehouse received the award for the Outstanding Operating Premises in the areas of Safety, Hygiene and Environment at a national level.

In addition, the Company received the award in 2015 for Corporate Social Responsibility, as follows:

1. Thailand Sustainability Investment Award from the Stock Exchange of Thailand on account of balances in the environmental, social and corporate governance areas.
2. Sustainability Report Award, Outstanding Category in areas of dissemination of information in areas of Environment, Social and Corporate Governance.
3. Certificate of ESG 100 Company as a listed company with outstanding achievements in environmental, social and corporate governance areas.

Activities arranged towards Corporate Social Responsibilities were as follows:

1. Health promotion projects
 - “Pilot Doctors and Flight Attendant Nurses” project.
 - “Miles Give Kids a Smile” for which the Company asked for mileage donations from Royal Orchid Plus (ROP) members.
2. Promotion in Environmental Areas.
3. Promotion in areas of Religion and Arts/Culture.

Young sprout(s) from the Sri Maha Bodhi tree in Ceylon was flown in to be planted at the Chern Tawan International Meditation Centre, Chiang Rai Province.

The Chairman reassured to the meeting that the Company has, indeed, made an effort to reform several areas and to develop its services. What was important was that it would make its safety

standards higher. He then informed to the meeting that it was now time to stop accepting the ballots on this Agenda 2 and those shareholders were invited to make any further queries or discussions while the vote-count was on process.

Admiral Bunnawit Kengrean, shareholder, criticised the narration given by Mr. Charnporn Jotikasthira, the President, on the Company's performance and then went on to say that, despite the Company's several awards, he has found creditable results of survey by IATA on 60,000 passengers from 30 leading airlines in 39 airports that the Company was under standards. Its aircraft, food and beverages for business class were not good. He then proceeded to comment on details of business class services acclaimed by the Chairman as excellent, that the Company has cut down its expenses, increased its income and changed new food services as above mentioned by saying that the thing which was not good was that Thai Airways logo was placed under the glass cups and a triangular pyramid-shaped design was used instead. He would, therefore, ask as to who had authorized that to be used. Besides, there were delays in serving food as several preparations had to be made. And, what the Chairman said about the Ratchaprasong bombing, it has caused numbers of passengers dropped, even though the number of passengers was at the highest on that month. The Chairman reported this information to the Prime Minister, and the Company provided assistance by taking the injured to the hospital. With better operating results and increased number of passengers, he, however, had this doubt as to why the Company has suffered from a loss. With regard to modification of 2 Boeing 747 passenger aircraft into cargo aircraft as recommended by L.E.K. Company with the budget of Baht 1,488 million which was expected to be recovered within 4 years – it transpired after 20 months, however, that there was a loss of Baht 3,000 million and the aircraft were released from the fleet. He, therefore, had submitted this issue to the Anti-Corruption Commission under document No. 18835 to find the people who must be accountable for it.

The Chairman asked the shareholder to give other shareholders the chance to discuss.

Admiral Bunnawit Kengrean, shareholder, continued that Accenture Company, the Company's advisor, was fined US\$2,000 million by the United States government for corruption; meanwhile, the Company wanted to reduce the workforce and cut employee salaries. This was unfair to the employees. And the Chairman must be responsible for the advance purchase of fuel for approximately Baht 2,000 million.

The Chairman explained that he held the position of Permanent Secretary of the Ministry of Tourism and Sports. Numbers of passengers were as high as mentioned before the occurrence of Ratchaprasong bombing, but 3-4 days after that incident, the number of passengers dropped by half for 2-3 months.

Admiral Bunnawit Kengrean, shareholder, asked the Chairman about the cut of employee salaries as there were more than 24,000 employees in its employ while the Company was suffering a loss of more than Baht 2,000 million per month from fuel prices. He also asked if who would bear responsibility on this matter. In addition, he has learned that one member of the Super Board has criticised employee(s) and he felt that it was not fair to them. He would also like to give a compliment to the Company's employee(s) who took aircraft out to a safe place during the explosion incident in Belgium. And, he has learned that Mr. Charnporn Jotikasthira, the President, would be employing foreign employees at higher rate of standard salaries and that the Company, with the government holding more than 51% of its equity and thus a state enterprise must be subjected to the Regulations of the Office of the Prime Minister on Procurement such that the issue must be submitted to the Anti-Corruption Commission. On the issue of NokScoot Airlines in which the Company holds 39.2% equity and NokScoot Airlines holding 39.2% equity in Nok Airlines and that Nok Airlines making business deals with Scoot in the form of NokScoot Airlines with 51% of its equity held by Thai nationals and

49% by Singaporeans. NokScoot Airlines has been suffering a loss of more than Baht 1,800 million. He, therefore, has submitted this issue to the Anti-Corruption Commission under the Receipt No. 6948 on March 1, 2016. On the issue of the Chairman setting up a target for the Company to be an aviation hub, he felt that Company has been a hub from day one as it was doing business together with SAS Airlines. At the same time, however, the Chairman was on the process of making the Company lose its position as the aviation hub by cancelling the Moscow and Johannesburg routes. The cancellation of the Moscow route was made on the recommendation of a Singaporean company. There were only 3 airlines from this region flying this route, i.e. the Company, Aeroflot and Singapore Airlines. He, therefore, has this doubt as to which airline would be used now by the passengers. On the last issue regarding Thai Smile Airways, a subsidiary company which has separated itself out from the Company, other than using different codes, it also used a different reservation system from that of Thai Amadeus thereby incurring additional expenses of Baht 500 million which had made the Company which provided services on the code-share to suffer a loss as their systems could not be linked-up.

Mr. Nibhond Naewkampol, shareholder and proxy, asked about dividend payments, since he has not received any dividends for the last 4-5 years, from 2011 to now. He would, therefore, like to ask the Chairman to give an explanation on reasons for the losses.

Mr. Montchai Rabruentaweasuk, shareholder and proxy, commented that even though he would like to receive dividends as a shareholder, the major issue, was that employees had not received salary increases or bonus for several years. He concurred with the sale of old aircraft parked in the areas of the 6th Air Squadron, but the Chairman should have provided details on the sale of 6 Airbus A340-600s as to whether that had been made with profit or loss, for which sum and to bring those with invested interests to justice. On the issue of minutes of the meeting, he has already said at the meeting last year that he received it 2 weeks after the meeting and, last year, 6 weeks after the meeting such that he had recommended that messengers be employed to deliver the documents in time. On the issue of personnel downsizing by over 2,500 in 30-40 departments within 2 years, this involved downsizing of employees who had been well-trained. Station closures or cancellation of flight routes, too, if the global economy recovered, the Company would be made to suffer a loss of business opportunities. Another issue relates to employment of advisors at salaries higher than that of the President, by having more than 40 executives and several Vice Chairmen in the Company while more than 2,500 employees were reduced. He felt, however, that the said number of employees would be able to accomplish work faster. The Company was the only airline in the world with a fleet of 100 aircraft whilst at the same time bigger airlines than this did not have as much executives as the Company. He would, therefore, recommend that work should be well-coordinated on a sustainable basis and that the codes of using the A-Z alphabets in conjunction with the numerals of 1-9 should be reduced. On the issue stated by the Chairman that there was a continuous growth in the South East Asian region, he questioned on how the Company's turnover for the sale of its passenger tickets dropped with a continuous loss for 4-5 years.

Mr. Suthep Suebsantiwongse, shareholder, commented that he would like to help the Company. With the Middle East airlines developing complete routes with establishment of aviation hubs in Abu Dhabi, Qatar and Dubai, it would have been necessary to change flights on these routes. However, the Company cancelled its flights which were tantamount to destroying its products and caused tremendous damages. In selling passenger's tickets, he had advised that the Company must exceedingly improve itself, because it was not easy to buy tickets and sales did not flow smoothly. Thus, sales of passenger tickets must be in accordance with a market force. In his personal view, targets were set for internet sales to reach at 30% should not be that correct, since the internet market tended to grow in itself if passengers wanted to buy them at cheaper price on the internet. On the subject of seamless services between the Company and Thai Smile Airways, it would be most welcome if it was successful. However, Thai Smile Airways must be first dissolved and incorporated

as a part of the Company, otherwise, there will be damages in losses. If this goes ahead, Thai Smile Airways' products will be modified to meet the Company's standards. With respect to a halt on Rome and 3-4 other routes, he personally felt that this was the wrong decision. Since routes to Rome, Madrid and Moscow are non-stop routes which are of great in the aviation business as they could fly directly into Bangkok without having to make any stop whatsoever. The Company, indeed, should have made an improvement on its direct-flight but it, instead, turned out that the Company canceled 3-4 routes. He further asked if the Company would be stop flying its Rome route because he had learned that there had been no sale of passengers' tickets after March as no flight schedules had been arranged. There was a lack of certainty and he noticed that the Rome route was not shown on the stamp-cover of the Annual Report anymore. Furthermore, he had learned that the Company followed the advice of its advisor, namely Bain Company, in order to stop flying on these routes which was not right and it is found that a contract of such company which was delivered to the Company on the 25th detailing that the contract and the pricing had already been sent. However, some certain document were sent on the 27th of the same month to the Board to seek its approval to contract that company. It may be seen that such company has replied to thank the Company prior to the date in which the approval was given to select the company. This issue is, in any event, doubtful.

The Chairman explained to the Meeting that the Company has not cancelled its Rome routes.

Sqd. Ldr. Jessada Niyompathama, shareholder, raised this query that on March 11th, he sent 4 letters to the Chairman to ask for information which would be brought up for discussions at the Annual General Meeting on a total of 10 issues for which he would like to have them explained by the Chairman at the Meeting to get clarification on facts. To submit these letters, he personally delivered them pursuant to rules prescribed by the authorities. Copies were made to be signed in certification by the officer. However, he was told by the officer that the Company had no rules governing signing for acceptance of documents. He, therefore, had these doubts as he had submitted documents to the Ministry of Finance, the Office of the National Anti-Corruption Commission, and the Office of the Auditor General of Thailand. All these work units would sign to indicate receipt of documents by assigning pertinent receipt numbers which could be verified. He, therefore, would like to suggest that the Company shall take action pursuant to the Regulations of the Office of the Prime Minister on Documentary Management. On the issue concerning the Company's performance, in page 181, clause 7.23 of the Company's Annual Report regarding Personnel Expenses, there was a 1.7% drop in 2015 from that of 2014, and a drop of 38% on Employee Benefits while executive remuneration rose by 42% from Baht 65 million to Baht 92 million. He had this doubt about executive remuneration as to why it has increased. The next issue concerns sale of the Company's land, both domestically and overseas. There has been an interpretation by the Council of State on sale of a state enterprise's land from Thai Plywood Company Limited in 1993 which deliberated that sale of a state enterprise's land must be approved first by the meeting of its shareholders, such that he has a question as to whether a resolution of approval must be sought from shareholders or not, and how. The next issue concerned the Company's production. The Company operated with the use of 95 aircraft in 2015, but the Company used 102 aircraft in 2014 which was a reduction of 7 from its fleet. Thus, the number of aircraft in 2015 must be less than that in 2014. Furthermore, several flight routes were taken off by the Company on its Europe and American routes while it could not increase flights in the Southeast Asia region. Thus, total flight distances in 2015 must be less than those in 2014. When the number of seats is multiplied with flight routes, it turned out the production volume in passenger areas calculated as Available Seat Kilometres (ASK), with the number for 2015 being more than 2014. He would, therefore, ask as to how this issue has tuned out like so. With regard to the 2010 Performance Report about the number of aircraft, he has studied the Company's history that in 2010, there was a total of 90 aircraft in the fleet and the Company planned to accept 29 aircraft that had already been ordered before for a sum of Baht 110,000 million. In January, the Company planned to purchase 75 aircraft to the tune of Baht 300,000 million. The first round was ordered for 37 aircraft at the price of Baht

120,000 million. This meant that in 2011, the Company has already set a target that it would be indebted for approximately Baht 200,000 million albeit its operating results in 2011 showed a loss of Baht 10,000 million. In 2010, however, the Company generated profits of Baht 4,400 million while it suffered an aggregate loss of Baht 40,000 million in 2013, 2014 and 2015. Therefore, the question was that, other than purchases of aircraft in the first phase of Baht 120,000 million, would there be other purchases of aircraft or not.

The Chairman asked the shareholder to sum up his discussion.

Sqd. Ldr. Jessada Niyompathama, shareholder, proceeded with additional queries that operating results of its joint-venture could be divided into two portions, i.e. consolidated and specific operating results. On the part of specific operating results, there were 5 joint ventures namely Thai-Amadeus Southeast Asia Co., Ltd., Thai Flight Training Co., Ltd., Tour Eurng Luang Co., Ltd., WingSpan Services Co., Ltd. and Thai Smile Airways Co., Ltd. The operating results of these five companies were at a loss, leading to the reduction of the Company's 2015 operating results as well. He would like to ask for a reason on WingSpan's loss of over Baht 43 million. WingSpan's business operation is to provide work force for the Company. This is a done-deal job, arising from a joint investment of which 30% were by the Company, 60% by Phuket Air Catering Co., Ltd., and 10% by Airports of Thailand Plc. Therefore, it will be regarded as a state enterprise.

Mr. Tongind Sangngarm, shareholder, raised a query on the Company's cost-effective point to where the Company would not be at a loss and what the Company would do to solve its problems. Besides, the flight cancellation was deemed deleterious. The Company's management must be handled by people who have much experience in the aviation business and who have been working with the Company for at least 25 years. Before they could step up to the position of the President. They must know the markets throughout the world. He, too, would like to volunteer to manage the Company himself and would not accept any salary in order to revive the Company.

Mrs. Kanitha Luck, proxy, commented that as a former employee of the Company since 1975, she would like to offer an opinion on the Company's logo and the new style food services. On the first issue, the Company's logo was a unique of the Company which was well-known throughout the world. It comprised of three colors, i.e. gold - the color for Thailand's temples, purple - the color for orchids and Thai Airways' signature color and last, pink - the color for the famous Thai silk. This year would be the 42nd year that the Company has been using this logo. Every airline and various companies would invest a lot of money on their logos made for their own products which would be well-embedded among consumers' minds. Last March 31st, she travelled as a business class passenger from Frankfurt, Germany and noticed that there was a new style of food services. There were 3 sheets in the menu. Her eyes were caught by a logo in the form of a crimson and dark brown triangle over the top right of every menu sheets. There were triangle logos on napkins. With regard to glasses and wine glasses, there were triangle logos on the glasses' side while the Company's logo was placed underneath these cups and wine glasses. She was surprised that why the management give higher priority to triangle logos than the Company's, therefore, she checked it out with the crew and was told that the said logo was that of a triangular back-rest pillow or a house with a three-sided frame. This morning too, she received a letter from the Company dated April 11th which explained that the said logo was used in the Service Beyond Project in the Business Class only as the Company has not changed its logo in any way. She would, therefore, like to ask the Management as to how such change would have improved the Company's services. Use of this triangular logo made people think that it was the Company's logo and tended to confuse passengers. She has read the Krungthep Turakit daily newspaper dated April 21st with this headline on the front page: "KPI dug out to exert pressure on state enterprise executives" in which the Company was one of them. The Company has been advised to cut down its expenses at the Super Board meeting as it was suffering a tremendous loss albeit the

Management had policies which hiked up large expenses for things like making this triangular logo which was not necessary at all.

The Chairman explained to the meeting that the Company has not changed its logo, but would give further details later on.

Mrs. Kanitha Luck, proxy, further commented that on the subject of food services in the new form which was changed in mid-March on the Frankfurt-Bangkok route, she learned that this has already been introduced on the London, Paris, and Tokyo routes before. She did not understand the menu, particularly the All Day Dine Comfort Dining which was in very fine prints and would therefore recommend that the fonts would be enlarged. Main courses consisted of grilled sirloin beef, grilled salmon, omelets, tomatoes while breakfast consisted of chicken congee, smoked chicken sandwiches, Caesar salad, salmon, a variety of cheese, tarts, seasonal fruit and yogurt. She did not know how to order food and later was explained by the crew that she could order anything at any time unless food are not available. Passengers could eat any food during this 11-hour flight. After the meal, lights were off and passengers sat back. There were still 4-5 passengers watching their TV screens while she almost fell asleep in darkness, there were sounds of cutlery rattling with plates for a long time which caused a nuisance to other passengers. This was so as the result of the Company's All Day Dining policy. Even though there were ear plugs available, not every passenger liked to wear them. And it could be dangerous if emergency was announced, since they hardly hear anything outside. There are lots of businessmen, in particular the CEOs and that is why this Class is called Business Class. They wished to get relaxed and be ready to attend the meeting or work immediately. When breakfast time was near, the crew would ask passengers again. Passengers would have to be woken up for these two meals by the crew to enable them to prepare food in time. Since April 1st, Frankfurt-Bangkok route was operated by Airbus A380-800 with 60 seats in the Business class. Please think that all of 60 passengers may order the menu with different types in different amount. The preparation would be made in a small kitchen without much room for manoeuvre and led to clutter. She ordered grilled sirloin steak but was served by beef which was dry and hard like sun-dried meat. A friend of hers who returned from London on Business Class ordered lemon pork and received a hard piece of pork too. It is thus no surprise that the food quality is under standard. Crew had directly to face with passengers. When the menu which was requested by the passengers was not available due to All Day Dine, passengers might feel bad. And this would be negative result to the All Day Dine policy. She questioned if the Company know that crew worked under higher pressure and felt more exhausted than they did and if the Company ever ask their crew on this matter. Therefore, she requested the Company to stop the All Day Dine service.

Mr. Somsak Songmanee, shareholder, said that he has been holding a million shares in the Company for several years and used to receive dividend payments during the tenure of Mr. Piyasvasti Amranand as the President. He remembered that dividends were paid to shareholders of as much as 80 stangs per share. However, he received such dividends only for one year. After that, Mr. Piyasvasti Amranand got deposed and the Company got worse. Afterwards, a new President was appointed, but it got worse like before. He has not received any dividend for about 3-4 years until Mr. Charamporn Jotikasthira, the new President stepped in to manage work and he has seen an article in the press about Mr. Charamporn's interview that he would run the Company to grow and get to the position as the world's top 10 airlines. He was comforted when he heard this. However, he did not agree with Mr. Charamporn's interview that the Company would not reduce its fares in order to compete with other airlines, because competition were not high in the old days but it was very high today. Low cost airlines had cropped up with cheaper services and newer aircraft. As far as today's management was concerned, he felt that it would have to be run on both styles of the country folks and city dwellers. In other words, some things must be country folks style and some things, if we can do it, must be made in the city dwellers style. There must be techniques involved. He felt that what the Board and the

Management have done to improve work management as of today should have produced quite satisfactory results. But the most important thing was to manage work to have the least possible vacancy in each flight. Even though it was easier spoken than done, we must, however, get it done.

The Chairman explained that the Company was, indeed, working along the line commented on by the shareholder and that the Company would improve things to be better than before.

Mr. Somsak Songmanee, shareholder, commented that consultations must be made between the Company and its advisor(s) to get this done. If things were made as he had already stated, the Company would, indeed, meet with success. He then made this offer that he was ready to help think and do things to make the Company prosper. If the Company wanted him as a part, he would, of course, be happy.

Mr. Sumet Karoonkatima, shareholder, said he had 4 questions as follows: First,. The Company has its website with a chart to show its quarterly operating results for analysts to read. However, it would take 2 weeks to one month before this data was displayed on the said website which would be accessible by the general public. He would like the Company to speed up the display of such data and would like to know if the Company could do this or not, and how. Second, As today's market share by Middle East airlines was much higher, he would like to know about the Company's strong and weak points, its pros and cons vis-à-vis these Middle East airlines as to how they were. Third, as the Company was a major shareholder of Nok Airlines, he would like to know whether the Company has any say in the handling of Nok Airlines' management policy or not, and how. Fourth, he asked for an explanation on the policy on fuel price hedging this year and next year.

Mr. Suchart Mitpakwaen, proxy, mentioned the issue he discussed last year during the 2015 Annual General Meeting that he had also submitted a letter to the Company's former Board Chairman. The points were that, for an execution of lease agreement(s) with Airports of Thailand PLC, the Company had to pay rent to that company of approximately Baht 6-7 thousand million per annum. He also knew such queries had already been answered, but he would ask the Board and the Management to let the Meeting know what these answers were. He would also ask about the 2015 Annual Report on this issue of corporate governance as he felt that the Company had none. Executive's wrongdoings were not deliberated as wrongful but such Executive was allowed to resign. He has already written on this issue to Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance (DB) to ask that relevant parties expedite action on the said matter. Besides, he wanted third parties to come in to carry out the audit and evaluation of executive performance. He knew that audits and appraisals had been made by the Company's own employees, on DB's orders, which he could not agree with as it might not be fair or transparent. Furthermore, on the 15th, he went to submit a letter to the Chairman and Mr. Somkid Jatusripitak, Deputy Prime Minister, on this issue of the Company not being able to carry out its operations inside the Don Mueang Airport nor could it carry out any off-loading operations inside without modifying the Company's vehicles by using another company's logo, or having to depend on other airlines which were its competitors, to get inside to carry out loading operations which led to a loss of income and for work to be carried out under duress. With this regard, he also learned that, on the 20th last, the Company loaded Alfredo's Food on-board all of its aircraft and the executives had explained that this policy would be used for only 3 months. He, however, felt that such policy could cause tremendous damages because there might be doubts among other airlines as to why the Company was not using its own food but instead turned to use those of other companies which could, also, cause other airlines to cancel their use of the Company's food services as well. He felt that for this 3 months duration in which the Company was using other company's food services, the Company could lose as much as Baht 90 million of income. He, therefore, asked for an explanation from the Board and the management on this issue. On the subject of personnel appointment and transfer, his opinion was that

this was, indeed, the heart of making either profits or loss, because if works were handled by smart people, the Company could generate profit, but that it would suffer a loss if the Company was not managed by smart people. Thus, excuses should not be made on internal or external factors such as explosions, political conflicts, yellow shirts, red shirts, expensive fuel prices or exchange rates. With regard to issue of employing foreigners, he reiterated that he did not concur with the appointment of a foreigner as DC in the Catering Department as the Company had to pay for his/her hotel costs, airplane fares. These days, the Catering Department has been making tremendous profits as No. 1 and its profits were more than double this year which, of course, was a credit for the Board too. On the matter of performance in which the Board asked to cut down on expenses, he would like to say that expense cuts could not be made as yet because of several problems it was facing today. For instance, on the matters of vacation or Overtime for which the Company had to make gigantic expenditures, the Management made cuts instead on the part of employees alone with the executives maintaining them for their own use – vacation or overtime. Executives from the levels of managers would personally come into work even if there were no work to be done. When they arrived, they would say that they were not exercising the rights to Overtime but would use them for coding that would be applicable in lieu as accumulated rights to vacation without encroaching on their leave days. Even though such rights could be used for only one year, but once added up, however, it could accumulate to as much as an accumulation of 72-day vacation and the Company might have to pay for work on holidays to these executives. On the subject of procurement of supplies and contracts in the Catering Department, he would like to have the President or Chairman make pertinent investigations to give the Executives the chance to explain the situation because some times, executives either in the Company or the Catering Department dared not present direct reports such that they had to get him to make this statement to inform the Board.

Pol. Col. Sermkiet Bamrungpruek, shareholder and proxy, commented that management of works under the 5 years development plan could not yield any profits, and would have tremendous accumulated problems on top. If one looked at KPI figures, Baht 500 million of profits this year were running in different directions with this huge sum of accumulated loss. In his opinion, it is not that there were no capable people on the Board and Management, but they could not carry out work because they were subjected to domination. He, therefore, suggested that action be expedited to wash out accumulated losses by means of merger with PTT's energy companies or other affiliated companies - with fact that the Company's main costs were fuel. Besides, it would give the Company an upper edge with this lower fuel costs than other airlines. However, if such accumulated loss would not be wiped off by this means of merger, the Ministry of Finance could perhaps write off all of these accumulated losses for the Company as the Company is the national symbol and would have to go out into the world and compete. There must be professionals in a crisis like this. Thus, he would like to ask the Board and the Management to give consideration on suitability to work in this particular industry. On the subject of lawsuits in the British Court pertaining to manufacture of seats on the Company's aircraft, he was the person who initiated this issue and caused the Company to recover money of as much as US\$ 50.5 million and over 2 million British pounds sterling. He would ask that these sums be mentioned in the Company's Financial Statements as they constituted income which came in. On the next subject concerning procurement of new aircraft, as aircraft have limited life-usage term, they would have to be grounded if they were not used cost-effectively. Once left idle on the ground, there would be depreciated costs which led to accumulated losses. He would therefore suggest that in procuring new aircraft from now on, the Company's Legal Department make it a rule to include this provision in the contract that the company which has won the bid must also accept the burden of taking out the Company's aircraft that were grounded as well. The next issue was that he would like to have a team of advisors set up to solve problems over follow-up on the Company's operations, especially those with experiences like Captain Yothin Pamornmontri who has been working for the Company for a long time, Mr. Tongind who worked for the Company right from the start, or even Admiral Bunnawit Kengrean who was well-versed in dealing with legal action against state authorities. On the legal issue, he felt that the Company has several advisors or public prosecutors and it also received claims for its services for the disabled. We also received praises and

prize among premium airlines in which we competed. However, because there were several rules and regulations in the Company governing issues like safety, ICAO or FAA, the Company had to go through these problems. It turned out, however, that directors who made the appraisal to give the company its ratings were all foreigners. Just now the Company informed us that it could fly through Europe but other countries still remained in that position. Thus, the Company must change the entire set of its management. There must be a group of executives who were well-disciplined, accountable and who could create benefits for the Company.

Mr. Chaiyaporn Moungramee, shareholder, informed the meeting that he held 29,500 shares in the Company and has been working for the Company for 30 years and currently working in Ground Service Operations in the Ground Maintenance/Repairs Department. He has, throughout, been following up on the Company's situation and knew that the Company's employees were under great pressure. Several employees had to take early retirement because the Company was not doing well through no fault of theirs. As a middle person, however, he would like to give encouragement to this set of Board of Directors as they have stepped in to look after a deserted house that no one wanted to take care of. He also thanked the Board and the Management because today, the Company's performance was better. In the past, the Company was controlled by politicians who bought aircraft, changed the colours of aircraft, which leads to over Baht 10,000 million in damages. Those who have to bear the burden were employees who worked under pressure – they received no salary increases and all this went on without anyone taking the responsibility for it. Each set of management who came in each time were all busy with purchasing aircraft. He would like to thank this set of the Board which had not changed the colour of the aircraft nor made any purchase of aircraft, for their stepping in to revive the Company, to accept aircraft bought and left behind by former Board of Directors. Politicians who had bought these aircraft had already received their commissions. Other than this, he would also like to let the Board and the Meeting know that there were several brands, versions of equipment in the airport which had been bought and could not be put to their full use. It was his duty to look after passenger buses inside the airport and to issue Job Orders for repairs of passenger buses to repairing technicians. Passenger buses cost Baht 18 million each. It could lower itself down, veer to the left or to the right despite the fact that it was not the objective of such a bus to provide transportation services for the disabled. In practice, these systems were not used by employees at all because the Company already has 4-5 vehicles to provide transportation services for disabled passengers or the sick. Thus, there was no need for buses which had been bought to veer to the left or to the right. The engineers and the management also knew that they would not be used for that purpose. There was no justification, therefore, to let this type of vehicles be bought. They were also run on the air-bag system so that every time they were warmed-up, there were leaks in the air system in almost every of these buses – whether old or new, they would have regular break downs such that passengers had to be transferred to other busses which caused delays for aircraft. Employees who were looking after these passengers buses, too, came under great pressure. It was not necessary to have complicated systems for these buses because the airport terrain was already leveled and passengers would have to use these buses only when the aircraft were not docked in to their slots for a distance of not more than 3 km. Besides, these buses cost Baht 18 million each but only have 13 seats such that most passengers would have to stand. Today, all systems in these vehicles were turned off by technicians because it was not necessary for them to be used. New ones that came in also had regular break-downs. In his opinion, he felt that these prices were unreasonably high and 3 models had been ordered for purchase consecutively. But, in the end, they turned to put pressure on employees – without giving them salary increases. Executives managed works wrongly but there was no one to take the responsibility for it. However, he would like to thank this set of the Board which has made the Company's performance improved as there were no longer purchases of new aircraft, no investments made on things which were not necessary and its efforts to solve things which had happened in the past during the tenure of former Board. On the issue of route cancellation, for the start, he had this question as to why they had to be deleted albeit he has heard from the President's explanation to employees that it involved deletion of routes which were running at a loss. Thus, he tended to agree with as one could see that actual cost-savings had been made. On the issue of sale of real property, he did not agree with that but if they were retained and caused problems with high maintenance costs, he would be happy, however, to have them sold off. At present, it was very

difficult to run airlines because there were also depreciated costs. Some shareholders might not know that, by grounding its aircraft, the Company also had expenses to bear on a minute per minute basis. He, therefore, would like to ask the Ministry of Finance to help negotiate with the Airports of Thailand PLC to reduce such service charges because the Company was its major customer and should be granted special privileges to enhance its profitability. In addition, he tried to contact the Company's call centre personally and now understood why the Company has so little income because he could not get in touch with the call centre at all. However, only one single call got him through with Thai Air Asia Airline call centre, about 4-5 calls with Nok Airlines call centre. He knew that the Company has been having this problem for a long time and that today they have been improved somewhat. However, he would ask that the President or the Management make a regular check-up on this matter. Lastly, he believed that the Company had some parts of its personnel who might be working for other companies such as Thai Air Asia Airline which had opened up routes in competition with the Company. The Company was, indeed, a national flag carrier and did not belong to politicians or capitalists. This set of Board of Directors had not purchased aircraft. Neither have they changed the aircraft colour. They stepped in to make improvements such that he would like to thank every member of the Board who had undertaken the risk to work for the Company.

The Chairman thanked the shareholder.

Mr. Chaiyaporn Moungranee, shareholder, stated that before this, there was an age limit of 45 years for the Company's employment of in-flight crew that he was in concurrence with which, however, as the results of complaints, as far as he knew, based on human right issues, was extended to 60 as the retirement age. Currently, he saw some air hostesses/stewards who were quite advanced in age and he personally felt some concern over aviation safety because if there were some changes in air pressure while they were serving on board, he feared it might impact on their services to passengers. Thus, he would like to suggest that their retirement age be set at 45 years as before as it was the period of life in which maximum efficiency could be assured at the highest level for work performance. Besides, before starting on the first employment term in general, crew personnel would have signed to accept the retirement age of 45 which, however, was subsequently changed to 60. In his opinion, he could not understand how the former Board of Directors had approved this matter despite the fact that this provision had been accepted by the crew staff in the beginning. Crew members on other airlines were attractive and young. The Company should select its in-flight crew who were attractive, young and smart to be competitive with other airlines.

Mr. Yothin Pamornmontri, shareholder stated that he finds logo found on the cover of annual report contains the name of airports the Company flies to, but Rome was not seen there. He, then would like to hear the fact of this.

The Chairman explained that the Company was still providing its flight-services to Rome as before.

Mr. Yothin Pamornmontri, shareholder, made the following discussions: The Company's operating results this year showed a loss of Baht 13,046 million. The performance improved in the overall. However, passenger revenue in 2014 was higher than that in 2015. The lower loss came about because of the Company's good fortune in that it received payment of approximately Baht 3,900 million plus as the results of debt compromises with the company which sold us the Koito in-flight seats. This sum of payment was entered in the books as revenue. However, without that sum or, in other words, if that sum was deducted from Revenue, one would find that the Company has suffered a loss of Baht 17,000 million and not Baht 13,000 million. Besides, there had been accounting errors in the past with double payments for maintenance costs. Duplicated payments were made of approximately Baht 4,000 million to the aircraft maintenance company as well as to the company which leased out the aircraft. When such payment was recovered, the maintenance costs were reduced by about 26% with an ensuing drop in the Company's expenditures. Without this sum, again, the Company's loss would have been approximately Baht 21,000 million. This fact could, indeed, be verified by the Company's Accounting Department. Other than this, the Company still has Baht 600

million as provisioning for repairs of aircraft. Once the aircraft were returned to the lessor(s), this sum could be brought in to reduce expenses. He personally felt that the Company should keep this sum as a reserve when it returned the aircraft. On the case of the Company suffering a loss of approximately Baht 20,000 million, he would like the Chairman to check on it and let the shareholders know.

The next issue relates to maintenance. Around October 21st, the Management called a meeting with the Technical Department and explained that if expenses were not reduced, the Company would face greater liquidity problems and might have to face the same problems as those of Malaysia Airlines which was to shut down the Company and then open up a new company. Benefits which employees used to receive would also be gone. He personally felt that this incident has stimulated the Technical Department to reduce its expenses until last week, at the meeting between the Management and the Technical Department when the technicians asked the management to help them think about this case of spare parts being reduced to the point that they were not enough to pass around for use. The Departmental Director then wrote to Department members that maintenance standards must be maintained. He personally believed that it was correct to reduce expenses but such action must not cause concern among staff members. As for what was said about closing the Company down for a day and then opening up a new company, at this point in time when Thailand was given the red flag by ICAO and there were routes currently available which were not yet operative – it could not fly to anywhere, not able to increase its flights – to increase its routing points – to operate flights. If the Company shut down the company as stated, there might be problems and it would not be able to fly again. He would, therefore, ask that careful consideration be given by the Management before it made any explanation.

Ever since the Company's establishment in 1978, there was a foreign company called MBB which contacted it to buy its Technical Department and to open it as its own in collaboration with politicians. The Management and the Board during that period sincerely loved the Company, and the person who took action on this, i.e. Captain Chusak Pachaiyut, former Company Executive who has since passed away, gave an elaboration of the pros and cons to the point that finally, the Prime Minister at that time, i.e. General Prem Tinsulanonda, asked Captain Chusak to go and give an explanation at the Prime Minister's Office before giving the approval for the Company to obtain a loan from Denmark to build its own Repairs Centre to the point of being accepted worldwide today. At the moment, however, he learned that efforts were being made to pull strings to have the Company's Technical Department enter into a joint venture with another company in the same manner as that in the past. This action was, indeed, cheap shot. The reason for that company not to do business with Myanmar or Laos was because those countries did not have an aircraft maintenance market in their hands. At least, the Company had 70-80 aircraft in its fleet. He, therefore, would ask the Management to safeguard the Company's property and interests, whether it be the Technical Department or Catering which were work units that have been turning out profits for the Company throughout without suffering any loss.

The other day, he saw a press report that the Company's aircraft run into adverse weather with one passenger injured and about 5 staff members were hurt. It was flying from Jakarta to Bangkok with a B777-300 with 72 passengers altogether. This doubt, therefore, rose to his mind as to why the Company was using a large-size aircraft to fly on that route instead of using a small aircraft or let Thai Smile Airways fly instead. However, Thai Smile Airways aircraft were something of a mumbo-jumbo hybrid. With 160 plus seats, it could not compete with 180 plus seats low-cost airlines nor with quality airlines because they had no accessories whatsoever – no films, no telephones no radios. The number of toilets available was low, and whether their seats were of premium or low premium quality, he still thought that they were not comfortable and the Company should hasten to solve this problem because it was not a difficult one to be solved. The Company only had to buy the Service Bulletin from Airbus and adjust the width of the seats so that they were not too narrow. As for items which would incur costs, i.e. move the overhead oxygen, lights, and the PCUs out, these would cost about US\$ 200 billion and could be undertaken by the Company's Technical Department if they were given a reasonable time. If the Company started to solve its problems from this point, the A320's potential in the area of comfortableness would, indeed, be improved. Even without in-flight movies,

the Company could find ways to improve services in other areas such as providing better food and beverages which could help solve immediate problems on a temporary basis. If the Company wanted to carry out its business on a long-term basis, it must expedite action to solve its problems.

During the course of time in which Thailand was building itself up as the Aviation Hub, everyone helped put in their efforts to the extent that it has become accepted by global airlines which finally joined in the Star Alliance. Participation with other organizations contributed as well to expansion of domestic network all of which showed that Thailand had a tremendous sale potential, whether such Vietnam, Laos, Cambodia, Myanmar, Mae Hong Son, etc. The Company could fly to those destinations. It took about 7-8 years to join up two companies as one because of differences in their philosophies and working styles. If the Company were to separate its operations out from Thai Smile Airways, it could create a difference in the works of every department, be they pilots or other aviation personnel. The thing which would fail most, however, was the reservation system which was different. Moreover, there were problems of flight-connections which were not linked-up. For example, passengers from India saw that, in the past, if they flew in from Calcutta to Bangkok and to go on to Macao, they could fly on the Company's aircraft to Bangkok and waited for about 45 minutes and could, for those with boarding passes in-hand, board the aircraft immediately and check out their baggage at the end-destination. However, today, passengers from India would have go through the check-in process once again as their baggage would not be transferred to the aircraft which would be flying on to their end-destination. However, to re check-in, passengers would have to first claim their baggage at the baggage carousel which would have to go through the Immigration. But this could not be done as they must apply for Visa-On-Arrival which would take about an hour or more before they could go back to fetch their baggage and then go up to the 4th floor to check-in again, pay another Baht 700 check-in fee. Personally, he felt that the Company should improve this into a seamless link-up system which would, indeed, be a good system. The system used today would destroy Thailand's position as the Aviation Hub in the end. Singapore Airlines Chairman had come to give a talk in supporting Bangkok as the Aviation Hub by proposing to use the reservation system which would be aligned alike for NokScoot Airlines, Nok Airlines and Singapore Airlines. One could see that s/he was far-sighted.

In the case of NokScoot Airlines, he would like to make this say that passengers who reserved their flights to Osaka by purchasing NokScoot tickets because they felt that it was an airline which belonged to Thai nationals even though it was a half-Thai, i.e. being a Thai airlines but not of Thai race. Passengers expected to board NokScoot's B777s, but found on actual boarding that their aircraft was Singapore's B787. Pilots and crew alike were Singaporeans and the aircraft was not registered as Thai. He would, therefore, like the Company's management to ask the Director-General, i.e. Mr. Chula as to how authorization has been given for such flights like that. Foreign airlines were brought in to make the flights in the name of NokScoot, and then to fly from Don Mueang Airport to Osaka which was in competition with the Company. He felt that this would not be at all difficult to check: NokScoot's Air Operator Certificate (AOC) could be checked as it would have stated the aircraft type as being B777. He would, however, be no longer concerned if a B787 was mentioned there albeit he was sure that such would not be the case. If it was in Thailand, it must be listed in the register of airlines in Thailand. The Company should, indeed, check to see as to how this sort of thing was allowed to happen. Moreover, he would like to discuss about this NokScoot more, but Mr. Suthep was about to do so.

On the subject of reducing costs of living or operating costs in the Company, this should be explained to the government. As for allegations that the Company's losses ensued from high employee benefits, he felt that its loss was not caused at all by high personnel welfare expenses. As for consideration to cancel employee rights on ticket purchases, he would like to explain that this privilege of free ticket purchase were exercised by about 200,000 people vis-à-vis a total of 20 million passengers - which was, indeed, a small amount. Besides, employees could exercise these rights only if there were vacant seats available. For example, to transport one employee more, to England, there would be additional costs of fuel. If fuel costs applied for the return trip, there would be an additional

cost of Baht 711 per employee only. Thus, if the Company were not giving its employees any bonus or salary increases, the said welfare should be maintained in order to keep up their spirits.

The Chairman thanked the shareholder for his suggestions.

Mrs. Chamsri Sukchotrat, shareholder and proxy, made the following discussions, the first being the New BC. She would like to take up from what the previous shareholder has been saying. Before this, she had asked the President to listen to the opinion of those with different points of view and with more experiences in the aviation industry. Even though the Thai Society was one with a liking for lip-service – whatever the master says the servant says likewise, they would not get the position, there were people in this society, however, who did not have their eyes only on titles/positions. These people saw through that there were many problems in the New BC. What we were talking about today was Transformation which was intended to make reforms for the sake of sustainability. She personally felt that this was a good opportunity to develop such Transformation but not the kind which only considered ways and means of making profits because profitability came about as the results of management in several segments. However, transformation was changes made for the sake of stability and sustainability. The Company was an airline with outstanding and unique characteristics that were admired by foreigners and have held their confidence for a long time. However, we, on the other hand, did not have any confidence in this airline which is the country's flag carrier. We should not make changes along the lines of criticisms. She herself has been working for the Company for 36 years and has found the problem of the Company not using people cost-effectively. If any changes were to be made by the Company, she would like to suggest that the Company should consider whether such changes would bring in cost-effective returns with the changes that have been made or not. In-flight crew constituted a part of the Company's costs with a reasonably high value whether such be costs for overtime work, salaries/wages. If costs were high, the Company should have made it a rule for work to be conducted to the full capacity in order to develop its personnel who were of importance to it. The new BC, however, would cause disunity among employees against those who have been selected to work with the new BC. She herself expected to get to work on good flights and to carry out good work. She knew that there were several crew members who now wanted to resign. However, she did not feel sorry for the crew because they already received reasonably high salaries and wages for their hard work in serving as the Company's last line with passengers. The thing which was on the mind of most of the crew today was that if they worked hard, there would be cost-effective returns for the Company from their work such that their physical and mental efforts would not have been wasted like they have been made to lose everything but not getting back anything in return.

The Chairman explained that the Company was in the process of solving the problems.

Mrs. Chamsri Sukchotrat, shareholder and proxy, continued to explain that as far as the New BC was concerned, rules were set prohibiting employees to work in the EY Class. Several EY employees now were employees who had been working in the First Class section before. Everyone has the capabilities to carry out their work albeit the Company turned to restrict such individuals from performing their duties and merely let them help with cleaning work only. We worked as a team and had to accept both the good and the bad together. We wanted to see a smooth flight that was carried out well and one which did not make any particular member of the crew excessively overworked. But, today, several crew members could only look at other crew members working in their place. They could not step in to help. We knew only too well that several sectors of work were short of manpower and needed more people. However, we, on the other hand, could not go in to provide prompt and timely services as we would have liked to because we were under such restrictions. She said she came to speak today with sincere intention. She wanted the Company to expedite action to remedy the situation. In fact, she has wanted to inform the President about details on this matter, but with time constraint, she would now ask the Board to take action to carry out activities for the improvement of the Company. Once the Board is retired, they would have left good results of work behind. In-flight services must be up to standards even though the President might already be out of office. Several people who have taken up the post of President had been trying to build up new things but in the end

those plans could not be implemented because they were not sustainable. They were unsustainable and unsuitable for the Company. Moreover, on the subject of Early Retirement on the part of in-flight crew, their per diems were included by the Board in the computation as the Project's funds with the result that a great number of crew members turned up with their resignations. In-flight Manager's per diems which were included amounted to Baht 29,000, Baht 28,000 for the Air Purser and Baht 26,000 for the air hostesses/stewards. She could not understand how this kind of thought came about in view of the fact that this sum of Baht 29,000 would be equivalent to 30 months. She would like to inform the Shareholders Meeting that the term 30 plus 10 constituted an extra of 30 which, in this case, was the last month salary multiplied by 30. And for the extra 10, that was for people reaching their retirement age. This part of allowance was not salary in terms of the law albeit the Board included this contingent sum of payment without taking into account whether that employee has completed flight hours to the level of the Baht 29,000 allowance in each month or not. The said allowance would depend on the monthly flight schedule. Any month their flight hours did not reach that point, i.e. for short-distance flights, the said employee would receive the allowance as set out by the Company only. Several crew members wanted to be on the crew just simply for the sake of being crew members only. They did not pay attention to other matters. She, therefore, could not understand why the Company used the loan of Baht 7 billion to pay for this Early Retirement Project. Whether it be a gesture to gain popular acceptance or just a measure to have old crew members resign, she would like to state here that not all people who resigned were old. Those resigning also supported this project because they benefitted from it. However, as a shareholder, she could not understand why the Company should use a contingent/future fund to pay for the said project without knowing for certain as to whether people participating in the program should actually receive that sum of payment or not. She has learned that there were almost 600 flight attendants resigning, although she was not sure about the figure. On the other hand, the Company today announced its recruitment of over 300 additional flight attendants and she understood that such recruitment had already been authorized by the Board. She, therefore, asked for an elaboration for further enlightenment on this issue. In her opinion, the thing which should be done by HR was that, once an employee resigned under the Project, additional employee should not be recruited. But, on the other hand, a great number of employees were let off by the Company pursuant to the popular policy with monetary inducement such that all employees resigned and the Company then turned to accept new employees. She looked at this matter as being unfair for the Company to use future funds because payments which were not salaries/wages were included as well.

With regard to 60-year-old retirement age. This issue has just been discussed by a shareholder for which she would not contest as such was his personal opinion. However, she would like to discuss that she has learned that there was an employee who went to see one President to ask to carry out her work until 60 because she was then allowed to fly up to the age of 45 only. However, that President instead said that it would be better to shut down the Company rather than having her work on until 60. She really felt sad to hear that. At the moment, she was 63, and, with her personality, she looked better than some executives who were only 40-50. To let flight attendants carry on working until 60 had never made the Company suffer a loss. They were permitted to fly up to 60 years old until 2005 and the Company had been profitable throughout that period. The Company was a well-known airline which was well-acclaimed for its flight attendants as it has people who were valuable, looked good and competitive throughout the world. She believed that as the Company was not competing only with low-cost airlines in Thailand, she would like the Company to think well about what she was saying. From 2005 until 2008-2011, the Company suffered losses throughout. The Company's profits and loss did not depend on flight attendants' age. Passengers had not complained that the Company's flight attendants were odiously ugly. The thing she felt the Company must do was to be strict with the personality of its employees. Age should not be the determinant factor. Employees should not be let to get into an unemployed situation when they reached the age of 45. Some of these flight attendants who were 50-60 still looked better than those who were 35. Nevertheless, the Company still could not handle or solve this problem. This case, indeed, was because of the management's own deficiency and not the fault of employees. The Company was undisciplined. It had neither the determination nor enforceability to run the Company's operations to maximize benefits for the Company. The Company focused on Popular Inducing activities and only in the interest of their own immediate circles. We should now turn back and review together to ascertain what the Company's real problems were.

Personally, as a person involved with work in this area for a long time, the Company's problems, other than the lack of transparency in some cases, were this issue of management which ran short of an insight on aviation business and the problem with corporate governance. The term "corporate governance" was not involved with the issue of honesty/integrity alone. Corporate governance meant management for the maximum benefits of its passengers, service providers and employees. This term "employees" referred to something that has been abandoned and neglected by the Company for a long time. The Company looked at its employees as watchdogs despite the fact that the Company should have heeded their opinion and promoted their participation in the Company. Our Prime Minister has always said that everyone must participate because this country belonged to everyone. The Prime Minister talked about disparities, good governance and ethics for organizational leaders. She would therefore ask that the Chairman and the President take up these issues to study them carefully as well as giving their consideration to other issues, for example, subjects discussed today by Captain Yothin Pamornmontri or Mr. Suthep Suebsantiwongse. For a subject that she had already discussed, namely the lack of ethics or good governance of former executives, these issues would have to be dealt with in the future. As for all members in the Board today, she would ask that they accept to listen and would not look at these issues as nonsensical. No one knew every segment of work. Everyone knew well about things that they were well versed with. However, problems in the Company were all around on every side. She would ask, therefore, every executive to take heed and listen to lower-level employees to so as to know what the real problems were.

If the Company were really employing 300 more new flight attendants today, she would like to know as to how the Company would manage their overtime costs. She would like to leave a word with the Executive Vice President, Operations (DO) here that there were complaints of flight schedules being swapped on a great scale which gave rise to a great many cases of overtime payment. The Executive Vice President, however, did not take action to ensure proper management but stuck to using the Popular-inducing action to make overtime payment as before. She felt that the Company could ask for cooperation from employees. The entire power rested in the hands of the executives. She only asked that the management exercised such power fairly and in pursuance with the law which would lead to changes towards development on a sustainable basis. But, the Company should not act arbitrarily. It should explain to employees about its current situation in order to ask for their full-hearted cooperation. Executives should set the examples. It's not that the Company was afraid of changes – afraid of having employees getting up to make protests, to walk up to their rooms, for example, with about 30-40 In-Flight managers resigning. It turned out, however, that the Company instead appointed 102 more In-Flight Managers. She understood that everyone wanted to be In-Flight Manager because they would receive more salary, Baht 80,000 which would come to more than one hundred thousand Baht with overtime. She did not know whether that was cost-effective for the Company or not. Human resources' problems were its Baht hundreds of million of expenses which the Management did not care about as they thought of it as a small sum, without saying about this issue of vehicle purchase at Baht 18 million already discussed by another shareholder. There was also problems on several other issues and she would like to leave a word with the Chairman that it was, indeed, a good thing to ensure that executives discharge their duties in accordance with what should be done, but the Company's real problems must be well understood first. Today, the Company faced many problems. It had several expenditures. The Management should go and ask the Catering Department (DC) about the quantity of in-flight food sets prepared and how much more would the Company have to pay. She would not like to see executives giving importance to slight benefits and understood that the consultant company might have told the Company to act in accordance with its advice as otherwise it would not be responsible if the Company was not rated among the Top 10 companies. In points of fact, however, no one could take the responsibility for such damages. Thus, the President should consider the problems on the actual basis of what has really transpired.

The Chairman thanked the shareholder for the said suggestions.

Mr. Surasit Sriprapha, shareholder, thanked the Chairman and explained that Wingspan Services Co., Ltd. about which a shareholder was talking before this, was the Company's subsidiary. Today, that company was running at a loss of about Baht 40 million. He knew about this matter quite well as he has been working with the company for 33 years and was one among those who made the proposal to set up Wingspan Services Co., Ltd. during the era of Mr. Piyasvasti Amranand. As it was then known that several companies were making their living off the Company like in the cases of hiring external work units, coupled with the fact that there were protests by employees then against the Company as it was not paying its wages on the scheduled date and time, we therefore looked that one way to solve the problem was to set up a subsidiary which would not be a state enterprise, to take on work which had previously been outsourced to other companies by gradually accept work from agreements that had already expired on an item per item basis. During Mr. Piyasvasti's era, as much as 3,000 people could be employed, but after his termination from office, the Company's management turned around to set up a subsidiary to make its living off the parent company at a cost which was higher than that of Wingspan Services Co., Ltd. He did not know whether the Company's Board of Directors knew about this or not but he understood that the Executive Management Meeting must have known it well. The Executive Vice President, Aviation Business Unit (D1) must have known about it well such that he did not understand why the Management let these people made a living out of the Company when the agreements had set a definite term for its commencement and termination. The Management had, however, let these people took advantage of the Company. The executive(s) did not find other companies to take on work in lieu but, instead renewed the agreement with the same company plus increasing its contractual payment as well. He could not understand why the Company did not transfer work to Wingspan Services Co., Ltd. And, throughout times past, the Company was the site of training for external work units (outsourcer) for a variety of airlines throughout the country, be they Air Asia Airline, Bangkok Airways, Thai Smile Airways or NokScoot Airlines, etc. Once they have been trained to the point of being capable to discharge their duties, they would disperse to carry out work on their own. For example, in the Ground Services Department in which he was working, it used to take care of more than 1,000 ground equipment, from aircraft pushing vehicles, haulers, staircase cars with almost 80 now in service, 80 heavy haul loaders - 30 of which were out of service. The Company had only 3 repairing technicians such that they could not be repaired. The Company solved the problem by buying/contracting 20 more. If the new ones broke down, there would be no one in the Company to repair them such that replacements had to be ordered again as before. Problems of bleeding the Company for a living stemmed from every type of procurement. He has been working for 33 years and should know the problems and knew that fake spare parts were more expensive than genuine spare parts. He would like to leave the matter for the Management to look after Wingspan Services Co., Ltd. If an agreement came to an end with any outsourcing company, then consideration should be made to contract Wingspan Services Co., Ltd. Other than this, he would also like the Management to check on its former executive's appointment of their former subordinates to generate interests from the Company, be they in the Ground Services Equipment (D2), Cargo, Catering, etc.

The next issue concerned the one he has discussed last year which, however, was not resolved. He had already said that the Vice President of the Company's Legal Department was derelict in the discharge of his duties which would cause damages to the Company and that the said executive was now approaching his retirement. The Company, however, had taken no action such that he had to file the complaint to the President for the Company to investigate the matter. The President had already assigned the Human Resources and Compliance (DB) to take action on this matter and he would like to learn of the outcome of the investigation. The next issue concerned cancellation of personnel welfare benefits already taken up before this by Captain Yothin Pamornmontri. There were about more than 25,000 – 28,000 people in the Company's employ. Employees at the lower level of approximately 60% would not have the chance to exercise their flight benefits for lack of adequate income. He himself, as chair of the Debts Expediting Committee for the Company's Saving Cooperative and Vice Chairman of the said Cooperative, knew only too well that there were still more than 800 cases of lawsuits against employees who have defaulted payments. Each agreement would be guaranteed by as much as 4 guarantors because these employees have no property. Shareholders in the Cooperative were not to be worried about this as he gave this assurance to follow up to recover such debts. About the Company's transformation, his opinion was that every member of the Board was an individual with knowledge and capabilities albeit he would like to see them work full-time and only for one entity. Another point was that he

would like to see every member of the Board be professionally well-versed with the aviation industry, whether it be in the technical or marketing area, etc. If the Company could get a Board with such quality, he was sure that the Company would be able to fly off into the sky once again with grace and dignity.

The Chairman expressed his thanks for that discussion and then informed the meeting that he would give another shareholder the podium before assigning the management to answer the questions.

Mr. Sukit Benjangjaru, shareholder, explained that, as a matter of fact, he wanted to listen to explanation from the Management and would like to hear answers to questions raised by other shareholders. On his part, however, he would like to ask the Management to give an explanation on its future trading policy with the major issues he would like an explanation. First, he admired this set of Directors on the Board who have been able to turn the Company round to profitability once again albeit it has come to his attention that most of these profits came from fuel. Despite some developments which had taken place on work, he noted that work in several areas were still quite far from the industry's averaged value. For instance, the Cabin Factor of 73 was still a lot different from 80. Thus, he would like to ask what plans did the Management have to increase such rates for the Cabin Factor and how long would it take roughly to reach the target. The second issue concerned explanation given by the President that the Company had lost its market share to the Middle East airlines. He questioned about the operating plans that the Management have to solve that problem on an urgent basis. Next, the Company was an airline well-known for its services such that employees formed the heart of its operations. On its capabilities and resources in other areas such as in-flight facilities, etc., the Company still has low capabilities to compete with other airlines. He, therefore, would like to ask in what directions the Company would take to develop or improve the matter. The last issue concerned what the President had already explained that the Company's various work units had accepted works from external entities as well as providing services to outside entities such as the Technical and Catering Departments which also extended their services to other airlines. He would like to ask about the operating results for these activities: how little or much revenue could be generated for the Company as he would like to know whether it would be cost-effective or not to share out our personnel to provide their services elsewhere rather than looking after our airline only.

The Chairman thanked the shareholder and gave the opportunity for one more shareholder to take the stand:

Mr. Wisut Sahachatmanop, shareholder, commented that the Company has lost a great sum of revenue as the result of management of one former President. October 3rd, 1988 was a Monday and the first day on which the Company accepted a President into its employment. That former President brought with him a letter from the Airport Authority Ref. No. Tor Aor 3707/2531 to the effect of asking to shut down the Duty Free Shop at the Bangkok airport which was a business that has been generating huge revenue to help support the Company. In the past, when the Company came under a liquidity situation, it could use cash from the Duty-Free Shop to pay its employees. The Airports of Thailand PLC stated that closure of such operation was made in the maximum interest of the airport as well as of the Nation. He would like to give this information that Airports of Thailand PLC was a state enterprise under the B.E. 2522 Act and was established several decades after the Company. He knew about this well because he has been working for the Company since October 1st, 1975 and was also one of the founders of its Labour Union.

The Chairman explained that the said matter was the doing of the Airports of Thailand PLC.

Mr. Wisut Sahachatmanop, shareholder, asked the Chairman to hear him out and proceeded to say that the said former President arbitrarily signed his approval for the Duty Free Shop to be closed down without going through the Company's Board of Directors nor approved by other employees. He, as the Labour Union President, called for a protest which made news throughout the country, albeit to no avail. The Company then fired him. Today, he has asked the Council of State to make this interpretation that the Duty Free Shop was a government work unit – investment was made by the

State in the interest of the national economy and that it should not be placed under the possession of the private sector. He asked the Council of State to make an interpretation to have the Duty Free Shop returned to the Company albeit the Council of State stated that, in such a case, it would have to be the state enterprise which submitted this matter for its interpretation. Secondly, the Company should make a briefing on this matter and send it to the Prime Minister to have him invoke Section 44 to seize back the Duty Free Shop for the Company. He has already prepared all the documents for the Company to peruse for its further consideration. The next issue concerned the Company's loss of US\$ 36,850,554.52 which he already discussed during the last meeting. In other words, on June 6th, 2008, the Board held a meeting and adopted resolutions under 2 provisions. Subsequently, on June 9th, 2008, those involved with the Meeting sent out circular letters to increase the resolutions to 3 and then sent such letter to the party handling financial affairs to approve payment of US\$ 36,850,554.52, pursuant to that added-on resolution, to Air Bus which had already been paid in full by the Company to Air Bus despite the fact that the said minutes had not as yet been approved. On July 13th, 2008, he learned that a member of the Board had already reviewed the matter. He would now like to ask the Company to make a check on this matter and to take action against the wrongdoer as well.

The Chairman asked the shareholder to send additional documents to the Company for its further perusal.

Mr. Wisut Sahachatmanop, shareholder, stated that the said documents were already with the Ministry of Finance. The next issue concerned payment of Baht 17,640,000 per annum being currently paid by the Company that was not lawful as well. The Prime Minister had also made this announcement on air that the Company's costs of transportation were excessively high, i.e. Baht 75,000 – formerly, the Company's management received transportation allowance of Baht 17,830 each which was increased to Baht 70,000 and 75,000 respectively. On July 28th, 2004, a meeting was held by the Company's Board of Directors on this issue, under Agenda 9.6 which stated that it was approved by the Executive Management Meeting (EMM) such that approval was given by the Board as proposed and became effective on August 1st, 2008. He considered that action was tantamount to being the Board's resolution.

The Chairman asked the shareholder what he would like the Company to do.

Mr. Wisut Sahachatmanop, shareholder, explained that he already sent the relevant documents to the Company and that on December 17th, 2004 when the Annual General Meeting was held, he brought this matter up for discussion there and was given an explanation by one of the Company's executives that the Company had, indeed, done correctly pursuant with the government's policy and that such resolutions were adopted in order to reduce the Company's burden from Baht 17,000 to Baht 75,000 three days after the Annual General Meeting, i.e. December 17, 2004, subsequently, on December 21, 2004 the Executive Management Committee (EMM) held another meeting and considered that the said case was not lawful and had made the Company suffer damages such that it recalled the entire payments that had already been made for a total of 5 months retrospectively. The Company wrote a letter ref. 01-7/31 dated March 30, 2005 to him to the effect that as the result of investigation, it appeared that the EMM had never authorized the transportation allowances to be increased for the management. However, he felt that action by the relevant parties, made with only two hands, constituted accomplished offense. He did not know whether such sums would have been returned in actuality or not. He asked the Company to attach this report in the minutes of the meeting* as well. At the same time, he would like to explain that he has proceeded with this approach before in a company meeting. Mr. Ampon Kittiampon once said that any shareholder who wanted to do what he has done, could do so as well. However, Mr. Prasert Lertyaso, another shareholder who wanted to do the same thing was told by the Management that he could not do so as it was unlawful. This showed that what he has done was unlawful even though no legal action has been taken on the case. Furthermore, report on the

*Remarks: Documents submitted by the shareholder to the Company at the meeting would be taken for further perusal by the Company. However, the contents of such documents would not be recorded in the minutes of the Meeting as no discussions had taken place on the contents of such documents at the Meeting.

fact-finding results finding pursuant to the Board's resolution No. 8/2555 dated June 28, 2012 gave a clear cut conclusion that this sum of Baht 632 million were profits recorded in the accounts for submission to the Board to consider approving increase of salaries for employees as detailed in page 14, clause 1 of the said fact-findings report. If he were to read it out in full, it would be a waste of time such that he asked the Chairman to have this memorandum included in the minutes of the meeting for disclosure to the employees*.

The Chairman thanked the shareholder and noted that the Company had already received the shareholder's documents that were sent to the Ministry of Finance.

Mr. Wisut Sahachatmanop, shareholder, stated that he would like to leave the National Council for Peace and Order's Order No. 69/2557 on: Measures of Prevention and Solution for Problems of Corruption and Malfeasance, with the Company's Board to ponder: Clauses 2 and 3 of the Order were applicable on every member of the Board. The Board should also study the said Order to ascertain what the outcome would be for non-compliance.

The Chairman stated that the Company had already received the documents mentioned by the shareholder from the Ministry of Finance.

Mr. Wisut Sahachatmanop, shareholder, asked why the Chairman had not answered what shareholders had asked before just to get them done all at the same time.

The Chairman explained that he just received those documents and would have a look at them promptly.

Mr. Wisut Sahachatmanop, shareholder, stated that the Company already had those documents. Investigation results mentioned that corruption did exist inside the Company. He suggested that the Company take these documents first to check them over. If it was found that the said documents were forged, then the Company were to publish the true documents it has in-hand on the subject. He once asked the Chairman for permission which was not granted hence an appeal was submitted to the Information Commission which issued an order No. Sor Kor 54/2558 that the Company were to disclose the report on investigations conducted on the Board's Resolution No. 8/2555 dated June 29, 2015. his, however, was ignored by the Company and it was not disclosed to him. Facts on this were well-known to Flt.Lt. Kanok Thongpurk.

Mr. Charnporn Jotikasthira, President, answered the question raised by Mr. Suthep Suebsantiwongse, shareholder, on the issue of Thai Smile Airways and the Company. As recommended by Mr. Suthep that adjustments be made on products so as to be aligned with those in the Company, action had already been taken by the Company to provide seamless services. These problems were known to the Company, particularly those on the various reservation systems for which the Company humbly accepted the suggestions for further implementation.

On the subject of strategy to compete with the Middle East airlines, he would ask Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial to explain about the strategy for One-Stop Flight in which the Company was working on 2-3 issues, as well as on the Strategy and Plan on arrangements for Non-Stop Flights. He would like to say that the Company has not listened to all that the consultant might have suggested. The Consultant once suggested that the Company reduce its Non-Stop routes by as much as 15.5 – 20% in the first half of the year in which he has already reported. But when such non-stop routes were reduced by 9.2%, it was the Company's opinion that trends were there for the Company to get back into the competition again and that if they cut the

*Remarks: Documents submitted by the shareholder to the Company at the meeting would be taken for further perusal by the Company. However, the contents of such documents would not be recorded in the minutes of the Meeting as no discussions had taken place on the contents of such documents at the Meeting.

routes down more, the Company might run into difficulty in the future such that the Strategy and Plan for Non-Stop flights were adjusted to make better and increased sales for non-stop flights such as Frankfurt second Route and London Flight second Route, etc. Consideration was given by the Company to reduce its direct flights down to only 6.2% and there were no plans to-date to make additional eliminations. This case, therefore, showed that the Company did not act on the Consultant's advice in the entirety as reasons and suitability in management would also have to be taken into account.

In the case of a shareholder's comment that the Company's performance has improved, he would like to explain that he did not say that the Company's performance were already good but merely that the Company was going in the right direction as it still had numerous other tasks to handle as several shareholders had commented.

On the subject of fuel hedging, the Company has been managing this throughout and, this year, fuel hedging was made on a continuous basis at approximately 50% at a low price which was quite near to current market prices. Today, the Company has started to make forward purchases for some portions of fuel for 2017. Fuel hedging was the Company's risk management policy which was close to those other airlines with fully comprehensive services that wanted to reduce their risks as the result of market fluctuations. Furthermore, the Company must have this risk management available in this area albeit the rate at which it would be made must be in line with the Company's conservative policy. Thus, 50% hedging was considered to be a suitable rate.

On the subject of recruitment of external employees, be they Thais or foreigners, these individuals would be contracted on a term basis pursuant to their contracts and must be responsible to pay taxes on their own in line with the provisions prescribed by the Constitution of Thailand. They would not be entitled also to the various benefits. For instance, these employees would not be entitled to receive, once their term of employment under the contract terminated or expired, privileges on passenger fares received by the Company's employees. He felt that comparisons could not be made in this case.

About a shareholder's comments on the Thai good traditions and Culture, he humbly accepted them in every aspect.

On the subject of Airbus A340-600, action has not been taken by the Company to sell them off and they were still grounded. The Executive Vice President, Technical Department, however, was expediting action to have them sold.

On the issue of competition with the Middle East airlines pertaining to One-Stop Flights including Strategy and Plan for Non-Stop routing, he would ask Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial to give an explanation on the subject.

Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial, thanked the shareholders and took up the issue discussed by Mr. Suthep that he agreed with Mr. Suthep on the subject of the Company's website and explained sequences of presenting the matters as follows: (1) cabin factor; (2) airlines in Middle East; and (3) the Company's point of view on low cost airlines and slightly more on things to be further undertaken by the Company.

Regarding the Company's website that was discussed by shareholders, he could summarise the matter under 2 issues, namely, that the Company's website was non-competitive with those of other airlines. First, several comments had been made that the Company's website was slow. He would like to explain that the Company had a system to measure time used for providing the service and would confirm that the Company's system, right from commencement to end of a transaction, was not slow and was even faster than those of several other leading airlines.

Besides, the Company's website nowadays has more features to serve users than in the past. For example, users could go back to change the items that had already been made. He explained that importance has been given by the Company to its website with the policy to make improvements on a constant basis. Presently, the Company's website today provided services in a variety of forms and not only for reservation or purchase of passenger tickets. For a buyer of first or business class ticket, the passengers could make an advance selection of food, called "Pre-selected meals". These were special meals with a variety of selections in the menu. However, he agreed with Mr. Suthep that the Company should not encourage passengers to merely make their purchases through the website. If a passenger wanted to purchase through an agent, that agent must give his/her first priority to sell the Company's tickets.

Another issue relates to comments made by several shareholders that prices of the Company's passenger tickets on its website were not competitive with other airlines when customers purchase from the agents such that they would not be sold. He would like to explain that the Company's website has been a channel with the maximum sale of its tickets in several countries. Considering the first 2 months of 2016, sales of tickets was generated for US\$ 27 million in Thailand vis-à-vis US \$5 million generated by the biggest agent in Thailand, etc. This showed that sale of tickets via the Company's website was a major sales outlet in a number of countries. Considering the total number of 32 countries to which the Company operated its flights, the Company rated as No. 1 for 'Top Website Seller' in 17 out of these 32 countries. Action would be taken by the Company to push forward other new methods of sale but it would not abandon its traditional channels. If a passenger wished to buy ticket from whatever channel, services provided by that channel must be facilitating, speedy and competitively in pricing.

On the subject of the airlines in Middle East as explained by Mr. Charamporn Jotikasthira, President, that there were problems of high air-traffic density on routes from Europe to Thailand including routes from Europe-Australia. These problems had arisen as the result of the great number of flights by airlines in Middle East. However, the Company was in the process of pushing forward its routes from Australia to Europe or from Europe to Bali via Thailand to boost its competitive edge.

One example of the projects underway was the project planned for passengers to make a stop-over in Thailand instead of making one in the Middle East countries.

Mr. Charamporn Jotikasthira, President, asked Flt.Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to answer the query raised by Sqd. Ldr. Jessada Niyompatthama, shareholder, regarding the sale of land.

Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained that the sale of land cited as an example by Sqn. Ldr. Jessada Niyompatthama, shareholder, concerned the case of Thai Plywood Co. Ltd. It was not a case for the Company to have to comply with the Office of the Stock Exchange of Thailand Commission's Rules No. Tor Jor. 20/2551 Re: Criteria in Executing Transactions of Substance Materially Falling under the Scope of Acquisition or Disposal of Property whereby a Listed Company is Required to Comply with Rules prescribed by the Stock Exchange. However, an investigation would be made by the Company as kindly suggested by the shareholder as well.

Mr. Charamporn Jotikasthira, President, explained about comments made by Sqn. Ldr. Jessada Niyompatthama on the computation of aircraft, which the number of aircraft had reduced by 7, that after considering the operating results, the inconsistency relies on several factors. One of which was an increased in utilisation of each aircraft. He asked the shareholder to take into his consideration that the newly acquired aircraft would be of different in size from those discharged from the fleet.

On the subject raised by a shareholder that numerous problems had arisen since 2011 pertaining to purchases of aircraft, he would like to explain that in transforming the Company on this occasion, it was the Board of Directors' policy to reduce routes that were running at a loss and to

reinforce its strength before starting on its business expansion which was planned to commence from 2017 onwards. Currently, the Company was still using aircraft under the old plan which had been ordered for purchase since 2011. Twelve of those aircraft would be delivered in the following sequences – 2 aircraft within this year and the other 10 aircraft within the next 2 years. As for the query on business expansion plan raised by a shareholder, he would like to say that this was the matter to be considered in the future.

Regarding the comments made by from Mrs. Kanitha Luck, proxy, he would like to thank the shareholder for such comments on business class services. He further explained that the Company has not made any changes on its logo in any way. What the shareholder saw was the ‘Class Mark’ assigned for each class of passengers on the aircraft. It is the ‘Product Mark’ adhered to by most of the major airlines. In other words, there would be signs pertaining to the class separation for each aircraft. The Company’s logo, however, would continue to be maintained. He concurred with the shareholder’s suggestion that the Company’s logo should not be placed underneath a cup/glass and that he would give his consideration to correcting the matter. He then went on to elaborate further that the Company has provided class mark on each piece of product for the particular classes, whether economy class, business class or first class. Each class would have been assigned with different class marks but the Company’s symbol or logo would still be retained. For shareholders who expressed concern that there might be increased in expenses, he would like to explain that the said policy has not caused the Company that much because it has been exerting full control over its expenditures except for this matter of food for which great importance was given by the Company to both its quantity and quality. On the subject of plates/cutlery used for the services provided, they were procured as scheduled and pursuant to the set plans because 1 out of 5 of such total supply needed to be purchased to replace those broken from usage. The Company merely switched its budget set for purchasing of the old type of plates/cutlery to buy the new type.

Currently, for the business class, food would be served at the command of the passenger whenever s/he wished to be served. This, indeed, was a challenge to the Company or any other airlines. He would like to confirm that this trend of thought was adopted from the airlines in Middle East because the Company should adapt itself to changes. The Company was fully aware that there were complaints made to the crews. Ms. Somporn Chotigannayut, Vice President, In-Flight Services Department (DQ), and her team were expediting action to correct the said problems, particularly for services provided on night flights. The problem was known to the Company albeit target had been set for it to definitely step up to become the leader and to achieve sustainable development at the same time. He also agreed with Mrs. Chamsri Sukchotrat, shareholder and proxy, who had made a comment that the Company must carry out improvements and adjustments to turn out good services through supervision of its employees as well as to manage its operations smoothly. He was confident that the Company could definitely do better than other airlines albeit it must carry out adjustments to develop the Company so as to reach such points on a sustainable basis.

The next issue concerned a query raised by Mr. Somsak Songmanee, about dividends. He felt extreme sympathy with shareholders who did not receive any dividend payments and would like to thank every shareholder for their opinions and various suggestions. However, the reason why the Company felt that passenger fares should not be reduced to compete with other airlines was because price discounts could, indeed, be made under a sale promotion campaign. Albeit, the Company should not focus only on discounting its fares because the Company’s products were, indeed, premium. Its in-flight seats in the tourist or economy class were the bests in the world. The Company had made tremendous investments on this matter. As Captain Yothin Pamornmontri has already mentioned, there were 169 seats on Thai Smile Airways’ aircraft while other airlines had 189 seats. That scenario was the reason why the Company’s passenger fares were higher than those of other airlines. Thus, his opinion was that the Company could not consider merely pricing, the Company’s services must be at a better level than those of other airlines, such that, the value of the Company could be perceived by its passengers.

Our sale teams must achieve their segmented sale targets and passenger fare pricing must be reasonably set for a premium product but not at the lowest. He admitted that the Company's products were not priced at the minimum. Price discount could be made under a sale promotion campaign with preservation of the Company's value and image at the same time.

Currently, the Company was in the process of making its cabin factor reaches the highest rate with the least possible seat vacancy. The Company would try to manage its operations to maintain good standards like the leading airline in this region which has the cabin factor of 85%. The Company was in the process of studying to see how it could develop itself to reach that point because it was still lagging far too behind that rate with its cabin factor in 2015 and 2014 of 73.3% and 68.9%, subsequently. Such developments showed that the Company has not rested idle in any way.

On the query raised by Mr. Sumet Karoonkatima, shareholder, regarding the airlines in Middle East as to what strong points the Company had to operate in such a competitive business. He felt that the Company's strong points were its non-stop flights such that the Company should be classified under the premium grade product. As explained by Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial, about passengers flying over Thailand to Bali, to Singapore, or to Australia, a question was asked by the Company as to why we did not try to draw these passengers to make even a night of stop-over in Thailand. He felt that Thailand was a country which was already in mind of tourists and the said strategy would be the same method used by the airlines in Middle East with Europe that a one night stop-over was spent before flying onwards to the East and so on.

As far as management policy of Nok Airlines was a concerned issue, it was clear that Nok Airlines was a low-cost airline which must compete with other low-cost airlines. The Company's duty was to support Nok Airlines on matters for which its support could be extended. In the near future, the Company would be entering a 'Code-Share Project' with Nok Airlines as Nok Airlines was flying to a lot of destinations which were not covered by the Company.

However, there could be some shareholders who might ask as to what was the purpose for the Company to work under a code-share project with Nok Airlines when Nok Airlines operated out of Don Mueang Airport. He would like to give an example of Japan which having with 2 airports in Tokyo, i.e. Haneda and Narita. Passengers could fly to one of the airports and then continue its flight to another location from another airport. He felt that Thailand was a country which has already marked in the tourists' mind for a visit such that a stay of at least one night in Bangkok before going on to another destination, i.e. flying on to Nan, Loey or any other provinces in Thailand would help reinforce the Company's network or even visit several cities in the Indochinese countries as well with Thai Smile Airways which flying within the ASEAN region and South China region.

On fuel hedging which he has already discussed at this Meeting, he believed that shareholders would have understood the issue and would be satisfied to a certain point that the Company had, indeed, achieved a reasonably lower cost this year.

On the issue of leasing premises from the Airports of Thailand PLC, he would ask Flt. Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, to answer shareholders as to why the Company could not operate at Don Mueang Airport.

About serving other manufacturers' food on its flights, he would explain that new food products had been tested to suit passenger's lifestyles. And, the program was currently in the process of trials. The responses were good as passengers were extremely satisfied. This was one of the product experimental methods carried out by the Company and there would be several other products to be further tested. The Company, however, was still having Thai Catering Department producing its food. The Company did not have to source its food only from food distributors but could source from other food producers, including Thai Catering Department. Food to be procured would be warm food while food for the economy class were previously frozen food.

On this query raised by Pol. Col. Sermkiat Bamrungpruek, shareholder and proxy, concerning merger between the Company and PTT PLC, he would ask to be excused from answering this question.

On the issue of procurement of new aircraft and the Company's burden arising therefrom, the Company was, indeed, well aware of the fact and several of these aircraft have to be sold.

As for suggestions made by Mr. Chaiyaporn Mounngmanee, shareholder, the Company would like to thank him for his morale support and suggestions about the Company's passenger buses. Further action would be taken to take care of this matter appropriately.

He then assigned Flt. Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, to provide further explanation about Don Mueang Airport and the lease of premises.

Flt. Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, answered the query raised by Mr. Suchart Mitpakwaen, proxy, on the subject of lease of Airports of Thailand PLC's premises which were separated under 3 scenarios. The first was premises inside Suvarnabhumi International Airport under the lease agreement commencing from 2006 and another lease agreement for the next 30 years. All supplies/equipment invested by the Company would fall into Airports of Thailand PLC's ownership. The second scenario was lease agreements of other airports such as Chiangmai Airport, Chiangrai Airport, Hatyai Airport, Phuket Airport. The negotiations had already been concluded on this segment. And, the third scenario was a lease agreement of Don Mueang Airport which was the one with problems. The new lease agreements stipulated that the property shall be fallen into Airports of Thailand PLC's ownership. Airports of Thailand PLC has tried to propose the rent calculation for the areas on the ground and the spaces in the air at various levels as well. This, however, was in the process of negotiation pursuant to the government's policy albeit no conclusion has yet been reached. He would like to explain that the figures of rental as mentioned by Mr. Suchart Mitpakwaen, proxy, were not true. At this moment, the Company has already returned some areas of the leased premises which were those in the north and on the road side such that it was now left with less rental spaces. Efforts were made by the Company to obtain the best offer on the rental rates.

Mr. Charamporn Jotikasthira, President, took up the suggestion from Mr. Chaiyaporn Mounngmanee, shareholder, regarding the negotiation with Airports of Thailand PLC on their rates of service fees charged to the Company in a large sum and in excess for several items and assigned Flt. Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, to provide additional explanation on the matter.

Flt.Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, clarified the issue which has raised doubts concerning landing parking fee as to why the Company went to seek a reduction of rental fee. He explained that it was not true. The fact was that Airports of Thailand PLC had made offers to induce various airlines to land or park their aircraft during times when there would not be many aircraft in the airport. However, the method proposed by the Company to ensure sustainability was that anyone whose action had been most beneficial to Airports of Thailand PLC should be rewarded with a part of refund or compensation. For example, whoever could manage to achieve maximum on-time performance or could procure the highest number of passengers to the airport would be rewarded. These were the issues which required further consideration and the Company was now in the process of making pertinent corrections on these two issues with the target set to obtain a discount for expenses payable by the Company which was approximately Baht 800 – 1,200 million per annum.

Mr. Charamporn Jotikasthira, President, gave additional explanation on a query from Mr. Yothin Pamornmontri, shareholder, on arrangements for a joint venture between the technical department and other organizations. He assigned Flt. Off. Chalermpon Intarawong, Executive Vice

President, Technical, to give an explanation on the matter and thanked Mr. Yothin Pamornmontri for his suggestions on a number of issues such as configuration adjustments for Thai Smile Airways Company Limited or what was called "LOPA" (Layout of Passenger Arrangement) as the shareholder has suggested that it should be adjusted to obtain more seating which could be done with a small investment. The Company concurred with this suggestion and was in the process of studying the matter.

Other than this, action would be taken by the Company to follow up on the case of approval given for NokScoot Airlines to use other airlines' Boeing 787 for its flights.

On another issue mentioned by Mr. Yothin Pamornmontri that the Company had a number of disguised figures, for example, its low expenditures could not be that low while its revenue was characteristically a one-time issue about the seats. This was acknowledged by every shareholder as they were shown in the financial statements. However, he would like to inform shareholders that the Company also has other figures which gave clear indication that the Company's efficiency has, indeed, increased such as increased in cabin factor with a less number of aircraft and so forth. This year, there was another one-time charge which would not appear again next year such as the cancellation of leases of 4 major stations, costs of human resources payable by the Company to these major stations. These items were not listed in the MSP.

Another one-time charge was the sale of several aircraft discharged from its fleet which the Company was subject to comply with return conditions. The return condition included maintenances and repairs which would be undertaken on a one-time basis in order to send back these aircraft. These expenditures would be shown only once in the account of 2015 albeit they should have been done throughout the past 4-5 years. Therefore, they were hidden costs for which the Company would have to accept the burden this year. However, the Company felt that these items constituted one-time charge which should be reformed and both aircraft and major stations should have been disposed. If these figures were included, the sum would be quite high. He, therefore, hoped that the shareholders would understand.

On business class services commented by Mrs. Chamsri Sukchotrat, shareholder and proxy, he would humbly accept her suggestion. The Company was well aware about the problem concerning service procedures. The Company would look into this problem on a continuous basis. As of today, there were still problems but the Company believed it was in the right direction. However, the Company also opened up for the opinion of outsiders in order to develop its managements and services on a sustainable basis so that they would be well-accepted by both its crew and passengers at the same time. Currently, it was an era of individual service. All wishes of the passengers would be satisfied within a time set by such passengers. This also reflects the efficiency and orderliness of services to be provided such as the time scheduled for sleeping or serving meals. Those challenged the Company's capabilities and the Company must handle them smartly. He was confident that the Company would be able to integrate Thai touches and its efficient services. And, at this point in time, action would be taken by all work units of Thai Airways as well as recommendations made by its global advisors would be adopted to develop to its maximum capacity.

Regarding profits and losses, he did not focus particularly on high rates of salaries or employees ages. Instead, he devoted to the policy to reduce expenses such as setting a target to reduce its expenses by 20% within 2 years, and so forth. Such reduction of expenses was not directly related to the reduction of the Company's headcount. He expressed that the gratitude of reduction of all non-employee related costs. However, if the Company could not achieve expense reduction, it might be necessary to take further action pertaining to management of personnel-related costs. Packages might be offered to employees on a voluntary basis because state enterprises could not order employees to resign. Employees would have choices to resign from the Company. Calculations of per diem rates and overtime payment costs were made by the Company to ascertain the actual or current payments. Moreover, the take home pay for its crews was computed differently from other professions such payment should be consisted of per diem and overtime payment. The Company had no particular wish

to see a great number of resignations from its employees. Approximately 400 employees have resigned but such number was not even reached to 7% of its entire workforce. Other than this, the case of flight schedules swapping between its crews as mentioned by a shareholder on would be followed up with the Vice President, In-flight Services Department and the Executive Vice President, Human Resources and Compliance. He also gave his word to take further consideration in the issue concerning promotion of 120 IMs with only 38 resignations from the posted IMs.

With respect to the issue raised by Mr.Surasit Sriprapha, shareholder, concerning WingSpan Services Company Limited, it was a major issue particularly with a discrepancy between the small number of repair technicians and the large number of vehicles. Importance should be given, therefore, to the repairing in lieu of the making of new purchases or the Company should contract the outsourced company which belongs to the Company's former executive(s) to repair them. He acknowledged these various problems for further consideration and action. However, the investigation was concerned human resources department thus he would ask Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, to give an explanation to the meeting.

Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained that WingSpan Services Company Limited generated profits in 2014 (as of April 2014) of Baht 75 million and had a cash flow of Baht 1 million. Subsequently, in 2015 (as of April 2015), WingSpan Services Company Limited would suffered a loss of Baht 43 million while there was cash of Baht 35 million. However, WingSpan Services Company Limited's management was well handled. The Company has also provided supports as well as looked after its operations so far by outsourcing and out-jobbing activities to WingSpan Services Company Limited in order to ensure its stable sustainability.

Other than this, Mutual Separation Plan (MSP) succeeded in reducing the Company's expenses in the area of human resources when compared with the expenditures in 2014. The flight per diem dropped by Baht 400 million or 9.09% and the salaries was increased by Baht 596 million or 4.36%. Various other expenditures such as welfare, provident fund, and medical expenses were approximately reduced by Baht 211.4 million.

Three hundred and eighty-three in-flight crews joined the Golden Handshake program. The rationale behind the compensation of these employees which were equivalent to their salaries including 50% of their averaged per diems per month and their severance pay under the law which were equivalent to 10 months salaries was because a criteria governing averaged salaries for crew members was at Level 8 or the executive level therefore the salary would be set between Baht 25,000 per month to the maximum of Baht 84,000 per month. He would like to state that the average age for those eligible to enter the program was as followed: 58 of in-flight managers, 56 of pursers, and 52 of crew members or air hostesses/stewards. The Company also gave consideration to their personal records and found that there were 154 employees or 43% who had health problems.

Furthermore, on the question raised by Sqn. Ldr. Jessada Niyompathama about the letter he has sent to the Company, he would check on this promptly. He explained that the Labour Union had also received the Company's support from the deductions of membership subscription in 2015 from members of the Labour Union whose names were confirmed by the Labour Union at the rate of Baht 150 per annum. In 2015, a total of Baht 1,326,663 were deducted from member subscriptions. On the issue concerning meeting allowance for the Labour Relations Committee from both employers and employees, the payment of Baht 1,000 would be made by the Company per one committee per month notwithstanding how many meetings were held in any particular month. And, on this issue of correctness of appointment of the Labour Relations Committee, the Company had consulted the Ministry of Labour and its legal advisors which were in concurrence that it could be done such that and this Labour Relations Committee was duly appointed.

Furthermore, on this issue concerning assemblies to demand salary increase during 18-19 January 2013, the Company had filed a case to the court and the case was currently under the

Supreme Court's process. On the part of disciplinary action, however, it would have to wait for the Court's final and conclusive judgment before any further disciplinary action could be taken pursuant to the Company's rules. The reason that the Company had not file a lawsuit against every employee who have benefitted from that protest was because it has set up a committee to consider the issue and conclusion has been reached that employees who joined the protest and those who received salary increases did not have a part in committing the offences against the Company. Therefore, no action was filed to the court against those who were not involved in the protest.

Mr. Charamporn Jotikasthira, President, gave an additional explanation that if the Company enters into a joint venture with other companies; it did not mean that the Company gives away its businesses to other parties in any way but rather to seek new business opportunity and new jobs for its work units whose current work load had dropped.

Flg. Off. Chalermpon Intarawong, Executive Vice President, Technical, thanked Mr. Yothin Pamornmontri, shareholder, for mentioning the Technical Department and the issues concerning reduction of expenses and safety. He would like to confirm that to reduce expenses were not related in any way with the issue of safety for the Technical Department because safety was the utmost importance matter. Regarding the suggestion of joint ventures with other companies, he would like to explain that maintenance businesses nowadays would be conducted with difficulties if there were no cooperation with other companies. In view of aircraft manufacturers, whether Boeing, Airbus, or other manufacturers of aircraft engines, their businesses are normally competing with the Company. Thus, it was necessary for the Company to find allies in a cooperation, joint venture, or investment. The Technical Department has set up a policy to find two allies from Europe and two allies from Asia including the two major aircraft manufacturers (i.e. Boeing and Airbus) and the two major aircraft seating manufacturers. The intention of this policy was that if there were other companies entering into this business and if the Company wanted to compete in this business, the only way to compete with its competitors was that the Company must also be the suppliers of those companies. Or, it would cooperate with any strong alliances. The Company intended to achieve cooperation with 2 maintenance companies (MRO) as well as other companies in Asia in operating in this area. On the subject of seating manufacture, it was the Company's opinion that it could find domestic manufacture on collaboration with other companies albeit cooperation with seat manufacturers has not progressed as much as expected. From what was mentioned above on today's trends to conduct maintenance businesses, every operator was all on the lookout for allies.

Mr. Charamporn Jotikasthira, President, explained on the issue raised by a shareholder concerning guidelines to hike up the Company's cabin factor or the ability to sell off all seats in a flight that the Company was in the process of expediting action in this respect and would be focusing on its core customers. If the Company wanted to compete with other companies, it must raise its cabin factor to 80%. However, if the Company wanted to be the best of the class, it would have to raise its cabin factor to 85%.

Sqn. Ldr. Jessada Niyompatthama, shareholder, asked that in 2012, resolutions were made for the Company to buy 75 aircraft for Baht three hundred thousand million. 37 of them had already been purchased and approximately Baht 120,000 million had been paid. He would like to have a confirmation from the Company that the Company has not purchased any other aircraft since 2012.

Mr. Charamporn Jotikasthira, President, explained that the purchase of aircraft were made in the past prior to his term. There was no additional purchase of property whatsoever since the current Board of Directors was focusing mainly on the Company's transformation. Only 12 aircraft were ordered by the Company and 2 aircraft would be delivered in the next 2 months and the other 10 aircraft would be delivered within the next two years. There would be no purchase of additional aircraft. If the Company wished to buy more aircraft, it would have to seek an authorisation from the Cabinet again.

Sqn. Ldr. Jessada Niyompatthama, shareholder, asked the Company to record its minutes of the meeting because he could remember every delivered aircraft accurately.

Mr. Suthep Suebsantiwongse, shareholder, commented on the issue of problems with NokScoot Airlines that he had evidences showing some members of the Board of Directors had supported Nok Scoot Airlines to be established with the Company shareholding proportion of 39.2% of equity or 250 million shares out of its 625 million shares by exercising its right under the shareholding proportion to approve an establishment of NokScoot Airlines. This had caused damages to the Company and Thailand. As commented by Singapore Airlines' CEO, NokScoot Airlines was established as a low-cost airline to become an aviation hub in Bangkok. He felt that the Company should not have allowed another airline to set up its hub in Thailand in competition with the Company. He did not agree with the opinion that the Company and NokScoot Airlines were providing services to different target groups. He further learned from agent(s) in Bangkok that currently these agents were no longer selling the Company's plane tickets because they were more expensive. There were only government officials travelling overseas who were still using the Company's services as it was more convenient, reasonably in priced, and providing better services than low-cost airlines. He would, therefore, ask Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial, to change the Company's target passenger group to a corporate incentive group and official conferences group. As far as low-cost airlines were concerned, he thought that the Company could not compete with them. What Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial had said that the Company would be adjusting its market strategy from Europe to Bangkok is a late opportunity for the Company because Thailand has been proclaimed by AEC as Asian's tourism and aviation hub such that the Company was very outstanding in this region. As for the Middle East, he felt that Doha, Abu Dhabi, and Dubai could only be aviation hubs as they were not touristic destinations such that the Company should be in a better position to compete with those airlines. On the last issue, he would make additional suggestions about the Company's current sale and purchase of its passenger tickets in which the Company had only centered its sale points in Bangkok and passenger fares should be allowed to run along with market mechanism.

The Chairman would like to confirm whether the shareholder was referring to the case of Nok Airlines holding the equity in NokScoot Airlines, or not.

Mr. Suthep Suebsantiwongse, shareholder, explained that the Company was holding 39.2% of equity in Nok Airlines and the latter was in a joint venture to set up NokScoot Airlines which was tantamount to the fact that NokScoot Airlines was also related to the Company. This, he felt, constituted a clear-cut case of conflict of interests which caused damages to the Company. That was why he had asked the Board of Directors to step in to help, supervise, or monitor this matter as well. Besides, he has been trying to inform these problems to the authorities and to help making regulatory adjustments which would prevent the Company's market share to be encroached on by these low-cost airlines. In this respect, action should be taken by the Company to make Thailand the gateway for the entire ASEAN region albeit no action had been taken whatsoever by the Company in this respect because the Company was not ready. Thai Smile Airways Company Limited has neither acted as a connecting point for the Company. And, the reservation systems of the Company and Thai Smile Airways Company Limited are different. On the last issue, he commented that the Company's routes to Rome and Moscow which have been taken off were likewise causing damages to the Company.

The Chairman explained that the Company's routes and flights to Rome were still on.

Mr. Suthep Suebsantiwongse, shareholder, explained that there were information that the said route would be off.

The Chairman explained that there had been consideration in the past to stop flying this route because it has been suffering a loss albeit consideration was made by the Company to continue with the route.

Mr. Suthep Suebsantiwongse, shareholder, commented that there was only a slight loss on that route because it was using the Boeing 747 which incurred high costs while only 260 seats could be sold. Thus, the smaller aircraft should be used in this route instead. Besides, as he and Mr. Yothin Pamornmontri had already commented, the Company still had the right to fly to Rome and Madrid so the Company could provide services for passengers flying to Rome and Madrid. Therefore, it was very conducive towards its Bangkok – Rome route and Bangkok - Madrid route. As a member of the Star Alliance and Singapore groups, it also had the advantage to provide a better connection point to facilitate travelers more than other countries. Besides, Taking off the routes had also caused damages to the Company's scheduled or allotted slots for its flights in London. Thus, Bangkok – London – Bangkok namely TG916 and TG917 which were daily flight slots were lost for two days, Tuesdays and Thursdays. This route was no longer called daily flight. The reasons that Captain Yothin Pamornmontri, shareholder, and himself have attempted to warn the Board of Directors on this matter were all in the Company's interests. And, on this issue of Accenture Company trying to step in to sell its products or its projects to the Company, the Company had assigned this matter to be handled by the procurement expert(s). He would like to warn the Board of Directors to be careful about the appointment of General Sales Agent (GSA) in various countries because the personnel handling this matter usually carried out their work with a lack of transparency. And, on this subject of contracts made to improve its services, he has also learnt that lock of specifications had been made for the first lot of wine and wine-glasses. He, therefore, would leave this matter with the Board of Directors to check on the matter so as to prevent any loss of benefits for the Company.

Miss Nuttawadee Indhawong, proxy, informed the meeting that she has been in attendance at this meeting and waiting for the whole day but this agenda has taken several hours before reaching the important agenda like Agenda 8 regarding an appointment of directors when most of the shareholders had been leaving the meeting which might therefore left out some shareholders who should have a chance to vote whether to accept or reject the candidates. Thus, the Chairman should exert control over discussions by shareholders if the subject was not on the agenda or had taken up too long. Otherwise, the Chairman should set a time limit for discussions according to the agenda and the subject matter therein which would, of course, be of benefits to the Company.

The Chairman thanked the shareholder and informed that he would try to control the meeting to keep it within the issue on each agenda.

Mr. Surasit Sriprapha, shareholder, had been following up on the question of executives being subjected to an investigation as to what the results were. He would like to know whether he or she was guilty or not and he felt that the investigations on employees did not take this long while those on executives who had committed malfeasances has taken several years. It was not right. He did not know whether the Company was willfully doing this to cause an expiry of time on the case or not and would like to know the results of the investigations because during that investigation he was also asked by the investigation committee to present his testimony and was treated by Chairman of the investigation committee. He then asked about the timeframe in conducting the investigation as he felt that the Company already had all clear supporting evidences.

Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained that the Company was now in the process of carrying out investigations which had not reached the end of its process. Actions were taken by the Company in line with the Company's procedures and rules. He was still accountable for the said investigations. At the moment, the committee was in the expediting stage but there were problems because the said person has already resigned from the Company. Thus, there were complications in the investigation process. He would look further into the matter as questioned by the shareholder and the Company would ask for an extension of not more than 30 days after this meeting in order to complete its investigation.

Mr. Suchart Mitpakwaen, proxy, objected the Board of Directors that he had not yet given an explanation why the Company could not operate in Don Mueang Airport. He further explained that 2 letters dated 26 August and 4 November had been sent to the Company inquiring about the car

accident occurred to its employee in which the Office of Labour, Samut Prakan Province has issued a letter to fine the Company for Baht 100,000. He wanted to know who will be responsible for this incident. Moreover, he would like to know whether an adjustment would be made to the outsourcing procurement or not. Lastly, he encouraged the Company to participate in the transparency company competition.

Flt. Lt. Montree Jumrieng, Executive Vice President, Corporate Strategy and Sustainable Development, explained about the issue on ground services at Don Mueang Airport that – on the first issue: technical works and support was given by the Company to expand the capabilities of the Technical Department of Don Mueang Airport; and, on the second issue: ground equipment services at Don Mueang Airport had opened up opportunities for price quotations to be submitted as usual albeit the Company ran into a few problems such as if it could not find sufficient number of airlines to patronize its services, it would have to shoulder the burden to pay the minimum guarantee. But, on the other hand, if the Company became the second operator as far as the terminal was concerned, it would not have to shoulder such burden. It was the same for the Catering Department that the Company needed to have quite a reasonable number of customers albeit low-cost airlines, by nature, would not use these flight meal services thereby subjecting the Company to likewise shoulder this minimum guarantee burden. This was why the Company felt it suitable to make a clear-cut separation of ground service businesses.

Mr. Yothin Pamornmontri, shareholder, commented that the main duties of in-flight crew were to provide safety for in-flight passengers therefore careful consideration must be given to such personnel's readiness and aptitude. For example, for crew members flying on European routes, they would have to get up around 21.00 hours and would not go back to sleep until 14.00 hours or 17 hours afterwards. And, besides this safety issue, in-flight crews also have other duties to attend to on board. Thus, he felt that Sqn. Ldr. Bhurith Sriwatana, Executive Vice President, Operations (DO), should be responsible and took into his consideration that duties assigned to in-flight crews should not exceed their capability limits because their rest period must be well-calculated so as not to cause damages to the Company. Furthermore, he would like to reiterate that provision of in-flight services should not exceed the in-flight crew's capacity as well. And, another issue was about what he and Mr. Suthep Suebsantiwongse, shareholder, had already suggested that flight time schedules or time slots allotted to the Company in London had been obtained with great difficulty and was very valuable albeit the Company chose to cancel its flights to London last year but now turned around to providing services during the summer with the consequences of having two of its flights cut off, i.e. on Tuesdays and Thursdays. This has caused a great deal of damages to the Company and he hoped that the Company would recover such allotments for next year's summer season.

Sqn. Ldr. Jessada Niyompatthama, shareholder, commented that he has sent a letter on 11 March to the Board of Directors to ask about the Labour Union but the answer given by Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, was not to the point. And, he would ask more about conflicts of interests in the case of the Company's improper employment of advisor and consultant.

The Chairman told the shareholder that several questions raised in his five letters had already been answered by the Company.

Sqn. Ldr. Jessada Niyompatthama, shareholder, asked as to how many sales agents the Company now had in Thailand and would like the Company to explain about its cancellation of the flights to Russia vis-à-vis Russia's requests to increase its flights to Thailand by more than 10 flights a day. Also, on the subject of hiring advisor(s)/consultant(s), as he felt that this matter was undertaken in violation of the Prime Minister Office's Rules regarding Procurement. And, on the last issue, he would ask the Company as to the year(s) in which Phatra Thanakit Finance Public Company Limited had acted as the Company's advisor.

The Chairman explained that this issue about Phatra Thanakit Finance Public Company Limited was not related to this issue of Acknowledgement of the Annual Report.

Sqn. Ldr. Jessada Niyompatthama, shareholder, explained that he would like to know about the number of major sales agents and would ask them to be completely recorded in the minutes, and that he would file a complaint to the Anti-Corruption Commission. He also asked for an explanation on the Company's cancellation of one flight a day to Russia albeit Russia's flights to Thailand were increased to more than 10 flights a day. He also asked Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial, to give an explanation on the potential of commercial department and whether the Company's Labour Union today had the authority under the law or not.

Mr. Teerapol Chotichanapibal, Executive Vice President, Commercial, explained that the Company had classified its general sales agents as Top 10, Top 20, and Top 50. He did not know as to which sales agent the shareholder would like to have the information on. As far as aviation format in Russia's market and nature of major traffic between Russia and Thailand were concerned, over 90% of that came from Russia were not from Moscow alone. Thus, there would definitely be more potential for Russia's airlines than that of the Company in this respect.

The Chairman asked the shareholder to discuss only matters which concerned Company's performance.

Mr. Charamporn Jotikasthira, President, explained to shareholders that the Company has not as yet sold off its land.

Sqn. Ldr. Jessada Niyompatthama, shareholder, asked the Company to explain as to what L.E.K. Company was.

Mr. Charamporn Jotikasthira, President, explained that the Company did not hire this company and asked if the shareholder was asking about the issue in 2015 or this year.

Sqn. Ldr. Jessada Niyompatthama, shareholder, commented that the Company should not consider only matters concerning 2015 performance without giving its consideration to other matters.

The Chairman asked the shareholder to take up issues which only concerned the Company's performance here but could raise his queries under Agendas 4, 5, 6, 7, 8 and 9.

Mrs. Kanitha Luck, proxy, asked about the triangular shape explained by the Company that it was its class mark that whether other airlines also have a class mark like that or not.

Mr. Charamporn Jotikasthira, President, explained that, indeed, there were such class marks on both Etihad Airways and Qatar Airways.

Mrs. Kanitha Luck, proxy, asked further whether there were other airlines in the Asia such as Singapore Airlines and Cathay Pacific Airways using the class mark or not.

Mr. Charamporn Jotikasthira, President, explained that the Company had set its target to become the world's top premium class airline and today, such No. 1 was Qatar Airways with Etihad Airways running second. Thus, if we wanted to be the world's top premium class airline, we should take a look at examples from the world's top premium airlines too.

Mrs. Kanitha Luck, proxy, then expressed her thanks to the Company's Board of Directors.

After opportunities were given by the Chairman for shareholders to raise further queries and without any being raised further from the floor, the Chairman then proposed that consideration be given by the Meeting to acknowledge the 2015 performance report.

The Meeting duly acknowledged the 2015 performance report which had been sent to shareholders together with their invitations to this meeting.

Agenda 4: To consider and approve balance sheets and income statements for the year 2015

The Chairman asked Mr. Narongchai Wongthanavimok, Executive Vice President, Finance and Accounting, to report on this Agenda.

Mr. Narongchai Wongthanavimok, Executive Vice President, Finance and Accounting, reported to the Meeting as follows:

In 2015, the Company's total revenues were Baht 188,747 million, 1.2% less than those of the previous year, mainly due to the drop in the income from transport of passengers and freight, especially the freight, caused by the severe competition, the strengthening of foreign currencies, and the reduced fuel compensation fees while the Company's total expenditure was Baht 184,485 million, 11.4% less than that of the previous year, mainly due to the 20.2% decline in aircraft fuel and the 6% decline in other non-fuel cash cost. As a result, in the past year the Company made a loss of only Baht 1,304 million as against Baht 23,019 million in 2014, meaning that the Company's loss situation improved by 94.3%. However, the Company had incurred extra expenses, mainly from the transform projects (MSP Project and others), amounting to Baht 4,167 million. There was also a loss of Baht 12,157 million from the decline in value of assets and aircraft, 91.7% higher than the previous year, while the exchange gain in 2015 was Baht 3,512 million as against Baht 12,623 million in 2014, 72% less than the previous year. In summary, the Company's net loss was Baht 13,068 million as against Baht 15,612 million in 2014, or a loss of Baht 5.99 per share. Its EBITDA, which are profit before interest, depreciation cost, exchange rates and impairment cost, was Baht 19,560 million, 445% higher than the previous year.

The Company's total assets as at 31 December 2015 were Baht 302,471 million, 1.6% less than those of the previous year, mainly due to a decrease in the number of aircraft in the fleet as a result of discharge, which was offset by the increase in land value. There was an increase in other non-current assets, which were deferred income tax and maintenance reserve.

The Company's liabilities were Baht 269,545 million, 1.3% higher than the previous year, mainly due to an increase in long-term debts as a result of the procurement of long-term loans to pay for the aircraft under the PDP Contract and the issuance of debentures. In summary, there was a decrease in the Company's current liabilities but an increase in its total liabilities by 1.3%.

The shareholders' equity was Baht 32,926 million, 20.3% less than that of the year 2014.

The Chairman asked for the shareholders' cooperation to be precise in their discussion in the allotted time of 3 minutes each.

Mr. Thamnoon Julmaneechote, shareholder, stated that the auditor reported that the financial statements were prepared on 26 February 2016, but he had known that the Audit Committee held a meeting on 26 February 2016 to approve of such financial statements and then to report to the Stock Exchange of Thailand. He therefore wanted to know when the Audit Committee actually examined the financial statements since, in principle, the submission of documents to the Audit Committee took at least 7 days. Besides, in the Company's performance report, it was stated on some pages that the meetings had been held 10 times but on other pages, it was stated that the meetings had been held 11 times. In his opinion, this was the issue of corporate governance, so he would like the Company to clarify this point.

The Company's financial statements showed that the Company had operated at a loss for three years running with a loss of more than Baht 10,000 million each year and a negative cash flow of more than Baht 20,000 million. He wanted to know how the Company would solve this problem.

On the issue of the Invitation to the Meeting, he asked by virtue of which law the Company Secretary had been assigned the task of inviting the shareholders since Section 98 of the Public Limited Companies Act provided that the Company's Board of Directors or a person acting on behalf of or on order of the Board of Directors was responsible for inviting the shareholders to the Annual General Meeting. As such, he was therefore uncertain if this present meeting was legitimate. He asked that the Company strictly comply with the law.

Further, he had information regarding the world top airlines, which showed that in 2011, the Company was ranked fifth in the world, but in 2015, it was ranked nineteenth. The next point he wanted to raise was the policy on hedging against oil prices. He understood that in 2011, the Company prescribed that the hedging against oil prices was not to exceed 20-50%. However, in 2015, the hedging was as high as 85%. He accordingly asked that the Company check out such matter as well as the cause of the Company's heavy losses.

The Chairman gave the shareholders an opportunity to express their opinions.

Mr. Wiwat Koosakul, shareholder and proxy, opined that although the Chairman had once been the chairman of PTT Public Co., Ltd., which is a state enterprise like the Company and a monopoly on its industry, he wanted to remind the Board of Directors that the Company needed to compete with other companies. Moreover, from the Company's financial statements, it was evident that the results of operation were improving. The main cause of the Company's losses was the expenses for special projects, which was, in his opinion, acceptable, as those projects would end this year. Besides, such expenses were offset against the income received from the companies in Japan as shown in the Annual Report (page 180). Another cause for the Company's losses was the decline in value of aircraft which amounted to more than Baht 11,800 million. Upon checking, it was found that such expenses might not come to an end in 2015 since there would be a lot of properties foreclosed if the Company was unable to sell them out soon, in which case he wanted to know the Company's course of action regarding this matter. Besides, in the event that the Company did not get Baht 3,967.6 million from the lawsuit filed by it against the seat manufacturer in Japan, the Company's revenues might decrease by half. He asked what the Company would do to improve the results of operation.

Mr. Sumet Karoonkatima, shareholder, stated that the Company reported the results of operation on its web site for the consideration of the analysts, which on average took about two weeks to one month. He would like the Company to report earlier than that.

Mr. Tongind Sangngarm, shareholder, stated that according to the Invitation to the Meeting, the loss per share was Baht 5.99. As a long-time shareholder, he recalled that 2008 was the last year he received dividend from the Company. Ever since, the Company had incurred losses continuously, with the declining results of operation, regardless of who its President was.

The Chairman pointed out that this year's results of operation were improving.

Mr. Tongind Sangngarm, shareholder, argued that the Board of Directors were good people but they were inefficient due to lack of experience in aviation business. He then asked about Agenda 5 for the other shareholders if there was any chance that the shareholders would get the dividend. For him, even the dividend of Baht 0.0001 per share would please him.

Mr. Kritapong Phasuvorapong, shareholder, asked if the entries about expenses in the Company's financial statements were repetitive because the meetings minutes (page 131) indicated that the operating expenses (excluding fuel expenses) were Baht 121,242 million, with the expenses incurred in connection with the reform projects amounting to Baht 4,167 million. However, according to the explanation on pages 134 and 135, the operating expenses of Baht 121,242 million included the expenses employee's benefit of Baht 29,892 million, Baht 4,167 million out of which was the expenses for the reform projects (MSP Project and Golden Handshake Project). In his opinion, it was likely that the expenses for the reform projects had already been included as explained on page 135.

He therefore asked the Company to check out if there were repeated calculations of the expenses for the reform projects and the expenses mentioned on page 134.

The Chairman asked Mr. Charamporn Jotikasthira , President, to prepare the information regarding this matter and invited the shareholders to discuss.

Mr. Vichapas Tansuwannarat, proxy, asked that the Chairman strictly adhere to the agenda as it was already 20.00 hrs. He expressed his understanding that several shareholders wanted to voice their opinions, but due to the time limit, the shareholders could not discuss all points on their mind. The Chairman should take control by limiting the number of times a shareholder would be allowed to discuss; otherwise, it would be a waste of time for other shareholders. Besides, some shareholder infringed on the rights of the other shareholders by discussing issues that were not on the current agenda so that he/she could leave early, causing the other shareholders, himself included, to stay longer. As for the reproach and the accusation of corruption made by some shareholders against the Company and the Board of Directors, he suggested that the shareholder petition the relevant authorities directly as it was no use reproaching and accusing them at a general meeting; neither the shareholders nor the Company would benefit from it. He believed that the relevant authorities could investigate into the matter and that justice would be served.

The Chairman thanked the shareholders and proposed that the Meeting consider and approve the Company's Balance Sheet and Statements of Income for the year 2015 as detailed in the 2015 Annual Report already sent to the shareholders. He asked the shareholders who would vote against or abstain from voting to hand in their ballots to the Company's officer, otherwise Company would take it as an affirmative vote of the shareholders.

Sqn. Ldr. Jessada Niyompatthama, shareholder, added that in 1993, the Company's registered capital was Baht 17,000 million, divided into 1,700,000,000 shares. Subsequently in 2010, its registered capital was Baht 22,000 million. According to the 2015 performance report, the Company's assets and liabilities were Baht 305,000 million and Baht 273,660 million, respectively, and those were the figures in the Company's financial statements, not the consolidated financial statements. Currently, the difference between the Company's assets and liabilities was Baht 31,417 million. Besides, he had been informed that there was an increase in land value by Baht 8,647 million, thereby reducing the liabilities to Baht 22,770 million. During the 22-year period, the Company had invested Baht 22,000 million, but the difference of its assets was only Baht 300 million.

The Chairman announced the results of the vote on Agenda 4: To consider and approve the Company's Balance Sheet and Statements of Income for the year 2015.

The Meeting resolved, by majority votes of the shareholders present and entitled to vote, that the Company's Balance Sheet and Statements of Income for the year 2015, which had been examined and certified by the Office of the Auditor General of Thailand (OAG), the Company's auditor, be approved.

Votes cast by the shareholders were as follows:

Affirmative votes:	1,594,465,298	representing	99.9358%
Negative votes:	47,389	representing	0.0030%
Abstentions:	997,036	representing	0.0612%

Agenda 5: To consider and approve the suspension of dividend payment in respect of the Company's business operations for the year 2015

The Chairman asked Mr. Narongchai Wongthanavimok, Executive Vice President, Finance and Accounting, to report on this agenda.

Mr. Narongchai Wongthanavimok, Executive Vice President, Finance and Accounting, explained to the Meeting that the Company's policy on dividend payment was to pay not less than 25% of the net profit before exchange gain or loss as shown in the consolidated financial statements, subject to the Company's investment plans as well as the necessity and appropriateness in the future. According to Agenda 4, the Company's net loss after deduction of exchange gain was Baht 13,068 million; therefore, its net loss before exchange gain was Baht 16,579 million as against Baht 28,235 million in 2014 while the Company had a total of 2,183 million shares. Justified by such losses, the Company had considered suspending the dividend payment in respect of the Company's 2015 operations.

The Chairman gave the shareholders an opportunity to ask further.

Mr. Suchart Mitpakwaen, proxy, asked about the Alfredo food products which he had once asked the President.

The Chairman explained that such issue was not on the current agenda and asked that the shareholder raise questions relating to the issue on the agenda.

Mr. Suchart Mitpakwaen, proxy, stated that as the President had not answered his question and claimed that the allotted time had elapsed, he wanted the President to explain the matter.

The Chairman asked to explain such matter on the "Other Business" agenda.

Mr. Niphan Jittaworwanich, shareholder, stated that the Company had incurred losses for several years running which in this case the shareholders' losses were approximately Baht 30,000 million. However, since there was an increase in land value, the loss has, therefore, reduced to about Baht 22,000 million. He asked whether the Company had to increase the capital or not and also asked further about the exchange risk since the Company gain over Baht 3,000 million last year while in the year before last the Company had gained over Baht 10,000 million. He would like to know how the Company would hedge such risk and whether the weakening or strengthening of the Baht would result in more gain or more loss.

The Chairman allowed the next shareholder to ask questions.

Mr. Kritapong Phasuvorapong, shareholder, stated that it was shown on page 131 of the meeting minutes that the operating expenses (excluding fuel expenses) were Baht 121,242 million and the expenses incurred from the reform projects (including the expenses from MSP Project and Golden Handshake Project) were Baht 4,167 million. Then on page 134, it was explained further that the highest amount of such operating expense is an expense for the employee's benefit at the amount of Baht 29,892 million which included the personnel expenses as well as the expenses from MSP Project and Golden Handshake Project. He, therefore, asked if there had been repeated calculations of those expenses.

Mr. Narongchai Wongthanavimok, Executive Vice President, Finance and Accounting, explained that the calculations of those expenses were not repetitive. The Baht 29,892 million as appearing on page 134 was the expenses for employee's benefit (i.e., wages, salary, benefits, overtime pay and other miscellaneous expenses). As for the Baht 4,167 million stated on page 131, it was not included in the Baht 29,892 million.

The Chairman asked Mr. Narongchai Wongthanavimok, Executive Vice President, Finance and Accounting, to explain in answer to the questions asked by other shareholders.

Mr. Narongchai Wongthanavimok, Executive Vice President, Finance and Accounting, explained that the capital increase would require consideration in terms of investments and annual performance. He assured the Meeting that the Finance and Accounting would carefully deal with the exchange rate to prevent the severe impact from recurring. As for the question of whether or not the Company would

increase its capital, he could not give an answer at the time being since it depended on this year's results of operation, even though the performance for the past 2-3 months has somewhat acceptable and the cabin factor was improving.

Mr. Charamporn Jotikasthira, President, referred to the concern raised by the shareholders about the results of operation and explained that if the Company operated according to the 2- year transformation plan, this year's results of operation would be about 60-70% of the next year's and the Company would make a profit next year. However, if there were other factors, the Company would reconsider the matter. In his opinion, the situation was unlikely to become worse as the shareholders were concerned.

The Chairman informed the Meeting that the collection of ballots for Agenda 5 was closed. As there was no further question from the shareholders, the Chairman proposed that the Meeting consider and approve the suspension of the dividend payment for the Company's 2015 operations.

The Meeting resolved, by majority votes of the shareholders present and entitled to vote, that the dividend payment for the 2015 operations be suspended.

Votes cast by the shareholders were as follows:

Affirmative votes:	1,595,112,113	representing	99.9763%
Negative votes:	121,974	representing	0.0076%
Abstentions:	255,636	representing	0.0160%

Agenda 6: To consider the Directors' Remunerations

The Chairman asked Mr. Peraphon Thawornsupacharoen, Director, to explain on this Agenda.

Mr. Peraphon Thawornsupacharoen, Director, informed the Meeting that the Nomination and Remuneration Committee passed a resolution at its 2/2559 Meeting held on the 15 February 2016 that the criteria for the determination of the directors' remuneration and meeting allowances for the period 1 May 2016 - 30 April 2017 be set out and then proposed to the meeting of shareholders for consideration and approval. Details of such criteria were as follows:

Directors' Remuneration and Meeting Allowances:

- Each Director will receive monthly remuneration of Baht 50,000 and a meeting allowance of Baht 30,000 for each meeting. If the meeting is held more than once in any month, each Director still receive the meeting allowance of Baht 30,000 only. The meeting allowance for the Chairman and the Vice Chairman of the Board of Directors will be 25% and 12.5%, respectively, higher than that for the Directors. Members of the Board of Directors will pay their own income tax. The said remuneration and meeting allowances are paid at the rate approved by the Meeting of Shareholders in 2015.
- In the event that any Director is appointed by the Board of Directors or the Chairman of the Board to sit on any committee, sub-committee or task force of the Company, that Director will receive an additional meeting allowance of Baht 10,000 per meeting. If any committee, sub-committee or task force holds more than one meeting in any month, that Director still receive the additional allowance of Baht 10,000 only. Such meeting allowance is paid at the rate approved by the Meeting of Shareholders in 2015.

- Each member of the Audit Committee will receive monthly remuneration at the same rate as the meeting allowance for the Directors. The Chairman of the Audit Committee will get 25% higher those for the other members. The members of the Audit Committee shall still receive such remuneration even for the month in which the Committee holds no meeting. Such remuneration is paid in accordance with the Ministry of Finance's Regulations regarding Audit Committee and Internal Audit of State Enterprises B.E. 2555 (2012) which were published in the Government Gazette and has come into force since 8 September 2012. The rate of such remuneration is the same rate as approved by the Meeting of Shareholders in 2015.

Details about sub-committees and the scope of their authority and responsibilities were elaborated in the 2015 Annual Report (pages 80-90). The Nomination and Remuneration Committee and the Board of Directors resolved not to propose the annual bonus and air-ticket privileges for the Board of Directors for the year 2016.

The Chairman then allowed the shareholders to express their opinions or ask questions regarding the above matter.

Mr. Thamnoon Julmaneechote, shareholder, stated that despite having incurred losses of over Baht 10,000 million each year for three years running, the Company proposed the determination of directors' remuneration, which was inappropriate. In his view, with such heavy losses, the Company should take the sufficiency economy and good governance into consideration. Also, the Board of Directors should not even receive the monthly salary due to the Company's loss. Besides, in order to receive monthly salaries, the directors must come to work every month, not just attend the meetings where they receive meeting allowances. In addition, the Board of Directors should not receive salaries and their meeting allowances should be reduced by half since there were lots of meetings, which were around 24 meetings, held in one year. Particularly in the case of the Chairman, who had to attend another 46 meetings about the reform projects, this meant that in one year (52 weeks), the Chairman attended 70 meetings in total. As for the Audit Committee, it appeared on some pages of the Annual Report that the Audit Committee held 10 meetings, while some pages indicated that there had been 11 meetings, as evidenced by pages 87 and 125. He, therefore, was not sure what the correct information was and finished off by reiterating that the Board of Directors should show a sense of responsibility by not receiving remuneration.

Mr. Charamporn Jotikasthira, President, explained that the Company's Board of Directors consisted of qualified scholars who had helped manage the Company's affairs. Though they attended as many as 46 meetings, they received the allowances for 12 meetings only. Besides, all privileges that used to be available to the Directors, including the air-ticket privileges, had been cancelled. He therefore asked the shareholders to realize and appreciate the importance and value of the Board of Directors, who were all men of intellect and high standing.

Mr. Kritapong Phasuvorapong, shareholder, asked about the directors' remuneration in 2015. He stated that in 2015, the Company had 18 directors. The fourteenth and eighteenth directors had resigned from their posts before 31 December 2015, but their total remuneration was more than or equal to the remuneration of others who currently take a position as directors. Also, in the case of the sixteenth director who had resigned in mid-September, his or her remuneration was unduly high. He therefore wanted to know the reason for such anomaly and asked if it would be possible that the Company provide the details as to how many times each director attended the meetings and which of the meetings they attended in the following year.

Mr. Prasert Lertyaso, shareholder and proxy, stated that he had discussed about the directors' remuneration as evidenced in the 2015 meeting minutes (page 35). At that time, he suggested that the directors' remuneration be reduced on account of inefficiency, but the Company ignored it. In addition, according to page 181 of the Annual Report, where there was the mention of the expenses for the employee's benefit in 2015 and 2014, it was obvious that while the number of employees

decreased in 2014 and 2015, the number of executives was on the increase, which, in his opinion, had something to do with the dividends. However, the Board of Directors had never answered to those questions despite all their promises. At the previous meeting, the Company had informed that the directors' annual bonus and remuneration would be reduced by half, but instead Company reduced the number of employees.

The Chairman explained that the Company had not reduced the number of employees and did not have such policy.

Mr. Prasert Lertyaso, shareholder and proxy, wanted the Company to confirm that there was, indeed, no such policy and stated that he would wait and see if the issue of the Company answering to the shareholders' questions would be put on the agenda of the next meeting. Also, he still did not understand the reasons given by the Board of Directors in every meeting minutes regarding the directors' remuneration despite the current heavy losses after 43 years of profits. As for the lawsuit against the Company and the Board of Directors as agreed to by some shareholders, he would certainly file it in the interests of the shareholders. He would also send a petition to General Prayut Chan-ocha, asking him to exercise his power under Section 44 of the Constitution of the Kingdom of Thailand to remove the entire Board of Directors and recruit professionals to manage the Company in their place in the hope that the Company would make some profit.

Mr. Tongind Sangngarm, shareholder, stated that he did not agree to this Agenda since the financial situation of the Company and the shareholders was getting desperate. He suggested that the directors not receive salaries for a period of time but get a meeting allowance of Baht 50,000 per meeting. He added that as it was stipulated in the Company's Memorandum of Association that there would be only three meetings a year, therefore the Board of Directors should not meet more than three times or six times at most.

Mr. Suchart Mitpakwaen, proxy, asked whether the director who did not attend the meeting could assign another person to act on his/her behalf and whether that director would get paid.

The Chairman explained that no other person could attend the meeting in a director's place.

Mr. Wisut Sahachatmanop, shareholder, added that in 2003, the meeting allowance for a director was only Baht 5,000 per month.

The Chairman stated that such case was unlikely to be true.

Mr. Wisut Sahachatmanop, shareholder, asked that the Chairman elaborate on the actual amount of the directors' meeting allowances.

The Chairman stated that it would be elaborated in the next sequence.

Mr. Wisut Sahachatmanop, shareholder, stated that according to his information, the meeting allowance was Baht 5,000 and he used to raise this point with the Board of Directors. In 2003, the Board of Directors had asked to increase the meeting allowance to Baht 50,000 for the directors who attended the meeting and Baht 30,000 for those who did not. However, since the Company was about to go bankrupt this year, the Board of Directors should make sacrifices by cutting their remuneration by half as suggested by the shareholders at the previous meeting. Lastly, he questioned Ft. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, on the matter regarding the legality of the formation of the Company's Employee Relations Committee which had been reported to the Department of Labour and then ask the Company to record the answers in the meeting minutes as evidence so he could pursue such matter.

Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, explained that the Company had proceeded with the matter in such manner as advised by the Department of Labour Protection and Welfare.

The Chairman then asked that the Meeting consider and approve the directors' remuneration as proposed by the Nomination and Remuneration Committee. He also asked the shareholders who either voted against or abstained from voting to hand in their ballots to the Company's officer. As for any shareholders who did not hand in their ballots, the Company would take it as an affirmative vote of the shareholders.

The Meeting resolved, with an affirmative vote of not less than two-thirds of the shareholders present, that the criteria for the determination of the directors' remuneration as proposed by the Nomination and Remuneration Committee be approved.

Votes cast by the shareholders were as follows:

Affirmative votes:	1,595,088,332	representing	99.9748%
Negative votes:	189,787	representing	0.0119%
Abstentions:	211,604	representing	0.0133%

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

The Chairman asked Mr. Weerawong Chittmittrapap, Independent Director and Chairman of the Audit Committee, to explain this matter.

Mr. Weerawong Chittmittrapap, Independent Director and Chairman of the Audit Committee, explained that the Organic Act on State Audit B.E. 2542 (1999) provided that the Company's auditor had to be the Office of the Auditor General of Thailand (OAG) since the Company was a state enterprise. There was no conflict of interest between the OAG and the Company as the OAG had no relation with or interest in the Company, its subsidiaries, executives, major shareholders or any persons related to the aforesaid. The OAG was also the auditor for the Company's subsidiaries: Thai Amadeus Southeast Asia Co., Ltd. And Thai Smile Airways Co., Ltd., which are also state enterprises. As for other subsidiaries which are not state enterprises, the OAG would not act as their auditor and, therefore, an auditor had to be appointed at every general meeting of shareholders.

For the appointment of an auditor for the year 2016, the Audit Committee passed a resolution, at its 1/2559 meeting held on 23 February 2016, that the following be proposed for the consideration of the general meeting of shareholders: (1) to appoint the Office of the Auditor General of Thailand as the Company's auditor for the year 2016 and (2) to approve the audit fee for the year 2016 of Baht 2,500,000 and the fee for the review of the Company's quarterly financial statements for 3 quarters in the amount of Baht 350,000 for each quarter. The audit fee and the reviewing fee were of the same rate as those for the year 2015.

The Chairman thanked Mr. Weerawong Chittmittrapap, Independent Director and Chairman of the Audit Committee, and allowed the shareholders to express opinions and ask questions regarding the matter. Then he proposed that the Meeting consider and approve the appointment of the Office of the Auditor General of Thailand as the Company's auditor and the fixing of the audit fee for 2016 at Baht 2,500,000 and the fee for reviewing three quarterly financial statements at Baht 350,000 for each quarter.

The Meeting resolved, by majority votes of the shareholders present and entitled to vote, that the auditor be appointed and the audit fee for 2016 be fixed as proposed by the Audit Committee.

Votes cast by the shareholders were as follows:

Affirmative votes:	1,595,288,551	representing	99.9874%
Negative votes:	43,236	representing	0.0027%
Abstentions:	157,936	representing	0.0099%

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. Peraphon Thawornsupacharoen, Director, the task of handling this Agenda and giving pertinent details to the Meeting.

Mr. Peraphon Thawornsupacharoen, Director, referred to Article 17 of the Company's Articles of Association, which provided as follows: At every annual general meeting, one-third of the directors shall retire from office. If their number is not a multiple of three, then the number nearest to one-third shall vacate office. The directors to retire from office in the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been in office longest shall retire. A retiring director is eligible for re-election. As for this year, the Directors retiring by rotation were:

1. Pol. Gen. Chakthip Chaijinda
2. Mr. Rathapol Bhakdibhumi
3. Mr. Kanit Sangsubhan
4. Mr. Weerawong Chittmittrapap
5. Mr. Somkiat Sirichatchai

The Company had given the shareholders an opportunity to nominate persons qualified to be elected members of the Board of Directors according to the criteria posted on the Company's website from 23 September 2015 to 31 December 2015 and advertised in the Khaohoon (published daily) on 5, 6 and 7 October 2015 and the Prachachat Turakij (published every three days) on 8 October 2015. There had been a nomination by a shareholder; however, the shareholder who had made the nomination was found to be unqualified on account of holding shares in the Company for less than one year up to the nominating date. Therefore, the Nomination and Remuneration Committee had considered selecting qualified persons to be nominated for the election of directors in accordance with the selection process, taking into consideration their qualifications, expertise, transparent past work, vision, and standards of morality and ethics. Those persons had to be able to express their opinions freely, had performed well as directors, and possessed appropriate qualifications. At its meeting on 24 February 2016, the Nomination and Remuneration Committee (excluding the members who had a personal interest in the matter) resolved to propose that the Board of Directors and the 2016 Annual General Meeting of Shareholders appoint five directors, namely:

1. Pol. Gen. Chakthip Chaijinda as director for another term
2. Mr. Rathapol Bhakdibhumi as director for another term
3. Mr. Kanit Sangsubhan as director for another term
4. Mr. Weerawong Chittmittrapap as director for another term
5. Mr. Somkiat Sirichatchai as director for another term

Mr. Peraphon Thawornsupacharoen, Director, asked Mrs. Suvimol Bualerd, Vice President, Corporate Secretariat Department, to explain the voting process for the election of directors.

Mrs. Suvimol Bualerd, Vice President Corporate Secretariat Department, explained that in voting on Agenda 8: To consider the election of Directors, the shareholders would hand in their ballots to the Company's officer for each nominated person.

Mr. Peraphon Thawornsupacharoen, Director, gave the shareholders an opportunity to express their opinions and ask questions regarding this matter.

Mr. Prasert Lertyaso, shareholder and proxy, stated that the Nomination and Remuneration Committee claimed that they had selected directors who had qualifications as specified in the Company's Articles of Association. He would like to know how many members there were in the Nomination and Remuneration Committee, how many days the Committee members had spent selecting those directors, and how much they had spent on the selection process. He also asked why the Committee could only select those who had been directors previously. The Company claimed that those persons could perform their duties efficiently, but this contrasted with the Company's results of operation which showed losses every year. Furthermore, he wanted to know the reason why a police officer was appointed as the Company's director. He suggested that if it was the government's policy to reform the state enterprises by allowing the Police Commander-in-Chief to sit on the Company's Board of Directors, then the Commander-in-Chief, RTAF; the Commander-in-Chief, RTA; the Commander-in-Chief, RTN; assistant district officers; presidents of Tambon Administration Organizations; and presidents of Provincial Administration organizations should also become the Company's directors. If the selection of the Company's directors was senseless like this, there would be no need for the shareholders to attend the meeting further because once the Ministry of Finance, which is the major shareholder, voted in favour of someone, the Company's wish was granted and nothing could change it. He also reproached the Board of Directors for being inconsiderate as they did not think of providing some snacks and beverages for the shareholders now that the meeting had carried on until late afternoon. However, when it came to their own benefits, the Board of Directors had never reduced them. He therefore asked that either the Board of Directors resign their post or the Prime Minister exercise his power under Section 44 of the Constitution of the Kingdom of Thailand to remove them and appoint experts to work in their place.

Mr. Tongind Sangngarm, shareholder, referred to page 5 (lines 9-10) of the Invitation to the Meeting where there was the mention of the Board of Directors' Meeting No. 4/2553, which he believed the mentioned year to be incorrect.

Mr. Peraphon Thawornsupacharoen, Director, asked Flt. Lt. Kanok Thongpurk, in his capacity as Secretary to the Nomination and Remuneration Committee, to explain the matter to the Meeting.

Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, in his capacity as Secretary to the Nomination and Remuneration Committee, explained that the five individuals nominated by the Nomination and Remuneration Committee for the election of directors all had the required qualifications, expertise and experience in performing as the Company's directors, according to the Act on Standard Qualifications for State Enterprises' Directors and Employees B.E. 2518 (1975) and amendments thereof. For instance, Mr. Rathapol Bhakdibhumi had experience and expertise in the fields of finance, organisational management, and use of information technology to improve efficiency in logistical competition. Mr. Weerawong Chittmitrapap had experience and expertise in the field of law. Mr. Kanit Sangsubhan had experience and expertise in economy, monetary, finance and restructuring of financial institutions and state enterprises. Mr. Somkiat Sirichatchai had experience and expertise in risk management, human resources management, and planning and strategy implementation. Pol. Gen. Chakthip Chaijinda, National Police Commander-in-Chief, had experience and expertise in the fields of investigation, crime suppression, anti-terrorism, and other security work, including administration of public agencies. He also graduated with a Master's Degree from abroad. The five nominations had been first proposed for the consideration of the Ministry of Transport, and the Transport Minister had then proposed the same to the Policy

Setting and State Enterprise Supervising Committee for their consideration in accordance with the Office of the Prime Minister's Regulations governing Policy Setting and Supervision of State Enterprises B.E. 2557 (2014).

Mr. Suthep Suebsantiwongse, shareholder, stated that since the five nominations had been considered by the Nomination and Remuneration Committee, he was of the opinion that they were highly qualified, especially in the case of the National Police Commander-in-Chief being a member of the Company's Board of Directors, it would be suitable in the face of the current problem of corruption. He therefore urged that this Agenda be expedited.

Mr. Thamnoon Julmaneechote, shareholder, stated that the Board of Directors had received training from the IOD. Regarding the appointment of former directors as new directors, according to Clause 3.2.1 regarding the good directorship in registered companies, the Nomination and Remuneration Committee was required to report to the Meeting the directors' performance in the preceding year. As it happened, the Nomination and Remuneration Committee failed to do so. Because if the Committee had reported to the Meeting as to which director had performed well and which had not, their selection would be acceptable to all shareholders. The Committee should, therefore, conduct as they had been trained. In addition, the Company should also take account of each director's frequency of meeting attendance because attending the meetings suggested the dedication on the part of the directors to solving the Company's loss problem. If a director's attendance was lower than 80%, that director should not be re-elected. By the way, he attended this meeting because he wanted to know the direction the Company would be taken to achieve prosperity in the future. Currently, the Company's debt to equity ratio was 8:1, as compared to 2:1 of companies in general. He accordingly asked how the Company had planned to solve this problem. He reiterated that this was an important issue and hoped that the Chairman, who once worked for the Ministry of Finance, would put his mind to it. He also suggested that the Company change its management style and present its performance to the shareholders in the form of graphs or charts which clearly described fixed cost and available cost and that the Company show how it planned to reduce costs so the shareholders could evaluate the Board of Directors' performance. He stated that after this Meeting, he would send a letter to the Stock Exchange of Thailand and the IOD regarding the governance of the meeting.

Mr. Peraphon Thawornsupacharoen, Director, asked Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, and Secretary to the Nomination and Remuneration Committee, to answer the shareholders' questions.

Flt. Lt. Kanok Thongpurk, Executive Vice President, Human Resources and Compliance, and Secretary to the Nomination and Remuneration Committee, answered the point raised by the shareholder about page 5 (lines 9-10) of the Invitation to the Meeting that it was not a typographical error but the reference to the Criteria for Selection of Directors, which had been approved by the Board of Directors' Meeting No. 4/2553 held in 2010. At that meeting, the Board of Directors set the criteria about the required characteristics and qualifications of those who would be nominated as the Company's directors, in which such criteria corresponded to those set by the IOD in accordance with the Act on Standard Qualifications for State Enterprises' Directors and Employees B.E. 2518 (1975).

Mr. Peraphon Thawornsupacharoen, Director, gave the shareholders an opportunity to raise more questions. When there was none, he proposed that the Meeting consider the election of directors.

The Meeting resolved, by majority votes of the shareholders present and entitled to vote, that the following five directors be elected to replace those retiring by rotation:

1. Pol. Gen. Chakthip Chaijinda

Affirmative votes:	1,568,826,147	representing	98.3288%
Negative votes:	756,164	representing	0.0474%
Abstentions:	96,968	representing	0.0061%
Non-exercised voting right:	25,810,444	representing	1.6177%

2. Mr. Rathapol Bhakdibhumi

Affirmative votes:	1,568,517,729	representing	98.3070%
Negative votes:	76,168	representing	0.0048%
Abstentions:	161,968	representing	0.0102%
Non-exercised voting right:	26,733,858	representing	1.6781%

3. Mr. Kanit Sangsubhan

Affirmative votes:	1,565,967,578	representing	98.1496%
Negative votes:	3,532,519	representing	0.2214%
Abstentions:	206,568	representing	0.0129%
Non-exercised voting right:	25,783,058	representing	1.6160%

4. Mr. Weerawong Chittmittrapap

Affirmative votes:	1,568,808,903	representing	98.3277%
Negative votes:	696,494	representing	0.0437%
Abstentions:	208,568	representing	0.0131%
Non-exercised voting right:	25,775,758	representing	1.6155%

5. Mr. Somkiat Sirichatchai

Affirmative votes:	1,568,800,133	representing	98.3272%
Negative votes:	690,811	representing	0.0433%
Abstentions:	210,768	representing	0.0132%
Non-exercised voting right:	25,788,011	representing	1.6163%

Agenda 9: Other Business

The Chairman gave the shareholders an opportunity to discuss or ask further.

Mr. Yothin Pamornmontri, shareholder, raised two points. Firstly, the aviation right is the state property, and the Company was granted such right because it was the national flagship carrier. Thai Smile Airways Co., Ltd. was part of the Company, but it operated by the name of Thai Smile Airways and not Thai Airways. Therefore, he wanted a confirmation from this present Board of Directors as well as the future one that the exclusive aviation right would never be granted to Thai

Smile Airways Co., Ltd. as it could be the scheme for forming a profitable company in order to subsequently sell it to the private sector, which in turn could be viewed as selling state property. Secondly, since he used to be the Company's Vice President, Flight Operations Department, and had maintained the aviation standard for 13 years, he accordingly asked if the training of pilots and the appointment of captains were of the same standard between the Company and Thai Smile Airways Co., Ltd. In his opinion, there should not be double standard, and the Company and Thai Smile Airways should maintain same standards every which way.

Mr. Tongind Sangngarm, shareholder, commented that it was rather difficult to come to this meeting venue as the ongoing construction of the sky train caused a heavy traffic jam and took long travel time. He asked that the Company arrange for a more convenient venue. He stated further that he had known from attending the meeting of Nok Airlines Public Co., Ltd. on 7 April 2016 that as a result of the liberalisation of the aviation business in Thailand around the year 2005 or 2006, there were some people who had brought in a number of aircraft with the intention of claiming Thailand's airspace as well as controlling the Company. He asked the Chairman to check this out and to prevent such manoeuvre.

The Chairman asked the representative from the Ministry of Transport to answer the above issue.

Mr. Suchart Mitpakwaen, proxy, stated that the President had informed the Meeting that the Company had used the Alfredo food products to serve on board the plane because the passengers were of the opinion that such food products were delicious. He asked the President to explain again the reasons for using the Alfredo products instead of the Company's food because he had known that those who had commented on the taste of the said products were not passengers, but the Company's employees. Besides, for the sake of transparency, the Company should have provided the passengers with some kind of questionnaire to assess the taste of such products before serving them on board. He was afraid that the fact that the Company, which had its own catering services, used the Alfredo products instead of its own products might have an effect on the customer airlines which ordered the Company's food products. Their attitude towards the Company's food products might change, and they might no longer order the Company's food.

The Chairman asked Mr. Charamporn Jotikasthira, President, to explain again the matter of the food served on board.

Mr. Charamporn Jotikasthira, President, explained that the Company had a catering department directly in charge of the menus and the taste of the food, while another department was responsible for the costs of the food, which had been carefully considered by the Company.

Mr. Suthep Suebsantiwongse, shareholder, proposed that the Chairman end the Meeting since it had lasted for a long time. Though he could get useful information from the discussion, he suggested that the Chairman control the meeting procedures to be more precise.

The Chairman thanked for the suggestion but asked to give the shareholders an opportunity to express additional opinions.

Mr. Pornsak Chaiwanichaya, representative from the Shareholders' Right Protection Volunteers of the Thai Investors Association, asked that the Company display again the results of the vote on Agenda 5, 6 and 7.

The Chairman asked the officer in charge to display the results of the vote as requested by the shareholder.

Mr. Pornsak Chaiwanichaya, representative from the Shareholders' Right Protection Volunteers of the Thai Investors Association, informed the Meeting that there must be some mistakes about the percentage of the votes on each Agenda.

The Chairman thanked the shareholder and asked those responsible for the meeting procedures to double-check the percentage of the votes on each Agenda.

Mr. Pornsak Chaiwanichaya, representative from the Shareholders' Right Protection Volunteers of the Thai Investors Association, added that during Agenda 2, he mentioned that at the 2015 Annual General Meeting, the Shareholders' Right Protection Volunteers had asked about the Collective Action Coalition (CAC), but there was no answer to such question in the meeting minutes. He accordingly asked the Company to explain its policy on CAC since at this present meeting, some shareholders raised the issue about corruption in the Company. He also asked when the Company expected to be certified by the IOD.

Mr. Charamporn Jotikasthira, President, explained that the Company had several CAC projects. For instance, the first one was about the wine selection where the Company had invited the officers from the Anti-Corruption Organization (Thailand), which held a principle of integrity pact, to observe the selection process. Other projects would follow on a continuous basis.

Mr. Pornsak Chaiwanichaya, representative from the Shareholders' Right Protection Volunteers of the Thai Investors Association, asked again when the Company expected to be certified by the IOD.

Mr. Charamporn Jotikasthira, President, stated that the Company had not been informed that the IOD would not certify it.

The Chairman informed the Meeting that the Company would disseminate the minutes of this Meeting by posting them on its web site and would notify the shareholders of the dissemination through the Stock Exchange of Thailand within 14 days from the meeting date. Then the Company would give the shareholders an opportunity to make inquiries about or comments on the meeting minutes within 30 days from the dissemination. As such, the issue of adoption of the meeting minutes would not be put on the agenda of the next meeting of shareholders.

Mr. Thamnoon Julmaneechote, shareholder, commented that this year, the venue of the meeting was far away from the public transport, thus causing inconveniences to the shareholders and being inconsistent with the law on public limited companies. He accordingly suggested that the Company hold its meetings at the Queen Sirikit Convention Centre as it would be more convenient for the shareholders.

The Chairman stated that the Company would reconsider the meeting venue.

Mr. Thamnoon Julmaneechote, shareholder, added that during the time when Mr. Ampon Kittiampon was the Chairman of the Board of Directors, he had expressed the view that the Company's problems would be better solved if a task force was formed to deal with them. Mr. Ampon had therefore asked Mr. Piyasvasti Amranand, the then President, to form such task force and hold its meeting to hear the shareholders' opinions in order to improve the Company's performance. However, such task force was no more after that. He (Mr. Thamnoon) therefore would like the Company to bring back such idea because to hear the shareholders' opinions would reduce the time spent at the meetings and it was also a show of cooperation on the part of the Company in solving its problems.

(Translation)

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The Chairman stated that the results of the vote on each Agenda were correct and the Company would check the percentage of the votes once again and would make any required adjustment. He then thanked all shareholders for attending the Meeting today and added that the Board of Directors and the Management Executives would do to the best of their abilities and would review the suggestions and opinions of the shareholders so that the Company developed and its performance improved as desired by the shareholders, and he wished all shareholders a safe journey back.

The Meeting was adjourned at 21.36 hrs.

(Signed) Sub. Lt. *Pitak Nakabhat*

(Pitak Nakabhat)

Director, Corporate Secretariat Office

Minutes Keeper

(Signed) *Suvimol Bualerd*

(Mrs. Suvimol Bualerd)

Vice President, Corporate Secretariat Department

Secretary to the Meeting

(Signed) *Charamporn Jotikasthira*

(Mr. Charamporn Jotikasthira)

President

(Signed) *Areepong Bhoocha-oom*

(Mr. Areepong Bhoocha-oom)

Chairman of the Board of Directors

Chairman of the Meeting