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**Minutes of the 2019 Annual General Shareholders' Meeting  
of Thai Airways International Public Company Limited  
on Friday, 26 April 2019  
at Chaiyaphruek Room, Air Force Convention Hall (Thongyai Building)  
Paholyothin Road, Saimai District, Bangkok**

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**Shareholders Present:**

- |  |                                       |
|--|---------------------------------------|
| 1. The Ministry of Finance<br>(Represented by Mr. Pitaya Uthaisang, proxy) | holding 1,113,931,061 shares          |
| 2. Other 679 shareholders  | holding 461,025,194 shares            |
| Totaling 680 shareholders present  | holding 1,574,956,255 shares in total |

The Meeting commenced at 13.26 hrs.

Mr. Ekniti Nitithanprapas, the Chairman of the Board of Directors, presided over the Meeting as the chairman of the Meeting (the “**Chairman**”) with other members of the Board of Directors, various committees and the management executives being present at the Meeting, as follows:

**Board of Directors and Committees:**

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|---------------------------------------|--|
| 1. Mr. Ekniti Nitithanprapas          | Chairman of the Board of Directors   |
| 2. Air Chief Marshal Treetod Sonjance | Vice Chairman, Independent Director, Chairman of the Corporate Governance and Social Responsibility Committee and Chairman of the Labour Relations Committee |
| 3. Mr. Distat Hotrakitya              | Independent Director, Chairman of the Audit Committee and Chairman of the Legal Committee  |
| 4. Mrs. Pratana Mongkolkul            | Independent Director   |
| 5. Mr. Pitipan Teparthimargorn        | Independent Director and Chairman of the Nomination and Remuneration Committee   |
| 6. Mr. Pinit Puapan                   | Independent Director   |
| 7. Mr. Vachara Tuntariyanond          | Independent Director and Chairman of the Risk Management Committee   |
| 8. Miss. Sirikul Laukaikul            | Independent Director   |
| 9. Mr. Somkiat Sirichatchai           | Independent Director, Chairman of the Human Resources Committee and Chairman of the Strategy and Transformation Committee                                    |
| 10. Mr. Sumeth Damrongchaitam         | Director and President   |

**Management Executives:**

- |                                   |  |
|-----------------------------------|--|
| 1. Sqn. Ldr. Pongtorn Thepkanjana | Executive Vice President, Operations   |
| 2. Mr. Surachai Piencharoensak    | Executive Vice President, Technical Department   |
| 3. Mrs. Suvimol Bualerd           | Executive Vice President, Human Resources and Acting Executive Vice President, Legal Management and General Administration |

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|------------------------------------|--|
| 4. Mr. Wiwat Piyawiroj             | Executive Vice President, Commercial and Acting Executive Vice President, Aviation Business Unit |
| 5. Mr. Krittaphon Chantalitanon    | Executive Vice President, Corporate Strategy and Sustainable Development                         |
| 6. Mr. Nattapong Samit-Ampaipisarn | Executive Vice President, Finance and Accounting   |
| 7. Mrs. Varangkana Luerojvong      | Managing Director, Catering Department   |
| 8. Mr. Dumrongchai Sawangchareon   | Managing Director, Cargo & Mail Commercial Department  |
| 9. Mrs. Mausnunt Sitthijirasin     | Managing Director, Ground Customer Services Department   |
| 10. Mr. Pema Neyapatimanond        | Managing Director, Ground Equipment Services Department  |

Representatives from the State Audit Office of the Kingdom of Thailand as the Company's auditor:

- |                                  |  |
|----------------------------------|--|
| 1. Miss Balloon Sirisingsongchai | Director of Financial and Procurement Audit Office No.11 |
| 2. Miss Patthamika Pao-in        | Auditor, Professional level                              |
| 3. Miss Arreerat Anakkavej       | Auditor, Professional level                              |

The Company's legal advisors:

- |                             |  |
|-----------------------------|--|
| 1. Mr. Kraissak Kadkum      | Legal advisor from Sahakarn Law Office Co., Ltd. |
| 2. Mr. Sommai Chaidejsuriya | Legal advisor from Sahakarn Law Office Co., Ltd. |

Volunteer shareholders as witnesses of the vote counting:

1. Miss Pimpare Sukcharoen
2. Miss Sirilak Thaisiriniyom
3. Miss Yupha U-dom

The Chairman welcomed the shareholders to the 2019 Annual General Shareholders' Meeting of Thai Airways International Public Company Limited ("**Company**") and thanked them for taking the time to attend the Meeting today. Then, the Chairman asked Mrs. Lasanan Leelamane, the Corporate Secretary, to act as the Secretary of the Meeting and to inform the Meeting of the quorum, the information on the number of shares and the shareholders of the Company.

Mrs. Lasanan Leelamane, the Corporate Secretary, reported the information on the holding of the 2019 Annual General Shareholders' Meeting that 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 sold, are required to form a quorum of a meeting of shareholders. As at 1 April 2019, the Company's registered capital comprised 2,698,900,950 shares of Baht 10 each, equivalent to the total value of Baht 26,989,009,500. The Company's paid-up capital comprised 2,182,771,917 shares of Baht 10 each, equivalent to the total value of Baht 21,827,719,170. As at the Record Date, the Company had 107,794 shareholders in total, holding an aggregate of 2,182,771,917 shares. At present, there were 680 shareholders who attended the Meeting in person and by proxy,

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representing a total number of 1,574,956,255 shares or 72.1540% of the total number of shares. Thus, the quorum was formed according to the Company's Articles of Association.

The Chairman declared the Meeting open and introduced the directors, chairman of committees and management executives of the Company who were present at the Meeting to the Meeting.

Mr. Sumeth Damrongchaitham, the President, introduced the management executives who were present at the Meeting today and asked the Corporate Secretary to explain the procedures for the governing of the 2019 Annual General Shareholders' Meeting.

Mrs. Lasanan Leelamanee, the Corporate Secretary, explained to the Meeting that the Articles of Association prescribed the rules governing shareholders' meetings and such rules had already been delivered to all shareholders in advance with the details thereof as follows:

In this 2019 Annual General Shareholders' Meeting, in order to promote the good corporate governance with regard to the protection of shareholders' rights and equality, the Company had given the opportunity for the shareholders to, propose any matter to be included in the meeting agenda and nominate any qualified person(s) to be appointed as the Company's director(s) at the 2019 Annual General Shareholders' Meeting beforehand during the period from 12 September to 31 December 2018. The details, criteria and procedures of which were disclosed on the Company's website at [www.thaiairways.com](http://www.thaiairways.com) and in Kaohoon Daily Newspaper during 24 - 26 September 2018 and in Prachachat Business Newspaper during 27 - 30 September 2018. In this regard, none of the shareholders had nominated any person to be considered for appointment as a director or proposed any matter to be included in meeting agenda. Therefore, in the 2019 Annual General Shareholders' Meeting of, there would be 9 meeting agenda, the details of which were in the invitation to the Meeting which had already been previously delivered to all shareholders. Before considering the matters according to the meeting agenda, the shareholders were informed of the rules governing the Meeting, as follows:

Rules governing the Meeting:

Article 36 of the Company's Articles of Association stated that "the chairman of a shareholders' meeting has the duties to control the meeting to be carried out in accordance with the Company's Articles of Association with respect to meetings. In this regard, the chairman of a shareholders' meeting shall conduct the meeting in compliance with the order of the agenda specified in the notice of the meeting, unless the meeting resolves to change the order of the agenda upon an affirmative vote of not less than two-thirds of the number of shareholders present at the meeting."

Discussion:

Any shareholder wishing to make a statement to the Meeting must wait behind the microphone stand provided by the Company. When permission was given by the chairman of the meeting, such person was to state:

- his/her name and surname;
- his/her status either as a shareholder or a proxy.

Then, that person could discuss or propose issues. Each shareholder was requested to discuss not over 5 minutes for not affecting the shareholders having sacrificed their time to

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attend the Meeting and the discussions and the proposals must be pursuant to the relevant meeting agenda. Suggestions and questions in relation to other matters were requested to be presented after the Meeting has been completely conducted in accordance with all agenda. The shareholders were requested to discuss in a polite manner and avoid words which might give rise to criminal offences or infringement of civil rights of others. Foreign shareholders wishing to ask for information were requested to write and submit his/her questions(s) to officer(s) in advance so that the director(s) or the management executive(s) could answer in the Thai language for other shareholders and the officer(s) will translate the answer(s) for the foreign shareholders. If there were more than 1 shareholder wishing to make a statement, other shareholders who wished to make a statement were requested to wait behind the provided microphone for the permission of the chairman of the meeting. After the preceding shareholder finished his/her statement, the shareholders who had not yet asked a question or expressed an opinion would be given priority. The Chairman might limit the number of questions asked by the shareholders in the discussion on each agenda as necessary.

Similarly to the annual general shareholders' meetings of the previous years, in order for the Meeting to efficiently spend time on the meeting agenda, the Company did not prescribe the certification of the minutes of the previous shareholders' meeting as meeting agenda. But the Company would publicize the minutes of the shareholders' meeting on the Company's website within 14 days from the meeting date and will distribute the same to the shareholders who discussed at such meeting in order to give the opportunity for the shareholders to comment on the minutes of the meeting within 30 days from the date on which it was publicized.

Voting:

The Company set out the voting procedures as follows:

1. Each share would be counted as one vote, and the resolution of the Meeting required a majority vote of the shareholders who were present at the Meeting and had the right to vote. In case of a tie vote, the chairman of the meeting would have an additional vote to cast the vote. With regard to the vote counting in general agenda, the vote would be recorded from the ballots carrying negative votes and abstentions. The remaining ballots would be counted as affirmative votes. Hence, with respect to the shareholders and proxies who had registered as attending the meeting but did not deliver the ballots, the Company would deem that they approve or agree with the matter in the relevant agenda, except for Agenda 7 where all ballots would be recorded. The votes in such agenda would be divided into affirmative votes, negative votes and abstentions, and the remaining ballots would be deemed as undelivered ballots.
2. Regarding the voting in case of proxy, the proxy must cast the vote as specified by the principal in the proxy instrument only.
3. The shareholders who had a special interest in any matter were prohibited from voting on such matter. Moreover, the chairman of the meeting may ask such shareholders or proxies to temporarily leave the meeting room.

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4. In case the shareholders or proxies wished to leave prior to the adjournment of the Meeting, they were requested to return all ballots to the Company's officer or in the provided ballot boxes.

Once the Chairman declared the closing of the ballot collection, the votes in the ballots delivered thereafter would not be counted. In order to save time, during the ballot collection, the Chairman would immediately proceed with the following agenda. Once the vote counting was completed, the Chairman would announce the voting results to the Meeting.

Vote Counting and Announcement of the Voting Results:

For Agenda 3, 4, 6, 7 and 8

A resolution must be adopted by a majority vote of the shareholders who were present at the Meeting and had the right to vote.

For Agenda 5: To consider the directors' remunerations

A resolution must be adopted by an affirmative vote of not less than two-thirds of the total number of votes of the shareholders who were present at the Meeting and had the right to vote.

For Agenda 7: To consider the appointment of directors to replace those retiring by rotation and resignation

Only for Agenda 7, the Company requested all shareholders and proxies to deliver the ballots to the Company's officer, regardless of whether they intended to vote for or against or to abstain from voting. The Chairman would have the ballots collected separately according to each nominated person to be elected as director.

The ballots which would be deemed voided and would not be counted as votes in the Meeting were as follows:

- The vote was casted in the ballot which was inconsistent with the agenda.
- There was no mark in the ballot or the excessive number of votes was casted.
- The ballot was torn or damaged to the extent that the matter on which the vote was casted could not be identified.
- The ballot was delivered after the Chairman had declared the closing of the ballot collection.

In order for the Meeting to be smooth and uninterrupted, all shareholders were asked to refrain from using cell phones and communication devices of all kinds, as well as from making visual or audio recording of the Meeting.

In addition, the shareholders were informed with regard to the next shareholders' meeting that:- The Stock Exchange of Thailand and the Department of Business Development had prescribed that listed companies may send shareholders' meeting documents and annual reports in an electronic format (both QR Code and URL format) and they had proceeded as such since the last February 2019. Therefore, in order to increase the efficiency of the holding of the shareholders' meetings, to facilitate the shareholders and the investors in their access to the information and to save cost for holding the shareholders' meetings, for the next shareholders'

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meetings, the Company would send the shareholders' meeting documents in QR Code and URL formats for the shareholders' benefits.

At this Meeting, the State Audit Office of the Kingdom of Thailand, which was the Company's auditor, sent the following representatives to attend the Meeting:

1. Miss Balloon Sirisingsongchai      Director of Financial and Procurement Audit Office  
No.11
2. Mis Patthamika Pao-in              Auditor, Professional level
3. Miss Arreerat Anakkavej          Auditor, Professional level

Then, the Chairman was invited to proceed with the Meeting in accordance with the meeting agenda.

Mr. Thamnoon Julmaneechote, a shareholder, stated that according to Section 101 of the Public Limited Company Act, invitation notices to shareholders' meetings are required to be made by the board of directors and in general, the chairman of the board of directors would sign the shareholders' meeting invitation notices on behalf of the board of directors. He asked that under which provision of which law that the invitation notice for the 2019 Annual General Shareholders' Meeting No. GorBor 01-1/097 dated 25 March 2019 (the "**2019 AGM Invitation Notice**") were made and signed by the Corporate Secretary, and how would the Company legally conduct this Meeting since the law did not empower a Corporate Secretary to make an invitation notice. With regard to the fact that there was no shareholder nominating any qualified persons to be considered and appointed as the Company's directors as informed to the Meeting by the Corporate Secretary, because the Company had the requirements on the director's qualifications in an overly restrictive manner under Section 69 of the Public Limited Company Act (e.g. the directors must not be more than 65 years old), the Company had always faced the problem. All other airlines had already been privatized. As proposed by him at the meeting every year, the Company was suggested to consider amending such requirements.

The Chairman thanked for the suggestion and asked the legal advisor to explain to the Meeting on Mr. Thamnoon Julmaneechote's query since it was legal related.

Mr. Kraisak Kadkum, the Company's legal advisor, responded to Mr. Thamnoon Julmaneechote's query that Mrs. Lasanan Leelamane was the Corporate Secretary pursuant to the resolution of the Board of Directors' Meeting No. 9/2018 held on 20 June 2018. According to Section 89/15 of the Public Limited Company Act, the board of directors must arrange for a Corporate Secretary to be responsible for corporate matters including preparation of invitation notices, and minutes of shareholders' meetings. Therefore, the Company's Board of Directors could assign the Corporate Secretary to, on behalf of the Board of Directors, prepare the invitation notices to shareholders' meetings. Accordingly, the 2019 AGM Invitation Notice was legally made in accordance with such law.

Mr. Prasert Lertyaso, a shareholder, stated that the 2019 AGM Invitation Notice set out 9 meeting agenda but there should have been 10 meeting agenda with the first agenda being the Chairman's report for the meeting's acknowledgement and the second agenda being the certification of the minutes of the previous meeting. In case this Meeting did not have an agenda

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to certify the minutes of the previous meeting, the Meeting was unable to know what were the shareholders' questions on issues, particularly, those relating to the management by the Board of Directors causing the Company's current accumulated deficit of approximately Baht 28,000 million. Therefore, he asked how could the Chairman continue with this Meeting. The Company was therefore requested to present the minutes of the previous meeting for this Meeting to consider and certify. He also proposed that the Agenda 7 be considered first because there was only one shareholders' meeting per year but during the year, the Company had constantly changed the Board of Directors (such as the appointment of Mr. Sumeth Damrongchaitham as the President of the Company). In addition, there were cases where the officers claimed that the Company had not yet appointed the management executive committees for various departments/divisions. He then asked how could the Company be managed in such cases. Moreover, if there had not been this Meeting and the Company had changed the President again, the shareholders would not have an opportunity to know. He did make a suggestion in the previous meetings that the Company should hold at least 2 shareholders' meetings per year in order that the shareholders would be able to know the background and the qualifications of each director. The shareholders were not aware of this appointment of the President. The President declared to the mass media that the Company's debts in an amount of Baht 28,000 million would be restructured as bad debts and that he would have the flight attendants sell more goods. Therefore, it was proposed that the Agenda 7 be considered first in order for the Meeting to certify the appointment of the Company's directors before proceeding with other agenda.

The Chairman asked the legal advisor to explain to the Meeting on Mr. Prasert Lertyaso's query.

Mr. Kraisaak Kadkum, the Company's legal advisor, responded to Mr. Prasert Lertyaso's query on the certification of the minutes of meeting that the Company tried to manage the time to be most efficiently spent for the shareholders' meeting in order that the shareholders' time would not be wasted. In the setting of the meeting agenda, the Board of Directors had complied with Article 39 of the Company's Articles of Association which clearly specified the meeting agenda that the annual general meeting of shareholders must contain. The Company's Articles of Association did not require that the annual general shareholders' meeting must contain a meeting agenda to certify the minutes of the previous meeting. In addition, in order for the shareholders and the Meeting to examine and check whether the minutes of the previous meeting were correct and complete, the Company had already prepared and sent the minutes of the previous annual general meeting of shareholders to the Stock Exchange of Thailand and sent a copy of the meeting minutes to the shareholders or proxies who attended and discussed at such meeting. It appeared that there was no comment made on such minutes of the previous meeting. Accordingly, it was deemed that the Company had completely and correctly proceeded in accordance with the law. As regard the reordering of the meeting agenda, Article 105 of the Public Limited Company Act and Article 36 of the Company's Articles of Association prescribed the principles of consideration in the meeting that the shareholders' meetings must be conducted in accordance with the order of the agenda specified in the meeting invitation notice. If the shareholders' meeting wished to change the order of the meeting agenda, an affirmative vote of not less than two-thirds of the number of shareholders present at the meeting must be obtained. As informed by the Corporate Secretary that the shareholders present at the today Meeting represented a total of just over 1,574,000,000 shares. Therefore, if the Meeting wished

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to change the order of the meeting agenda, an affirmative vote of not less than two-thirds of such number of just over 1,574,000,000 shares must be obtained.

Pol. Col. Sermkiat Bamrungphruek, a shareholder, requested the Meeting to resolve to change the order of the meeting agenda by changing Agenda 8 to Agenda 5 pursuant the legal requirements mentioned by the legal advisor. Since Agenda 8 was in relation to the transfer of legal reserve and premium on ordinary shares to compensate the accumulated deficit of the Company which were legal procedures and were a necessary and urgent matter so as to restore the Company's business condition which had been continually and cumulatively in deficit for years, resulting damages to the shareholders, as well as the Company's reputation which had been in recession for a long period of time. He thanked the Company for including Agenda 8 in this Meeting. In this regard, before the Meeting, he had discussed with the representatives of the Ministry of Finance and the State Audit Office of the Kingdom of Thailand. In the TMB Bank Public Company Limited ("TMB") case, TMB had an accumulated deficit of more than Baht 250,000 million at the time when he was a shareholder. Miss Saowanee Kamolbutr, the chairman of TMB and the Deputy Permanent Secretary of the Ministry of Finance, could successfully clear the accumulated deficit in accordance with the law. He gave the credit to the TMB's management team which was under the management of Miss Saowanee Kamolbutr, the Deputy Permanent Secretary of the Ministry of Finance. Therefore, in this Meeting of the Company, it was necessary to have the agenda on the transfer of legal reserve considered first. If such agenda was not reordered to be considered first, there might not be shareholders staying at the Meeting to consider and cast their votes when such agenda was being considered. The person to approve such matter must be the major shareholder of the Company, i.e. the representative of the Ministry of Finance. As per his discussion with the State Audit Office of the Kingdom of Thailand, under the law, the Company could proceed with the transfer of legal reserve to compensate the Company's accumulated deficit with the approval by the majority vote of shareholders as generally required. This was not the case where the law requires a meeting to pass a special resolution where an affirmative vote of three-fourths votes of the meeting must be obtained. Additionally, the Company could convene a shareholders' meeting to consider this agenda as necessary but the Company did not do so although it was proposed to do so in a number of shareholders' meetings. In this regard, the Meeting was therefore requested to change the order of the Agenda 8 to be Agenda 5.

The Chairman stated that since several shareholders wished to ask questions, the Meeting was asked to discuss concisely as to also give the opportunity for other shareholders to discuss.

Mr. Kiattiyot Sangkomnitirat, a proxy, stated that all of the agenda set for the today Meeting were equally important. Moreover, as mentioned by the Company's legal advisor, the reordering of the meeting agenda required an approval from the meeting which may cause a waste of time. Therefore, he was of the view that the Meeting should be conducted in accordance with the meeting agenda which had been set.

The Chairman stated that so as to comply with Article 36 of the Company's Articles of Association, it was requested the Meeting to be conducted in accordance with the agenda which had been set for the efficiency. Each shareholder may have different opinions on the importance of each agenda. The Meeting was requested to discuss concisely. Any shareholders wishing to

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ask on the issue which was irrelevant to the agenda were requested to present their questions at the end of the meeting so as to allow the Meeting to consider the questions which were relevant to each agenda. In this regard, the Company's legal advisor was requested to provide additional clarification on the change of the meeting agenda.

Mr. Kraisa Kadkum, the Company's legal advisor, stated that the change of the order of the meeting agenda required an affirmative vote of not less than two-thirds of the number of shareholders being present at the meeting. For the meeting to be proceeded concisely and the shareholders' time not to be wasted, the proxy of the Ministry of Finance being the shareholder holding 51% of the Company's shares sold was requested to express the opinion on the change of the order of the meeting agenda in order for the Meeting to continue.

Mr. Pitaya Uthaisang, the proxy of the Ministry of Finance, stated that he was authorized to attend the Meeting as proxy and to consider and cast the votes for 8 agenda only. He was not authorized as proxy to consider and vote on the change of the order of the meeting agenda. Therefore, he was unable to express an opinion and cast the vote on this matter.

Therefore, the Chairman proceeded with the Meeting in accordance with the meeting agenda.

**Agenda 1**      **Report from the Chairman for the Meeting's acknowledgement**

The Chairman had no issue to report to the Meeting.

**Agenda 2**      **To acknowledge the report on the results of operations for the year 2018**

The Chairman asked the President to report this agenda.

Mr. Sumeth Damrongchaitam, the President, presented a video in support of report on the results of the Company's operations for the year 2018 with the following details:- The Company had a vision to be the national airline with efficient management and sustainable profits and to provide services with Thai charm. In addition to transportation of passengers and cargo, it also provided warehouse services, ground services and equipment, airline catering and aircraft maintenance services. Its sibling airline was Thai Smile Airways.

In 2018, the world economy grew slowly during the last half of the year due to the trade war between the United States of America and China. The oil price in the world market increased to the highest point in 4 years. With regard to aviation industry, it was still highly competitive although many airlines around world faced problems as a result of the Rolls-Royce TRENT1000 engines causing an impact on the flight schedules. In Thailand, the Phoenix boat capsizing accident in Phuket caused a significant decrease of Chinese tourists who were Thailand's main source of tourism revenues during July to November 2018.

From the aforementioned situations, the Company urged to make a restoration plan which comprised 5 strategies as follows:

The 1<sup>st</sup> Strategy: Urging to make profits from aggressive marketing and competitive costs, such as:

- Expanding the network and increasing the frequency of capable airline routes;

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- Receiving 5 Airbus A350 aircrafts;
- Delivering 2 aircrafts which were sold in 2017;
- Approving for selling 15 aircrafts of which the delivery was expected to commence this year.

The 2<sup>nd</sup> Strategy: Improving the capacity and seeking for the opportunities for business group, such as:

- Seminar on “Strengthen the Partners’ Power for Thai to Grow Sustainably” with the Tourism Authority of Thailand, Airports of Thailand Public Company Limited and Krungthai Bank Public Company Limited in order to find the direction to drive Thai economy from the dimensions of tourism and aviation industries;
- Co-signing with the Royal Thai Navy and the Eastern Economic Corridor (EEC) Office in order to operate in the U-Tapao International Airport which helped move forward the Thailand’s Eastern Economic Corridor Development Plan or the EEC according to the government’s Thailand 4.0 policy;
- Being the first to open the project to jointly research and develop the Trent XWB engine with Rolls-Royce;
- Arranging the “Thai Tiew Thai Thai Young Yeun” campaign with the Tourism Authority of Thailand, Krungthai Bank Public Company Limited and Thai Smile Airways, arranging the Royal Orchid Holidays tour packages on the less popular cities to support the government’s policy on the less popular city tourism.

The 3<sup>rd</sup> Strategy: Creating great travel experience for customers by providing customers with excellent services in order to be able to improve the services to meet the customers’ needs, such as:

- Selecting and providing world class facilities to be used on-board;
- Improving onboard catering in the first and business classes as to reduce the preparation time and create the highest customers’ satisfaction;
- Providing Self Bag Drop counters services at Suvarnabhumi Airport.

Because of continued service improvement, the Company received the following best airline award in 2018:

- Being the first prize of 3 best airline awards from Skytrax being the World’s Best Economy Class Award, the World’s Best Airline Lounge Spa Award and the Best Economy Class Onboard Catering Award, including being ranked as top ten best airlines;
- TTG Travel Hall of Fame Award from TTG Travel magazine for the 3<sup>rd</sup> consecutive year for receiving the Best South East Asia Airline Award for more than 10 consecutive years;
- One of the eleven best main airlines in the Asia region from TripAdvisor.

The 4<sup>th</sup> Strategy: Operating with innovation and digital technology, such as:

- Improving thaiairways.com website and Thai Airways Mobile Application to be user-friendly and fulfil the customers’ needs;
- Starting to use the THAI Connect system via LINE Application which helped presenting news and benefits that were more corresponding to each customer’s desire.

The 5<sup>th</sup> Strategy: Managing human resources to have quality, such as:

- Opening the THAI Operation Control Center or TOCC to promote all divisions to cooperatively and efficiently solve problems under the “One Operation, One TG” concept.

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- Adjusting the flight attendant training pattern as to focus on creating the service mind and giving the customers great experience including the roles and duties in providing safe and quality services.

As the abovementioned strategies were followed, the Company earned more revenues than it did in the previous year. However, when the additional costs (e.g. cost of aviation fuel and other operating expenses) were deducted from such revenues, the Company suffered a loss from its operation in the amount of Baht 9,058 million. The Company also suffered a loss due to asset and aircraft impairment in the amount of Baht 3,459. As a result, the net loss of the Company was Baht 11,569 million.

The Company undertook social responsibility works by taking into account the environment, society and good governance. In 2018, key social responsibility works were as follows:

- In July 2018 when the whole world united as one to safely rescue the Moo Pa (Wild Boar) Academy Mae Sai youth soccer team from being trapped in Tham Luang Khun Nam Nang Non, Chiang Rai province, the Company and Thai Smile Airways participated in the rescue mission by supporting the transportation of rescue equipment for the international rescue team.
- When there was flooding due to the dam collapse in Attapeu, Lao PDR and the Pabuk tropical storm in the Gulf of Thailand area, the Company and Thai Smile Airways were the representatives to portray the Thais' kindness by bringing and delivering the donations to the victims.
- In terms of good corporate governance and anti-corruption promotion, the Company held the 2018 annual good corporate governance promotion activity or "CG Day 2018" to announce the intention that the Board of Directors, the management executives and all employees would cooperatively perform their duties under the Code of Conduct.
- Based on the result of a survey project on the Corporate Governance Report of Thai Listed Companies in 2018, the Company received excellent scoring with 5 stars from the National Corporate Governance Committee.
- Moreover, the Company had prepared to participate in the Private Sector Collective Action Coalition Against Corruption or CAC and had a plan to move towards receiving a certified CAC member status within 2020.

Although, at present, the Company was facing various difficulties, the Board of Directors, the management executives and the employees of the Company still believed in the Company's capability and were one-hundred-percent confident in the power of Thai Airways people, the power of cooperativeness to together fight against obstacles and being a family with the same goal and purpose. These pushed forward the Company to grow sustainably under the "One TG" concept.

In this 2019, the Company had prepared the operation plans and strategies such as the reformation of its operation pursuant to the 2018 - 2022 organization restoration plan with a focus on increasing revenues from additional businesses, "Montra" project which was the urgent Company restoration plan as well as other operation strategies, some of which had been commenced since the beginning of the year. Its top goal was to relieve the Company from a chain of problems which had been piled up since the past and allow the Company to be able to hold out securely in the present and rise gracefully in the future. Irrespective of any obstacles

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awaiting in the future path, we were prepared to face and overcome such obstacles. We only asked for the time to prove our determination and, more importantly, the support from shareholders would be an important factor to help us overcome every challenge and walk to the 60<sup>th</sup> year with pride together with the Thai people. Please be confident and give us encouragement to cooperatively continue the Company for it to stay sustainably together with Thailand's sky forever.

Mr. Sumeth Damrongchaitham, the President, additionally stated that the details with regard to the report on the Company's operation of the year 2018 besides those already shown in the video appeared in the Company's Annual Report which was delivered to the shareholders. The President then provided an opportunity for the shareholders to ask additional questions with regard to the report on the Company's operation for the year 2018.

Pol. Col. Sermkiat Bamrungphruek, a shareholder, stated that firstly, the Meeting was requested to resolve on the change of the order of the meeting agenda as discussed and proposed to the Meeting previously so as to comply with the Company's Articles of Association because he thought that the agenda on the transfer of legal reserve as to remove the accumulated deficit of the Company was an important agenda. In this regard, in case the representative of the major shareholder being the Ministry of Finance was not authorized to vote on this matter, it should be deemed that such major shareholder abstained from voting. In addition, this matter would affect the Company's reserve figures. He also asked the State Audit Office of the Kingdom of Thailand and the Company's Finance Department to answer the queries on this matter. Such queries were how much interests the Company's share premium reserve in the trillion amounts would cause and did the Company have any other reserve fund. He had already asked the State Audit Office of the Kingdom of Thailand these questions but the State Audit Office of the Kingdom of Thailand informed that it found nothing from its examination. However, he believed that the Company must have such reserve fund whether in a large or small amount. Besides, such transfer of legal reserves must be considered and approved by the shareholders. It was not under the authorization of the Board of Directors. This was according to Section 119 of the Public Limited Company Act which provided that upon receiving an approval from the shareholders, a company may transfer its legal reserve under Section 51, legal reserve under Section 116 or other reserve to compensate the company's accumulated deficit. Accordingly, the Meeting was requested to consider and approve to change of the order of the meeting agenda. Secondly, he had sent a letter to the President to ask about the plan for the Company's maintenance, repair and overhaul facility project in which the Company co-invested with Airbus S.A.S. Such project would generate revenues and build up the Company's reputation. He understood that such project had some progress due to the signing of an agreement with the Royal Thai Navy and a joint-venture agreement with foreign companies. However, the Corporate Secretary responded to his letter that the Company had not yet proceeded with the project. That contradicted the fact became known to him that the Company's Technical Department had a project to be a maintenance, repair and overhaul facility which will generate revenues and build up the reputation for the Company. This matter had appeared in a number of newspapers. This showed that the Company's internal communication lacked efficiency. The problem on the Company's internal communication can also be seen from the incident where the Company's pilots exercised the right with regard to the seating in the aircraft causing the flight's failure to take off and thus affecting the provision of services to the customers. In such case, no person had the courage to make decisions and give

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orders. This indicated the Company's failure which needed to be fixed by the Company urgently before the appointment of the new President.

The Chairman asked the shareholders to discuss concisely and ask questions related to this agenda, i.e. the acknowledgement of the report on the Company's operations. The shareholders were requested to ask the questions on the other matters which were irrelevant to this agenda later on.

Mr. Sumeth Damrongchaitham, the President, stated that the Agenda 8 was related to the preceding agenda to be considered. The order of the agenda set out by the Company in the invitation notice were related according to their orders. Therefore, the Company would clarify and respond to the questions which were relevant to each such agenda.

Mr. Phanyos Jenhatkhun, a proxy, stated that the Meeting should be proceeded in accordance with the meeting agenda. This was because he was a proxy so he must report to the shareholder who appointed him as proxy as to how the Meeting and the considerations were conducted. He requested for the cooperation from the shareholders wishing to discuss other issues to discuss the same in the agenda on other business.

Mr. Uthit Hemwattakit, a shareholder, discussed and inquired on the reordering of the meeting agenda that the Company must proceed in accordance with the law and the fact that the proxy of the Ministry of Finance was not authorized to consider and vote on the matters other than those specified in the invitation notice should not be raised as a reason for not considering the reordering of the meeting agenda. He also requested for an explanation on the reduction of the amount of food served to the passengers on board despite the air fare remaining unchanged.

The Chairman requested the Company's legal advisor to once again explain to the Meeting on the issue concerning the reordering of the meeting agenda. He would also ask the proxy of the Ministry of Finance to further explain on this matter in order to have this issue concluded and to be able to conduct the Meeting in accordance with the meeting agenda.

Mr. Kraisak Kadkum, the Company's legal advisor, stated that, as explained to the Meeting by the proxy of the Ministry of Finance, the proxy of the Ministry of Finance was authorized to consider and vote on only 8 agenda which did not include the change of the order of the meeting agenda. Since the Ministry of Finance held the Company's shares representing 51% of the total votes of the Company, all other shareholders being present at the Meeting today were unable to adopt a resolution by an affirmative vote of as much as two-thirds of all votes carried by the shareholders being present at the Meeting today in order to approve the change of the order of the meeting agenda as required by law.

Mr. Sumeth Damrongchaitham, the President, stated that a change of the order of the meeting agenda required the votes from the shareholders' meeting as explained by the legal advisor. Since the proxy of the Ministry of Finance was unable to express an opinion or vote on the agenda other than those he was authorized to do so, the Meeting was unable to adopt a resolution by the votes as required by law in order to change the order of the meeting agenda. The Meeting shall be conducted in accordance with the meeting agenda already set out.

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Mr. Pitaya Uthaisang, the proxy of the Ministry of Finance, confirmed that he was authorized to vote on behalf of the Ministry of Finance on only 8 agenda which did not include expressing opinion or voting on the agenda other than those he was authorized to do so, not only the agenda on the change of the order of the meeting agenda or any change of the agenda. Accordingly, he was unable to, on behalf of the Ministry of Finance, express an opinion or vote on this issue.

Mr. Kraisak Kadkum, the Company's legal advisor, further explained that since the Ministry of Finance's representative was authorized to consider and vote in accordance with the meeting agenda for only 8 agenda, the other shareholders being present at the Meeting carried less votes than as required by law. Accordingly, the change of the order of the meeting agenda proposed by the shareholders could not be done. Thus, the Company must conduct the Meeting in accordance with the order of the meeting agenda set in the invitation notice. Moreover, in this Meeting, there were shareholders (whether minority shareholders, major shareholders or funds) who authorized their proxies to attend the Meeting and consider to vote in accordance with the order of the agenda specified in the invitation notice. Therefore, if there was a change of the order of the meeting agenda, such change may affect the voting by such proxies.

Miss Nitikannaporn Mungmeesri, a shareholder, stated that she agreed with the shareholder who proposed the reordering of the meeting agenda concerning the transfer to legal reserve to clear the Company's accumulated deficit in order for the Meeting to have the opportunity to consider such agenda first. This was because the utilization of the Company's legal reserve was a very important matter and the Company had suffered a loss for a long and constant period of time. In this regard, the Company could proceed to have the votes casted in accordance with the conditions informed by the Company's legal advisor and she asked the Meeting to also respect the minority opinion.

The Chairman asked the President to respond to the relevant queries of the shareholders.

Mr. Sumeth Damrongchaitham, the President, responded to Pol. Col. Sermkiat Bamrungpruek's question with regard to the maintenance, repair and overhaul (MRO) facility project at U-Tapao International Airport that on 26 July 2018, which was the date of the letter in which the Corporate Secretary responded to Pol. Col. Sermkiat Bamrungpruek's queries, was the period during which the project was under the preparation process. Therefore, the Corporate Secretary's response in such letter that the Company had not yet invested in the maintenance, repair and overhaul (MRO) facility project was factually correct at such time. In this regard, he reported the progress of such project in order for the shareholders to be informed of the project operation as follows: During October 2018, the Eastern Economic Corridor (EEC) Policy Committee had resolved to approve the operation of such project. The resolution consisted of 2 material matters:- The first matter was the approval for the Royal Thai Navy to construct the Hangar and the surrounding buildings which the Royal Thai Navy would receive a central budget for the construction. The second matter was the approval for the Company to use a non-bidding method to select a private organization/person as to find the co-investor of such project. In November 2018, the Company already proceeded to select a private investor of such project by a non-bidding selection method. There was only one organization who was qualified pursuant to

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the qualifications prescribed by the Company and who expressed its intention to co-operate such project and such organization was Airbus S.A.S. Airbus S.A.S. was currently in the process of considering the feasibility of a joint-venture in the operation of the maintenance, repair and overhaul (MRO) facility project at U-Tapao International Airport. The Company expected to know the result of Airbus S.A.S.'s consideration by May of this year. Therefore, at present, the Company had not yet invested in such project. In relation to other queries of shareholders, he requested to gather the information and would respond in other agenda later on.

Mr. Mokepisute Ratarun, a proxy, stated that he had the following queries and suggestions:- Firstly, how many passengers did the Company estimate that there would be in 2019 to 2020, how many would the passengers be increased by and which factors were expected to affect the number of passengers in this year or next year. Secondly, he requested that the Meeting be conducted concisely so that the ending agenda could be considered more quickly.

Mr. Sumeth Damrongchaitham, the President, stated that he would like to gather the information in relation to the estimated number of passengers and he will respond to Mr. Mokepisute Ratarun's query on the same later on. In relation to the co-investment in the maintenance, repair and overhaul (MRO) facility project at U-Tapao International Airport, he further explained that the co-investment of the Company and Airbus S.A.S. was in a form of a joint venture. If the parties could agree, a joint venture company would be set up as a private limited company in which the Company would hold 50% shares and Airbus S.A.S. would hold 50% shares for such joint venture company to invest in such project.

Mr. Uthit Hemwathakit, a shareholder, stated to request the Company to also answer his query on the reduction of the quantity of food served on board to the customers.

The Chairman asked the President to answer the question on the case of the quantity of food served on board to the customers being reduced.

Mr. Sumeth Damrongchaitham, the President, responded to Mr. Uthit Hemwathakit's query on the reduction of the quantity of food served on board to the customers that the Company was inspected by Skytrax, an international institute, and had received the Best Economy Class Onboard Catering Award in 2018 from such institute. This indicated the Company's standard in providing its services. If the shareholder had a clear evidence on this matter, the shareholder may submit the same to the Company's relevant department as guidelines for further handling.

Mr. Teerawat Wongwanich, a proxy, stated to request the Meeting to allocate time for other shareholders to discuss and the Company to commence reporting the Company's financial statements.

After the Chairman gave an opportunity for the Meeting to ask further questions and no shareholder had any additional queries or asked additional questions, the Chairman proposed Meeting to acknowledge the report on the results of the Company's operations for the year 2018.

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The Meeting acknowledged the report on the results of the Company's operations for the year 2018, as detailed in the 2018 Annual Report, which had been delivered to the shareholders together with the invitation notice to this Meeting.

**Agenda 3**     **To consider and approve the financial statements for the year 2018**

The Chairman asked the President to report this Agenda.

Mr. Sumeth Damrongchaitham, the President, reported to the Meeting that in 2018, the Company had the following material accounting changes:

1. The Company had total revenue of Baht 199,500 million, increased in the amount of Baht 7,554 million or 6.3% due to the increase of revenues from passenger transportation, freight and mail charges, and revenues from business units.
2. The total expense was in the amount of Baht 204,226 million, increased in the amount of Baht 19,683 million or 10.7% as a result of:
  - 2.1 the increase of aviation fuel price in the amount of Baht 9,881 million or 19.7% which was due to the increase of the average fuel price by 30.1%, but the revenues from fuel price risk management were in the amount of Baht 1,899 million which was Baht 1,596 million more than that of the previous year; and
  - 2.2 the increase of other operating expenses (excluding aviation fuel) in the amount of Baht 9,802 million or 7.3%, comprising repair and maintenance costs, depreciation, rental costs and other expenses which varied based on the increase of production and transportation volumes.
3. The net financial cost was in the amount of Baht 4,332 million, decreased in the amount of Baht 215 million or 4.7%, due to the continuous cash management and financial restructuring since the previous year.
4. In this year, the one-time expenses comprised:
  - 4.1 an impairment loss of assets and aircraft in the amount of Baht 3,459 million;
  - 4.2 a gain on foreign exchange in the amount of Baht 911 million whereby most of which was a profit from accounting valuation.
5. The net loss pertaining to the main company was in the amount of Baht 11,625 million, equivalent to the loss of Baht 5.33 per share, compared with the result in 2017 where there was a loss in the amount of Baht 2,107 million, equivalent to the loss of Baht 0.97 per share.
6. The estimated residual value of the aircrafts and the spare engines was changed from 10% to 6% of the initial cost based on the past aircraft selling price information, the information on the aircraft valuation acceptable in the aviation industry and the information on the change of aviation technology. Due to such change, the depreciation of the aircrafts and the spare engines in 2018 was increased by Baht 3,129 million.
7. The change of the revenue recognition basis for the plane tickets sold but not yet used. Originally, they would be recognized as revenues when the tickets were over 24 months old but such period was now changed to 15 months old from the date of ticket issuance. As a result, the revenues from plane ticket price in 2018 were increased by Baht 1,028 million.

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As of 31 December 2018, the Company's total assets were in the amount of Baht 268,721 million, decreased by Baht 12,054 million or 4.3% with the following substances:

- The current assets were decreased by Baht 1,968 million or 3.8% due to the decrease of cash and cash equivalents.
- The lands, buildings, and equipment were decreased by Baht 8,505 million or 4.5% due to the normal depreciation of assets, the decrease in the estimated residual value of the aircrafts and the spare engines from 10% to 6% of the initial cost despite the acceptance of the 2 new A350-900 aircrafts and 3 engines.
- Other non-current assets were decreased by Baht 1,581 million or 3.8% due to the decrease in the non-performing assets by Baht 3,734 million as a result of the increase in the aircraft impairment reserves and the decrease in investment in joint-venture company by Baht 1,095 million, but the aircraft maintenance reserve under the lease agreement was increased by Baht 3,150 million.

The total liabilities were in the amount of Baht 248,265 million, decreased by Baht 497 million or 0.2%, mainly due to the decrease of short-term loans by Baht 4,270 million and the decrease in long-term debts by Baht 3,821 million from the repayment of loans, while the outstanding expenses were increased and other non-current liabilities were increased based on the estimated aircraft maintenance cost under the operating lease agreement. The shareholders' equity was in the amount of Baht 20,456 million, decreased by Baht 11,557 million or 36.1%. Further details on these appeared in the Company's 2018 Annual Report.

The Chairman asked if any shareholder had queries or wished to ask additional questions.

Pol. Col. Sermkiat Bamrungphruet, a shareholder, asked the Executive Vice President, Finance and Accounting and the Representatives from the State Audit Office of the Kingdom of Thailand that where the Company kept the reserves and premium, whether and how did the Company receive any benefits from such moneys and did the Company have any other reserves?

Mr. Sumeth Damrongchaitham, the President, explained that the Company recorded its account in accordance with the accounting standard. The premium would be under the shareholders' equity item which such item occurred when the Company sold its shares at the price which was higher than the par value. According to the Company's financial statements, as of 31 December 2018, the Company's premium was in the amount of Baht 25,545,316,308 and such premium had been in a form of cash since the date on which the Company received payments for the shares. These moneys were the Company's assets and were used as working capital for the Company's business operation. Considering from asset aspect, they would be cash and cash equivalent items. Based on the Company's financial statements, there was no other reserve. As for the legal reserve being the money which the Company must deduct and segregate them as legal reserve as required by law, as of 31 December 2018, the Company had the legal reserve in the amount of Baht 2,691,275,568, the details of which appeared in the Company's financial statements.

Miss Balloon Sirisingsongchai, the Representative from the State Audit Office of the Kingdom of Thailand, explained that in the examination by the State Audit Office of the Kingdom of Thailand ("SAO"), the examination result would be provided in the auditor's report while the Company would be responsible for the correctness of the figures appearing in the

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financial statements. The SAO had examined and found that the figures appearing in the Company's financial statements were appropriately correct pursuant to the financial reporting standards. As for the accounting standards, they were the rules in relation to the record of accounting items and the disclosure. The SAO had examined the premium and reserve items and they were in compliance with the financial reporting standards. It was already specified in the auditor's report that the Company's financial statements were appropriately and materially correct pursuant to the financial reporting standards.

Mr. Mokepisute Ratarun, a proxy, inquired about the changes in the accounting standards and the financial reporting standards which might affect the Company.

Mr. Sumeth Damrongchaitham, the President, explained that the International Financial Reporting Standards (IFRS) which were relevant for the Company were IFRS 9 and IFRS 16 which were relating to financial instruments. Such changes were going to take effect in 2020. In this regard, the Company had hired KPMG Phoomchai Business Advisory Ltd. to be an advisor for impact study and providing recommendations to the Company in relation to the relevant handlings for preparing the Company to comply with these standards. In relation to the premium and the legal reserve, they were proceeded pursuant to the Public Limited Company Act.

The Chairman stated that there was no additional question from the shareholders. The Meeting Secretary was then asked to proceed with the vote casting for this agenda.

Mrs. Lasanan Leelamane, the Corporate Secretary, proposed the Meeting to consider and approve the financial statements of the Company for the year 2018, the details of which appeared in the 2018 Annual Report which had already been delivered by the Company to the shareholders. This agenda must be approved by a majority vote of the shareholders who were present at the Meeting and had the right to vote. The shareholders voting against or abstaining from voting were asked to deliver the ballots to the Company's officer. The Company would deem that the shareholders who did not deliver the ballots voted to approve the financial statements of the Company for the year 2018 as proposed.

The Meeting resolved, by a majority vote of the shareholders present at the Meeting and had the right to vote, to approve the financial statements of the Company for the year 2018 which had been audited and certified by the State Audit Office of the Kingdom of Thailand (SAO) as the Company's auditor.

Votes casted by the shareholders were as follows:

Approved:	1,630,662,442	votes	representing	99.8417%
Not Approved:	61,800	votes	representing	0.0038%
Abstained:	2,523,140	votes	representing	0.1545%
Voided ballot:	0	votes	representing	0.0000%

**Agenda 4**     **To consider and approve the suspension of dividend payment in respect of the Company's business operations for the year 2018**

The Chairman asked the President to report this Agenda.

(Translation)

Mr. Sumeth Damrongchaitham, the President, explained that the Company had the policy to pay dividends in an amount of not less than 25% of the net profit before the profit or loss from foreign exchange rate based on the consolidated financial statements, depending on the investment plans, the necessity and other appropriateness in the future. In 2018, the Company and its subsidiaries had the net loss before the profit from exchange rate in the amount of Baht 12,480 million. Also, Section 115 of the Public Limited Company Act B.E. 2535 prohibits dividend payment in case a company still has accumulated deficit. Based on the consolidated financial statements, the Company's accumulated deficit as of 31 December 2018 was in the amount of Baht 35,907 million. Therefore, the Company was unable to pay the dividend for the year 2018. The Company's Board of Directors considered that it was appropriate for the Meeting to approve the suspension of dividend payment in respect of the Company's business operations for the year 2018.

The Chairman allowed the shareholders to ask questions in relation to such matter.

Mr. Mana Arunsri, a shareholder, stated that he had been a minority shareholder for a long time and hoped to receive dividends as investment return. He asked on the causes contributing to the Company still suffering a loss and being unable to pay dividends. He also expressed his opinion that if the directors were unable to manage the Company to have profit, they should not receive remunerations and should show responsibility by resigning in order to allow other capable persons to manage in order for the Company to have profit.

Mr. Sumeth Damrongchaitham, the President, explained that from the beginning of the past year, the Company still had the accumulated deficit and so was unable to pay dividends. However, the Board of Directors was determined to manage the Company to have a better financial condition. The Board of Directors had considered methods including that proposed in the agenda to be subsequently considered in this Meeting. The Company's accumulated deficit was caused by the competitive situation of airline business, the economic condition and the volatilities reported in Agenda 2 which also caused airlines around the world to face the loss problem.

Mr. Teerawat Wongwanich, a proxy, stated to show his disappointment that the Company still suffered a loss and so was unable to pay dividends under the law.

The Chairman stated that since there was no additional question from the shareholders, the Meeting Secretary was asked to proceed with the vote casting for this agenda.

Mrs. Lasanan Leelamanee, the Corporate Secretary, proposed that the Meeting consider and approve the suspension of dividend payment in respect of the Company's business operations for the year 2018. This agenda must be approved by a majority vote of the shareholders who present at the Meeting and had the right to vote. The shareholders voting against or abstaining from voting were asked to deliver the ballots to the Company's officer. The Company would deem that the shareholders who did not deliver the ballots voted to approve the suspension of dividend payment in respect of the Company's business operations for the year 2018 as proposed.

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The Meeting resolved, by a majority vote of the shareholders who present at the Meeting and had the right to vote, to approve the suspension of dividend payment in respect of the Company's business operations for the year 2018.

Votes casted by the shareholders were as follows:

Approved:	1,632,763,523	votes	representing	99.9701%
Not Approved:	273,751	votes	representing	0.0168%
Abstained:	212,276	votes	representing	0.0130%
Voided ballot:	2,400	votes	representing	0.0001%

**Agenda 5**     **To consider the directors' remunerations**

The Chairman asked Mr. Pitipan Teparitarnorn, the Chairman of the Nomination and Remuneration Committee, to report this Agenda.

Mr. Pitipan Teparitarnorn, the Chairman of the Nomination and Remuneration Committee, explained to the Meeting that the Nomination and Remuneration Committee had reconsidered the criteria for determining the directors' remunerations and meeting allowances for the period during 1 May 2019 to 30 April 2020 and proposed as follows:

Directors' remunerations and meeting allowances:

- Each member of the Board of Directors would receive monthly remuneration of Baht 50,000 and meeting allowance of Baht 30,000 per each meeting attendance.
- In case where a member of the Board of Directors was appointed by provision of law, the Cabinet's resolution or the Board of Directors or its Chairman to be a committee, sub-committee and a member of a working group of the Company, such appointed Board member would receive additional meeting allowance of Baht 10,000 per each meeting attendance.
- The Audit Committee would be remunerated on a monthly basis for a sum equivalent to the meeting allowance for members of the Board of Directors. The Chairman of the Audit Committee shall be remunerated at a rate of 25% higher than that of the other members. The remunerations would also be paid in a month during which no meeting was held.

The Board of Directors resolved not to propose the air-ticket privileges for the Board of Directors for the year 2019. Such remunerations and meeting allowances were equivalent to those approved by the 2018 general shareholders' meeting.

Remuneration and meeting allowance payment rules:

In case of the Board of Directors, the directors would receive the monthly remuneration and meeting allowance as follows:

- Monthly remuneration would be at the rate prescribed by the shareholders. The Chairman of the Board of Directors would receive the monthly remuneration at the rate of 2 times higher than that of other director. In case a director holds his/her office for less than a full month, such director would be paid the monthly remuneration proportionate to the time he/she holds his/her office.

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- Meeting allowance would be at the rate prescribed by the shareholders. The meeting allowance would be paid for each meeting only to those directors attending the meeting. The meeting allowance would be paid no more than once a month.

In case of the sub-committees, other working groups appointed by provision of law, the Cabinet's resolution or the Board of Directors, the meeting allowance would be paid for each meeting only to those members attending the meeting. The members of the Board of Directors might receive the meeting allowances for the sub-committees and other working groups for a total of up to 2 sub-committees/working groups and for only once per month for each sub-committee/working group.

The Chairman of the Board of Directors would receive the meeting allowance of 25% higher than that of other director. The Vice Chairman would receive the meeting allowance of 12.5% higher than that of other director. The Company's directors would pay the income tax by themselves.

The remuneration and meeting allowance payment rules were comparative with the Cabinet's resolution dated 2 July 2013 regarding the remunerations and meeting allowances for board members of state enterprises.

#### Annual Bonus

The Company proposed the scheme for annual bonus payment for the Board of Directors as follows:

The Board of Directors would receive annual bonus payment calculated based on the rate of 0.2% of the net profit before the profit or loss from foreign exchange rate based on the consolidated financial statements, in a total aggregate amount of not more than Baht 30 million. Such a rate would be used for calculation for the annual bonus next year.

The Chairman allowed the shareholders to ask questions in relation to such matter.

Mr. Krittipat Ajjanakitti, a proxy, thanked all shareholders for proceeding the Meeting quickly in accordance with the agenda. He also expressed the opinion that considering the 2018 Annual Report, his view was that there were a number of factors which were improved from the previous year but the operation result was still at a loss. He then requested that the management executives manage the risks that are difficult to control better. He also gave encouragement to the Board of Directors and all shareholders.

Pol. Col. Sermkiat Bamrungphruerk, a shareholder, expressed the opinion that the determination of the directors' remunerations was the shareholders' authorization. However, for the fairness, the operation result should be taken into account. When the operation result was good, the directors deserved the remunerations. On the other hand, if the operation result had continuously been at a loss (which both the former board of directors and the new board of directors must have been well aware that the Company was at a loss according to the financial statements and the Company had the expense that was not worth an investment for the flights and destinations management) and when it was considered fairly, the directors' remunerations and other benefits should be reduced. Accordingly, the directors were requested to improve and find a way for the Company to have a better operation result so as to reciprocate the Company's employees and shareholders.

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Mr. Natee Niamsrichan, a shareholder, expressed the opinion that he and his child(ren) bought the Company's shares with an expectation that the Company would prosper and they would receive a return from holding the Company's shares, same as other listed companies in which he hold shares, for instance, companies which were banks or telecommunication companies. However, he had never received any dividend payment from the Company since he held the shares. Therefore, he thought that the Company should refrain from paying the directors' monthly remunerations in the amount of Baht 50,000. This was because such amount of monthly remuneration would be paid in a form of salary and the persons receiving the remuneration in a form of salary are, based on the general principle, those performing routine works such as, government officers, government employees, employees of state enterprises and private companies. However, the Company's Board of Directors works on an occasional basis i.e. they work only when there is a meeting of the Board of Directors. Therefore, the directors should receive only the meeting allowance in the amount of Baht 15,000 – 20,000 per person per meeting.

Mr. Phanyos Jenhatkhun, a proxy, expressed the opinion that he was surprised when he saw the amount of the directors' remunerations. However, based on his experience in attending shareholders' meetings of listed companies, it was understandable that the proposed directors' remunerations were not different from other companies. Nevertheless, please further explain on how the directors would perform to reflect the proposed remunerations.

Mr. Prasert Lertyaso, a shareholder, expressed the opinion about the directors' remunerations that the directors received as specified in Table of Remuneration for the Board of Directors for the Year Ending 31 December 2018 in the 2018 Annual Report but the shareholders did not receive any benefit. For the shareholders, the owner of the Company, e.g. the Ministry of Finance who held 51% shares of the Company, the proxy of the Ministry of Finance always voted to approve when attending the meetings. He raised an observation as to how would the Ministry of Finance know that the proxy had knowledge and capability. He was of the view that the reordering of the meeting agenda must be considered first. Based on the information he knew, the management by the Company was not transparent. He requested that the minutes of the meeting be considered and approved and certified because there were matters that were in connection with those in the previous meeting, for example, the loss of money in the amount of Baht 6,000 million in London, the Rolls-Royce corruption case. Also, the directors had been changed every year. The directors were thus asked to answer as to how to make the Company have a profit and not suffer a loss and if the Company still suffers a loss, why would the directors continue to manage the Company.

Mr. Kiattiyot Sangkomnitirat, a proxy, expressed the opinion that he understood all the shareholders because the Company suffered a loss but he was hopeful that the Company would return to making profits. He was of the view that the proposed remuneration rates were not too high. Also, considering the current situation, many airlines faced the same problems with the Company. The Chairman was then asked to proceed with the vote casting for this agenda since an appropriate amount of time was spent for discussion.

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Mr. Uthit Hemwatthakit, a shareholder, asked why he received the documents which were incomplete and proposed that the directors' remunerations be cut off to pay to the shareholders who present at the today Meeting, except himself.

Mr. Teerawat Wongwanich, a proxy, expressed the opinion that we should give encouragements to each other. The Board of Directors was the one who drove the Company. Therefore, we should not say things that would discourage them. The rate of meeting attendance was considered satisfying and the Chairman and the President had just recently held their offices. The shareholders should give them the opportunity to prove their capabilities.

Mr. Anurak Teeralertswaynai, a shareholder, expressed the opinion that the remunerations for the cabin crews were inappropriate and requested that the Chairman consider this matter.

The Chairman explained to the Meeting that, in this agenda, only the shareholders' questions that were relevant to this agenda would be answered. Other questions would be responded to in the respective agenda or the agenda on other businesses.

FS1 Somsak Manop, a shareholder, expressed his opinion that since the directors performed their duties, they should receive remunerations. Not only the Company's directors that performed but also almost 20,000 employees devoted to work hard for the Company. However, the remunerations for the employees were low since the Company's operation result was at a loss. But the directors however still proposed the directors' remunerations. He would like the Board of Directors to consider the remunerations for the Company's employees to be consistent with the proposed directors' remunerations because the employees were also affected by the management and the Company's loss.

The Chairman asked the Chairman of the Nomination and Remuneration Committee to answer the shareholders' queries.

Mr. Pitipan Tepartimargorn, the Chairman of the Nomination and Remuneration Committee, explained to the Meeting that the consideration on determining the remunerations could be divided into 2 cases as follows: The first one was the remunerations for the duties and responsibilities where such remuneration would be considered based on the work done for the organization. Regardless of whether they were employees, directors or executives, they all should receive remunerations. In this respect, similarly to the Company's employees, the directors' remunerations were salaries and meeting allowances which were not higher than those of other listed companies of similar business size. The Company tried to control and consider the remunerations for them to be under an appropriate standard and also took into account the shareholders' observations in relation to the appropriateness. The second one was the non-payment of dividend which had been the Company's problem for a long period of time. The Board of Directors also did not receive the remunerations which were calculated based on the profit. According to the rules proposed to the shareholders' meeting for approval, the Board of Directors would receive an annual bonus at the rate of 0.2% of the net profit. Since the Company had no profit, the Board of Directors did not receive such remuneration. In this regard, the Board of Directors intended and used its best endeavor to make the Company operate better and gain profits.

(Translation)

The Chairman stated that since there was no additional question from the shareholders, the Meeting Secretary was asked to proceed with the vote casting for this agenda.

Mrs. Lasanan Leelamane, the Corporate Secretary, proposed that the Meeting consider and approve the determination of directors' remunerations as proposed by the Nomination and Remuneration Committee. This agenda must be approved by an affirmative vote of not less than two-thirds of the total number of votes of the shareholders who present at the Meeting and had the right to vote. The shareholders voting against or abstaining from voting were asked to deliver the ballots to the Company's officer. The Company would deem that the shareholders who did not deliver the ballots voted to approve.

The Meeting resolved, by an affirmative vote of not less than two-thirds of the total number of votes of the shareholders present at the Meeting, to approve the criteria for determining the directors' remunerations and meeting allowances for the period during 1 May 2019 to 30 April 2020 as proposed.

Votes casted by the shareholders were as follows:

Approved:	1,632,734,110	votes	representing	99.9668%
Not Approved:	344,345	votes	representing	0.0211%
Abstained:	197,676	votes	representing	0.0121%
Voided ballot:	200	vote	representing	0.0000%

**Agenda 6**     **To consider and approve the audit fees for the year 2018, the appointment of the auditor and determination of the audit fees for the year 2019**

The Chairman asked Mr. Distat Hotrakitya, the Chairman of the Audit Committee, to report this Agenda.

Mr. Distat Hotrakitya, the Chairman of the Audit Committee, explained to the Meeting that the Company was a state enterprise having the State Audit Office of the Kingdom of Thailand (SAO) as its auditor consistently. According to the Organic Act on State Audit B.E. 2561 (2018) which became effective as of 22 February 2018, the State Audit Office of the Kingdom of Thailand by the Auditor General must be the auditor of the Company which was a state enterprise. Under Section 32(3) of the Organic Act on State Audit B.E. 2561 (2018), the State Audit Office of the Kingdom of Thailand (SAO) is entitled to charge audit fees. The 2018 Annual General Shareholders' Meeting of approved the appointment the State Audit Office of the Kingdom of Thailand (SAO) as the Company's auditor for the year 2018 without an audit fee. After that, on 28 December 2018, the State Audit Office of the Kingdom of Thailand (SAO) sent an invoice of the audit fees for the year 2018 comprising the fee for auditing the annual financial statements in an amount of Baht 2,500,000 and the fee for reviewing the quarterly financial statements for a total of 3 quarters in an amount of Baht 350,000 per quarter, totaling Baht 3,550,000 which was the same rate as that for the year 2017.

The State Audit Office of the Kingdom of Thailand (SAO) had proceeded its work until the end of its term. It was therefore necessary to consider appointing the auditor and determine the

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audit fees for the year 2019. The State Audit Office of the Kingdom of Thailand (SAO) had notified its audit fees for the year 2019 which comprised the fee for auditing the annual financial statements in an amount of Baht 2,500,000, the fee for reviewing the quarterly financial statements for a total of 3 quarters in an amount of Baht 350,000 per quarter and the fee for auditing the profit and loss statements to be submitted to the Board of Investment in an amount of Baht 350,000, totaling Baht 3,900,000. The Audit Committee and the Board of Directors had considered and resolved that the Meeting should approve:

1. the audit fees for the year 2018 in the amount of Baht 3,550,000 (three million five hundred fifty thousand Baht); and
2. the appointment of the State Audit Office of the Kingdom of Thailand by the Auditor General or the officer(s) designated by the Auditor General as the auditor of the Company for the year 2019 and the audit fees for the year 2019 in the amount of Baht 3,900,000 (three million nine hundred thousand Baht).

The Chairman allowed the shareholders to ask questions in relation to such matter.

There was no shareholder expressing opinion or asking question in relation to the matter proposed for consideration in this Agenda.

The Chairman then asked the Meeting Secretary to proceed with the vote casting for this agenda.

Mrs. Lasanan Leelamane, the Corporate Secretary, proposed that the Meeting consider and approve the audit fees for the year 2018 and the appointment of the State Audit Office of the Kingdom of Thailand by the Auditor General or the officer(s) designated by the Auditor General as the auditor of the Company for the year 2019 and approve the audit fees for the year 2019 as proposed by the Audit Committee. This agenda must be approved by a majority vote of the shareholders who present at the Meeting and had the right to vote. The shareholders voting against or abstaining from voting were asked to deliver the ballots to the Company's officer. The Company would deem that the shareholders who did not deliver the ballots voted to approve as proposed.

The Meeting resolved, by a majority vote of the shareholders who present at the Meeting and had the right to vote, to approve the audit fees for the year 2018 and the appointment of the State Audit Office of the Kingdom of Thailand by the Auditor General or the officer(s) designated by the Auditor General to be the auditor of the Company for the year 2019 and approve the audit fees for the year 2019 as proposed by the Audit Committee.

Votes casted by the shareholders were as follows:

Approved:	1,633,010,570	votes	representing	99.9837%
Not Approved:	11,521	votes	representing	0.0007%
Abstained:	253,240	votes	representing	0.1555%
Voided ballot:	1,200	vote	representing	0.0001%



(Translation)

Mr. Somkiat Sirichatchai has the skills, knowledge and expertise (Skill Matrix) covering various aspects, i.e. engineering, finance, human resources, strategies and planning which were in line with the Company's need. During his office as director, Mr. Somkiat Sirichatchai was assigned by the Board of Directors to be the Chairman of the Strategy and Transformation Committee, the Chairman of the Human Resources Committee and the Audit Committee Director and he performed his duties excellently. He, together with others, set policies and he was ready to support the strategies to be undertaken and moved forward as well as the transformation plans and the human resource development plans until a number of projects were successful.

3. Mr. Sumeth Damrongchaitham to be the director for another term

Mr. Sumeth Damrongchaitham is the President of the Company and the member of almost all of the committees. Mr. Sumeth Damrongchaitham has a wide variety of skills, knowledge, expertise and experience covering skills in various aspects which were consistent with the Skill Matrix required by the Company, such as economy, monetary, finance, business management and information technology. He also has experience in asset management and supervising marketing and financial operations in order to generate revenues. These would allow the Company to be able to manage, move forward and solve problems. Moreover, the Company started a number of new projects such as asset management, financial structure management and revenue promotion and development, etc. and such projects would help promote and connect for the Company's restoration plan to be successful.

4. Mr. Danucha Pichayanan to replace Mr. Kanit Sangsubhan

Mr. Danucha Pichayanan currently is the Deputy Secretary General of the National Economic and Social Development Council, a director of PTT Public Company Limited and a director of the Provincial Electricity Authority. Mr. Danucha Pichayanan has the skills, knowledge and expertise which are consistent with the Skill Matrix required by the Company in 3 aspects, i.e. economy, engineering and strategy/development planning. The analysis on major investments in projects including experience in economy and social development would help promote the Company's business operation with respect to the organization's strategic planning and business development in projects which the Company was currently carrying out such as the MRO project at U-Tapao, one of the Eastern Economic Corridor (EEC) projects which the government is currently urging to do.

5. Miss Nitaya Direksathapon to replace Mr. Rathapol Bhakdibhumi

Miss Nitaya Direksathapon has the skills, knowledge and expertise which are consistent with the Skill Matrix required by the Company in 3 aspects being accounting-finance, budgeting and audit. In addition, she has experience in working in state enterprise(s) which such experience would help to understand the Company's operation quickly. Key experience which would benefit the Company is experience in accounting, finance, risk management and internal audit.

In this regard, all 5 nominees had already been approved by the State Enterprise Policy Committee pursuant to the Rules of the Office of the Prime Minister on Policy Determination and State Enterprise Supervision B.E. 2557 (2014).

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The Chairman allowed the shareholders to ask questions in relation to such matter.

Mr. Uthit Hemwathakit, a shareholder, expressed the opinion that the nominees, especially the 3 persons who had been the Company's directors, should show their visions in order to let the shareholders know their work plans for this year to make the Company resume to have profits. He also proposed that the directors' remuneration be portioned out to pay the shareholders who were present at this Meeting.

Mr. Teerawat Wongwanich, a proxy, expressed the opinion that he graduated with a law degree so he felt at ease when he saw the list of the nominees' names because all of them were well-known in their professional circles and they will likely use their abilities to make the Company recovered to have a profit. For Mr. Sumeth Damrongchaitham who had just been the President, he should be given an opportunity to prove his capability.

FS1 Somsak Manop, a shareholder, expressed the opinion that it was a good that the Company had a new set of directors to manage and set policies in order for the Company to be relieved from the loss situation and move forward to gaining profits sustainably. As a former employee, he proposed that the Board of Directors should meet the Company's employees on an occasional basis as appropriate in order to build the employees' morale and encouragement and for the Board of Directors to be aware of the employees' difficulties in their performances of duties. He also asked as the Board of Directors set the Company's policies for the management executives to implement and comply, if the management executives were unable to proceed in accordance with the policies, what was the Board of Directors' direction to control and oversee the management executives for them to be able to implement and comply with the Board of Directors' policies until the policies were accomplished for the Company.

The Chairman asked Mr. Pitipan Teparthimargorn, the Chairman of the Nomination and Remuneration Committee, to respond to the shareholders' questions.

Mr. Pitipan Teparthimargorn, the Chairman of the Nomination and Remuneration Committee, responded to the shareholders' questions that in the director recruitment process, the Nomination and Remuneration Committee did not use the system where the persons who were interested in being the directors had to apply for the same but the system where the eligible persons were sought and proposed to the Nomination and Remuneration Committee and the Board of Directors to consider whether those person were suitable for the Company. When the Board of Directors considered that they were suitable, the Board of Directors then proposed them to the general shareholders' meeting . Therefore, the interested persons were not in the meeting room at this moment. What the Board of Directors tried to do was selecting the persons who the Board of Directors considered having good qualifications and being suitable to be proposed for the shareholders' consideration. Accordingly, having the nominees present their visions was different direction and procedures with those of the Company's Nomination and Remuneration Committee as those nominees did not apply to be the directors by themselves.

Mr. Mana Arunsri, a shareholder, stated his opinion that the Company was a public limited company needing the persons to work full time with their full capabilities. Therefore, he would like the persons who had only one task. Years ago, he fired a director of the Company because

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that person was a senior government official and he deemed that such person should mainly oversee the government work. There were also political issues that an interested person was the director. He therefore would like to ask if there was any person in the current Board of Directors who was performing more various duties. If there was, such person was asked to give up some other duties and continue to concentrate on working as the Company's director in order for the Company to be able to pay dividends to the shareholders.

The Chairman further explained to the Meeting that, as explained by the Nomination and Remuneration Committee, the Company selected the persons who were suitable to be nominated as the Company's directors based on their qualifications and suitability and the approval from the Nomination and Remuneration Committee was already obtained pursuant to the Rules of the Office of the Prime Minister on Policy Determination and State Enterprise Supervision B.E. 2557 (2014). Accordingly, the 5 persons were nominated to be the directors to replace those retiring by rotation and resignation. As regard the directors' remuneration, the Meeting had previously considered and resolved. Since there was no shareholder asking additional question, the Meeting Secretary was asked to proceed with the vote casting for this agenda.

Mrs. Lasanan Leelamane, the Corporate Secretary, explained that in this Agenda 7, all shareholders whether voting for or against or abstaining from voting were requested to cast their votes in the distributed ballots and submit the ballots to the Company's officer separately according to each person nominated to the Meeting for consideration and election as directors.

The Meeting resolved, by a majority vote of the shareholders who present at the Meeting and had the right to vote, to approve the appointment of 5 directors of the Company, replacing the directors of the Company retiring by rotation and resignation in accordance with Article 17 of the Company's Articles of Association, as of 26 April 2019 onwards. The votes were separated on individual basis as follows:

1. Mr. Distat Hotrakitya

Approved:	1,615,708,485	votes	representing	98.9225%
Not Approved:	3,696,918	votes	representing	0.2263%
Abstained:	103,190	votes	representing	0.0063%
Voided ballot:	1,200	vote	representing	0.0001%
Unused Vote:	13,797,439	votes	representing	0.8448%

2. Mr. Somkiat Sirichatchai

Approved:	1,615,171,472	votes	representing	98.8896%
Not Approved:	4,012,792	votes	representing	0.2457%
Abstained:	94,290	votes	representing	0.0058%
Voided ballot:	200	vote	representing	0.0000%
Unused Vote:	14,028,478	votes	representing	0.8589%

3. Mr. Sumeth Damrongchaitham

Approved:	1,618,924,111	votes	representing	99.1194%
Not Approved:	360,092	votes	representing	0.0220%
Abstained:	102,490	votes	representing	0.0063%

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Voided ballot:	0	vote	representing	0.0000%
Unused Vote:	13,920,539	votes	representing	0.8523%

4. Mr. Danucha Pichayanan

Approved:	1,615,531,011	votes	representing	98.9116%
Not Approved:	3,735,492	votes	representing	0.2287%
Abstained:	107,090	votes	representing	0.0066%
Voided ballot:	0	vote	representing	0.0000%
Unused Vote:	13,933,639	votes	representing	0.8531%

5. Miss Nitaya Direksathapon

Approved:	1,615,485,548	votes	representing	98.9089%
Not Approved:	479,234	votes	representing	0.0293%
Abstained:	3,527,990	votes	representing	0.2160%
Voided ballot:	200	vote	representing	0.0000%
Unused Vote:	13,814,260	votes	representing	0.8458%

The Chairman invited every person nominated to be appointed as directors who were the interested persons to return to the meeting room.

**Agenda 8**     **To consider and approve the transfer of appropriated legal reserve and premium on ordinary shares to compensate the deficit of the Company**

The Chairman assigned the President to report this Agenda.

Mr. Sumeth Damrongchaitham, the President, explained to the Meeting that in order to prepare the Company to be able to pay dividends to the shareholders in the future when the Company has sufficient net profits and cash flow subject to the Company's financial condition and business plan in the future. Section 119 of the Public Limited Company Act B.E. 2535 provides that upon the approval from the shareholders' meeting being obtained, the Company may transfer the legal reserve under Section 51, the reserve under Section 116 or other reserve to compensate the accumulated deficit of the Company. The accumulated deficit compensation under paragraph one must be firstly deducted from other reserve and then from the reserve under Section 116 and the legal reserve under Section 51, respectively.

The separate financial statements for the year ending 31 December 2018 showed the accumulated deficit in the amount of Baht 28,533,077,895 with the legal reserve and the premium on ordinary shares in the amounts of Baht 2,691,275,568 and Baht 25,545,316,308, respectively. If the legal reserve and the premium on ordinary shares had been applied to compensate the Company's accumulated deficit, the Company's statement of financial position would show a reduced accumulated deficit of the Company in the amount of Baht 296,486,019. If the Company's operation result from Quarter 1 onwards has a net profit of over Baht 296,486,019, the Company's statement of financial position would start to show a profit and thus would increase the credibility for the shareholders and investors and build the management executives' confidence in proceeding pursuant to the business plans. As a result, if the operation result at the end of 2019 has a profit, the Company will be able to consider paying a dividend to the shareholders.

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The Board of Directors had already considered and deemed that it was appropriate to propose the Meeting to consider and approve the transfer of legal reserves in the amount of Baht 2,691,275,568 and the premium on ordinary shares in the amount of 25,545,316,308, totaling Baht 28,236,591,876, to compensate the Company's accumulated deficit.

The Chairman allowed the shareholders to ask questions in relation to such matter.

Pol. Col. Sermkiat Bamrungphruek, a shareholder, requested the Board of Directors to show the figures and the provisions of law which were relevant to this meeting agenda and raised an observation that the vote casting was not clearly specified in the shareholders' meeting invitation notice. He asked the legal advisor if an ordinary resolution or a special resolution was required for the voting on this agenda. The procedures and conditions to be complied with under Section 119 of the Public Limited Company Act require that other reserve be deducted first and then the reserve under Section 116 and the reserve under Section 51 can be deducted, respectively. He therefore would like to know what would be the remaining amount after the deduction and what was the plan if the reserves were insufficient to compensate the accumulated deficit. If the directors did not know, he would be happy and ready to provide his opinion because he would like the Company to once again resume being magnificent as when ACM Chalit Pukphasuk was the Chairman of the Board of Directors or when ACM Narongsak Sangkhapong was the acting President and was able to manage the Company to have a profit and pay a dividend to the shareholders or when Mr. Piyasawat Amaranand was the President. In this regard, this agenda required an ordinary resolution. The resolution for this agenda could be passed by only the vote of the proxy of the Ministry of Finance. The Company was asked to later on inform the result of the proceeding in respect of this agenda to him in writing as he had other necessary business to attend to so he had to leave before the meeting was finished.

Mr. Krittipat Ajjanakitti, a proxy, asked with regard to the result in case of the Meeting resolving to approve that whether the Company would have a better financial position. If it would so, the shareholders would have a better opportunity to receive dividend payment. If it appeared to be as per his understanding, he would like to thank the Board of Directors in advance.

Mr. Mokepisute Ratarun, a proxy, stated his opinion that if the transfer of the legal reserve and the premium on ordinary shares to compensate the Company's accumulated deficit would cause the Company to have a profit or to have a better chance to have a profit, he would agree to the same. But it must be proceeded in accordance with the law and must not cause a long-term negative effect to the Company. He asked whether and to what extent the proceeding under this agenda would affect the management or the business operation result in the long run.

The Chairman asked Mr. Sumeth Damrongchaitham, the President, to answer the shareholders' questions.

Mr. Sumeth Damrongchaitham, the President, responded to Pol. Col. Sermkiat Bamrungphruek's question on the procedures to comply with Section 119, Section 116 and Section 51 of the Public Limited Company Act that, as informed to the Meeting, the Company had no reserve other than those prescribed under Section 116 and Section 51 of the Public

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Limited Company Act. The figures would appear in the Company's financial statements, which had been already audited and reviewed by the State Audit Office of the Kingdom of Thailand, the Company's auditor. Therefore, the deduction of the Company's accumulated deficit would be done by the transfer of legal reserve and the premium on ordinary shares in accordance with the rules prescribed by law and the regulations of the Stock Exchange of Thailand in all respects. He further explained to the Meeting on the result of the transfer of the legal reserve and the premium on ordinary shares to compensate the Company's accumulated deficit as detailed in the table shown below:

<b>Transaction</b>	<b>Amount (Baht) (before transaction)</b>	<b>Amount (Baht) (after transaction)</b>
Registered capital (Ordinary shares in the amount of 2,698,900,950 shares with a share value of Baht 10 per share)	26,989,009,500	26,989,009,500
Paid-up capital (Ordinary shares in the amount of 2,182,771,917 shares with a share value of Baht 10 per share)	21,827,719,170	21,827,719,170
Legal reserve	2,691,275,568	0
Premium on ordinary shares	25,545,316,308	0
Accumulated deficit	(28,533,077,895)	(296,486,019)
Shareholders' equity	27,702,989,262	27,702,989,262

It could be seen that the original accumulated deficit of over Baht 28,000 million would be reduced to only over Baht 296 million, while the shareholders' equity both before and after the transaction would remain at Baht 27,702,989,262. The Company's situation would not change because these actions are not the building of the operation result but the adjustment of the balance sheet which would have a beneficial result to the shareholders in the future. For example, if in the future, the Company has more profits than its accumulated deficit, the remaining amount after a 5% deduction of legal reserve could be used to pay a dividend to the shareholders. Should the Company proceed otherwise, the Company must have a profit of more than Baht 28,000 million in order to pay a dividend to the shareholders. After the Company already proceeded to transfer the legal reserve and the premium on ordinary shares to compensate the Company's accumulated deficit, the Company could announce to pay a dividend to the shareholders if the Company has a profit of more than Baht 300 million so this would benefit the shareholders. However, the Company determined to gain as much profit as possible.

With regard to the issue on how to manage the Company to have a profit, since he began to be the President in September 2018, he and the Board of Directors had cooperatively considered the management of the Company and found several problems that need to be solved. If any shareholders followed the Company's news, they would know that the Company had issued directions and methods for several measures for good operation result purpose, including increasing revenues, reducing expenses and management of risks (whether risks from exchange rate or oil price fluctuation) or reducing the residual value from 10% to 6%, resulting in the increased depreciation deduction, so that the net asset value appearing in the balance sheet reflected the market price. Otherwise, every sale of asset(s) would cause a high loss because the

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market price was lower than the shown net asset price. Nevertheless, although such reduction of residual value did not significantly improve the Company's financial statements, it was better than doing nothing and was a cautious action to mitigate serious impacts caused by aircraft sale. Meanwhile, the management team laid out measures to manage aircrafts that must be put out of commission. This was currently being summarized and would subsequently be proposed to the Board of Directors for consideration and approval. That was the Company would sell the aircrafts before the aircrafts could not fly so that they remained in good values. All of these were only a part of the measures to bring the Company to a profit operation result. If several problems that the Company was currently facing were not solved, it would be difficult to operate at a profit. The management team had not only proposed policies but also had proceeded as such since he began to be the President. Moreover, the Board of Directors had supervised and provided recommendations in order for the policies to be complied with. Accordingly, if the Company can proceed as per its plan or direction laid out without causing an excessively serious effect on the Company's business operation, the management team deemed that it was still possible to make the Company to have more profit than its accumulated deficit after legal reserve deduction.

Mr. Surasit Sriprapha, a shareholder, expressed his opinion that, based on the explanation of the Board of Directors, he viewed that the proposed action was advantage. He also congratulated and gave an encouragement for such operation. He asked about the disadvantages of such action. For example, assuming that the Company would suffer a loss next year, will the Company have to sell the shares held by the Ministry of Finance?

Mr. Suchart Mitpakwaen, a proxy, stated his opinion that such proposed proceeding was a dream selling to the shareholders because the Board of Directors or the President had previously informed that if the Company proceeded as proposed, the Company would have a profit. If it was proceeded as such but the Company still suffers a loss, how would the Board of Directors take responsibility? By only informing that the Board of Directors will make the Company to have a profit without any guarantee, it would be difficult to make the shareholders believe that it was not selling the dream as did the previous Board of Directors. If the Company insisted on transferring the legal reserve and the premium on ordinary shares to deduct the accumulated deficit, the Company should also implement the Mutual Separation Plan (MSP) for the Company's employees so that the employees would have the opportunities to decide to resign before anything happened.

Mr. Uthit Hemwatthakit, a shareholder, inquired about the issue that the Company was going to sell the aircrafts that he came to know that the Company was going to sell the aircrafts and after they were sold, the buyers would hire the Company to repair such aircrafts for further use. Accordingly, he asked that if others could do it, why could not the Company. He also requested the legal advisor to explain about the directors' duties which the directors must carry out against the person(s) causing damage(s) to the Company.

Mr. Damrong Waikani, a shareholder, asked other shareholders if they did receive the documents with regard to this Meeting as he did not receive. He also expressed the opinion that the Chairman should control the meeting more strictly; otherwise, opinions would not be expressed pursuant to the relevant agenda and as a result, the meeting would be prolonged. He

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stated that he agreed with the proposed action under this agenda. However, it also had disadvantages which would be a risk because it would seriously hurt the Company if it suffers a loss. What preventive measures did the Board of Directors have since the Company no longer had any reserve fund?

Mr. Sumeth Damrongchaitham, the President, answered the shareholders' questions that this method was the management of the Company's financial statements to be in the status that would allow the Company to continue to operate in the future. If it was proceeded and the Company still operated at a loss, for example, if in 2019, the Company suffers a loss of Bath 1 billion, the accumulated deficit would be increased to Baht 1.296 billion and nothing else would happen. This was a matter of accounting condition in general and the adjustment of such figures would not cause the Company's profit or loss or create a better or worse operation result. It would benefit the Company. If the Company was able to make a profit and there was sufficient cash flow, a dividend could be paid. He had reviewed this method with many experts and the Company was not the first company to do so. He had done this before 10 years ago. Lately, there was a listed company that had just done the same. The Company's objective of doing this method was to clear the accumulated deficit in order to increase the chance that the Company could pay a dividend to the shareholders. He would like to inform the Meeting that the Board of Directors and the management executives of the Company had worked to their full capacities. It could also be seen in Agenda 2 that all that happened impacted the Company. For example, the boat capsizing incident in Phuket resulted in the inability to sell tickets to tourists. There were some incidents that the Company could prevent and there would be costs for preventing some incidents and some incidents caused damages. The management and the Board of Directors tried to closely monitor and respond to every incident and did not refrain from taking actions. Therefore, he could not say that what happened were wrong actions or mistakes. He once again summarized that the proceeding under this agenda was a preparation of the Company's balance sheet so that when the Company has a profit, the Company would be able to pay a dividend.

Mr. Uthit Hemwattakit, a shareholder, asked if the President manages the Company and causes a mistake and the Company suffers a loss or a complaint is filed against the Company claiming for damages, whether and to what extent the shareholders must be liable for such damages under the law and whether and to what extent the shareholders have the interest with regard to the loss which occurs.

Mr. Sumeth Damrongchaitham, the President, responded to the question on if the Company still suffers a loss in the future, whether or not the Ministry of Finance will sell the shares in the Company that it held that he could not answer this question for the Ministry of Finance. Whether the Company should be a state enterprise was a matter of national policy. However, he was working while the Company was a state enterprise, his view was that there were some better advantages than private organizations and being a private organization could be better or worse than it currently is. A number of airline companies had recently been wound up. If the government still supports the Company, the Company could still exist. As regard the impacts on the shareholders in case the Company suffers a loss, it could be separated into 2 cases. If the new loss occurs and causes a reduction in the shareholders' equity, the Company cannot collect additional amount of money from the shareholders. In relation to the litigation case, if the Company wins the case, it would be a positive figure in the Company's balance sheet and on the

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other hand, if the Company loses, the figure would be negative in the Company's balance sheet. This would be the same for all companies and not only for the Company. In this regard, under the law, the shareholders do not have to be jointly liable to pay damages if the Company loses the case but the shareholders' equity would be affected. This was the ordinary course of the Company. In this respect, the law prescribes that a shareholder's liability is limited to the share price payable by such shareholder and the Company specified its intention in the Memorandum of Association. Accordingly, if the shareholders had paid the share price in full, they did not have to be liable for more than the paid share price. If you, the shareholders, had read the Investor and Analyst Section, the Company had declared its policies or determined its directions in business operation with the analyst in the Stock Exchange of Thailand. Therein, there were inquiries on the business direction and the business(es) which the Company was going to do or interested in doing. He could not indicate the share price but he believed that if the Company makes a profit, the share price would adjust itself into a better direction. The management and the Board of Directors assured that they would try to manage the Company to have a good operation result. By working as the President for 8 months, he was well aware that many shareholders were attached to and had concerns for the Company. Opinions expressed by the shareholders were in a constructive context or manner in order for the Board of Directors to work better. He then thanked all shareholders.

The Chairman stated that since there was no shareholder asking additional question, the Meeting Secretary was asked to proceed with the vote casting for this agenda.

Mrs. Lasanan Leelamane, the Corporate Secretary, proposed the Meeting to consider and approve the transfer of the legal reserve in the amount of Baht 2,691,275,568 and the premium on ordinary shares in the amount of 25,545,316,308, totaling Baht 28,236,591,876, to compensate the Company's accumulated deficit. This agenda must be approved by a majority vote of the shareholders who present at the Meeting and had the right to vote. The shareholders voting against or abstaining from voting were asked to deliver the ballots to the Company's officer. The Company would deem that the shareholders who did not deliver the ballots voted to approve as proposed.

The Meeting resolved, by a majority vote of the shareholders who present at the Meeting and had the right to vote, to approve the transfer of the legal reserve in the amount of Baht 2,691,275,568 and the premium on ordinary shares in the amount of 25,545,316,308, totaling Baht 28,236,591,876, to compensate the Company's accumulated deficit.

Votes casted by the shareholders were as follows:

Approved:	1,633,222,842	votes	representing	99.9946%
Not Approved:	19,951	votes	representing	0.0012%
Abstained:	68,140	votes	representing	0.0042%
Voided ballot:	0	vote	representing	0.0000%

## **Agenda 9    Other business (if any)**

The Chairman allowed the shareholders to ask the Board of Directors and the management executives of the Company with regard to issues other than the aforementioned agenda.

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Mr. Uthit Hemwatthakit, a shareholder, requested for an explanation on the reduction in the quantity of the food served to the passengers and inquired if the management executives had investigated this matter, particularly on the quantity of food for Economy Class which the Company still charged the same travel fare but the quantity of food served to the passengers on board was reduced and there was no beverage serviced as they were in the past. He also asked why the Company still operated at a loss even though there was a cost reduction by the reduction of the quantity of food served to the passengers.

The Chairman stated that the President would explain on the quantity of food served to the passengers later on and allowed other shareholders to ask questions before.

Mr. Suchart Mitpakwaen, a proxy, stated that the motions proposed for the Meeting's consideration in the previous agenda should have been approved by the Meeting. He thus proposed the President and the management executives of the Company to consider arranging for the Mutual Separation Plan : MSP as an option for the employees who might be impacted by such proceeding.

Miss Suporn Patumsuwanvadi, a shareholder, requested the shareholders who were the witnesses for vote counting to clarify on the reason why there were voided ballots in the previous agenda. The Company was also requested to disclose the number of shareholders and proxies, who were currently present at the Meeting in addition to the number of shares represented by the present shareholders. She stated that because the Company's directors did not held shares in the Company, they may not be as much worried as the shareholders. In the past, there were a number of changes of directors and management executives without the shareholders' knowledge. She also asked about the expenses for the director training courses that who sent the directors to attend the training courses and who was responsible for the expenses thereof. On the directors' income tax, did the Company still pay it for the directors? Did the directors receive any other benefits other than salary, meeting allowance and bonus how did they receive so? In Agenda 7, there were votes of the shareholders who did not submit the ballots. She asked what were the Company's vote casting method and vote counting method so that she could explain to other listed companies for they to proceed in the same manner. Moreover, she thought that the Company hired too many third parties to jointly manage the meeting. The shareholders' meeting should be confined to the shareholders only and the Company should not allow a large number of irrelevant persons to attend the meeting. If they were to be allowed to attend the meeting, they should be performing a duty of assisting and facilitating the shareholders who were present at the meeting; otherwise, they should not be allowed to attend the meeting.

The Chairman asked Mr. Pitipan Teparimargorn, the Chairman of the Nomination and Remuneration Committee, to answer the shareholder's questions.

Mr. Pitipan Teparimargorn, the Chairman of the Nomination and Remuneration Committee, answered the question on the director training that the training in different courses were necessary and the Company was responsible for the expenses in this respect. As for the recruitment of the persons to be the Company's directors, the Company tried to find qualified persons and one of the qualifications was that they must pass the training course arranged by the

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Thai Institute of Directors. If any person had not yet passed such training and the Company deemed that it was necessary for such person to attend the course and use the obtained knowledge to further manage the Company, therefore the Company considered that the Company should be responsible for such expenses.

Mr. Surasit Sriprapha, a shareholder, requested the Company to explain on the question on the customs duty for importing alcohols and wines in the amount of Baht 1,200 million in relation to which the Company might have to pay a fine at the rate of two times of the value of the properties in dispute which was equivalent to Baht 2,400 million. Additionally, since the properties in dispute had already been gone, the Company may have to pay additional money of Baht 1,200 million, totaling Baht 3,600 million. What did the Company do to fix this and what preventive measures did the Company have. In relation to the Deli station, he asked if the corruption actually occurred. What was the progress of the 7 – 8 matters on which he submitted a request for investigation? Were there any facts indicating that the corruption actually occurred? Did the Company set up a committee to run a disciplinary investigation? Also, was it true that certain corrupt employees were friends of the President? 3 suspicious matters that might be a fraud of the employees' time they actually worked including the case where during 4 years 37 employees took leaves non-compliance with the regulation constituting a fraud of the time they actually worked. One of the employees was punished by being fired for taking 44 days of false leaves to work for the Company and when he/she resumed working, the Company prescribed a condition that should there be a disciplinary breach again, there would be a serious punishment. However, when it was found that such employee forged salary envelope(s), he/she did not receive a serious punishment and was not dismissed. Was it because such employee was the ex-director of the Company's employees' savings and credit cooperative who facilitated the Disciplinary Investigation Committee in taking a loan from the cooperative? He was the person who established the labor union and he was complimented by the Governor of the State Audit Office of the Kingdom of Thailand for reporting an internal corruption to the State Audit Office of the Kingdom of Thailand in 1992 and he was the Company's exemplary employee in 1997 by agreeing to be a witness and testify in the case where the management executive of the Company was shot to death. He had always heard complaints about internal corruptions because he started working at the Company in 1980 when there were plenty corruptions in relation to drug transportation. The Company could check the history of his complaint submission with the Office of the Narcotics Control Board. Accordingly, he was well aware of the information. For example, in the case where the Company's employees ordered baggage to be organized and moved to the aircraft which was heading to Delhi for further transportation to Europe, relevant employees were punished differently. He had discussed in the Labor Relation's meeting that the Company should use the regulation of the Office of the Civil Service Commission when considering the punishment to the employees not the Company's internal regulation which specified that punishment must be considered on an individual basis without a standard. Moreover, other employees asked him to propose that the adjustment (whether increase or decrease) of directors' remunerations be considered based on the Company's operation result. If the Company has a profit, the remuneration rate should be increased. But if the Company operates at a loss, the remuneration rate should be decreased by 10%.

Mr. Prasert Lertyaso, a shareholder, stated that the today meeting had been completely carried out pursuant to the agenda. For good corporate governance and for the Company to have

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a profit operation result as reward to all of the Company's shareholders and as there was the appointment of the Company's directors to replace the retiring directors pursuant to the Company's Articles of Association as per the earlier explanation, he requested that there should be a certification of the minutes of this Meeting in the next shareholders' meeting so that the matters proposed by the shareholders every year could be followed up, for example, the case where the Rolls-Royce engines were sent for repair and then disappeared, the corruption concerning the CTX bomb scanners or the corruption of ticket fares at London in the amount of Baht 6,000 million which, in 2014, the Board of Directors explained that there was a complaint filed with the court claiming for damages and the Company had received compensation for damages in the amount of Baht 500 million but there was no explanation on the remaining Baht 5,500 million. The Rolls-Royce corruption case was an important matter. However, the current Board of Directors did not have the minutes of the previous shareholders' meeting be certified in this Meeting. Therefore, the Meeting was not aware of such matters and focused only on the future management, such as the proposal for the Meeting to consider and approve the transfer of reserved funds to compensate the Company's accumulated deficit in Agenda 8. Therefore, he proposed the Board of Directors to amend the Company's Articles of Association so as to have at least 2 shareholders' meetings per annum and to report the operation result, profit and loss for the shareholders' acknowledgement every quarter. In the past, the Board of Directors, by itself, considered changing and appointing directors without placing importance on the shareholders. The shareholders thus did not support nor use the Company's services causing the decrease in the revenue from ticket sales. Secondly, the Board of Directors was consisted of knowledgeable and capable persons in every aspect including law; therefore, it was not necessary to hire a legal advisor for governing the Shareholders' Meeting. The shareholders understood and could apply the law. It was not necessary to hire a legal advisor. Thirdly, the Company's ballots already contained boxes for affirmative vote, negative vote and abstention; therefore, it was not appropriate to count the votes of the shareholders who did not submit the ballots as affirmative votes. This was because, technically, those votes should rather be deemed as abstaining from voting or negative votes. Fourthly, in the recruitment and appointment of management executives to replace those retiring, especially the President position, an extraordinary meeting of shareholders must be convened to consider and approve before they commences performing their duties. The Company spent years to recruit the President, but when he/she was appointed, many employees of the Company said that the newly appointed President did not work closely with the employees and the consideration and appointment of positions in departments which had been delayed for a long time had not yet been done. The Company was thus requested to clarify on these matters in this Meeting.

Mr. Suchart Mitpakwaen, a proxy, stated that there were matters which he asked a couple of years ago that had not yet been addressed and he would like to ask for the progress of these matters. The first matter was that he submitted a letter to Air Chief Marshal Prajin Juntong, the former Chairman of the Board of Directors, in relation to a request for a reduction in rental charge from Airports of Thailand Public Company Limited. He did not receive any explanation on the consideration result. The second matter was the case where he submitted a complaint to the management executives but, instead, his name was disclosed. He did not receive any explanation on the consideration result. At present, the management executive who committed a wrongful action under the law had already retired but he still had not yet received any clarification. The last matter that he would like to follow up was that case where the employee

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who was in charge of making the sweet brown sauce to be served to the passengers on board was bullied. Such employee kept confidential his/her recipe but the food was forged and brought to the chief executive for consideration such that the food made by such employee had bad taste and quality. At the end, it appeared that the employee confirmed that that was not his/her food and the department manager was caught to have made such food. However, there was no investigation or punishment. When he followed up on this matter, he was informed that there was no wrongdoing because the Company did not suffer any damage. He viewed that such explanation was unacceptable because it was an employee bullying and it was not the case where the Company would suffer damages. He viewed that the management executive was taken side with when there was a disciplinary investigation whereas the Company had given a serious punishment to low-ranking employees by firing them without investigation. He thus would like to follow up on the progress of such matter and asked the Board of Directors to consider providing fairness to the employee in order for the Company to truly have the good corporate governance. Moreover, he would like to ask about the contract of the Catering Department and The Transport Co., Ltd. for cooking service for the government, he was not aware of the terms and conditions of such contract but he would like to ask why the Company made and delivered 15,000 boxes of food when it was ordered to make only 10,000 boxes. The food thus had to be returned when it was not sold out causing damages to the Company. He would like to ask about such contract and the damages suffered by the Company. The next matter was the case where the Company approved the purchase of ground service equipment for the Ground Equipment Services Department. He suggested that the Company consider purchasing more baggage conveyor belts vehicles of roller track conveyer type. This would benefit the Company and would help reduce substantially the manpower used in baggage conveying, reduce costs and labour-related issues which had continually caused problems, reduce damages, reduce flight delays and build customer satisfaction . Such baggage conveyor vehicles run with a roller system that could be used with narrow-body aircrafts . He also prepared the relevant documents to be delivered to the Chairman of the Board of Directors for further consideration. The last matter was the case where Airports of Thailand Public Company Limited granted the Company a right to operate ground equipment service business. He recommended that the Company reconsider the investment project in relation to the aviation bridge service in order for the passenger service of the Company as the national carrier to be in consistence and efficient and increase revenues for the Company Therefore, he proposed the Board of Directors to consider this.

Miss Sawat Pramoolsilp, a shareholder, stated that she had spoken with friends who worked in airlines of other countries and she was informed that other airlines did not pay a contribution to the Fund for Promotion and Development of Life Quality of Disabled Persons but the Company had such expense in the amount of Baht 21 million because the Company did not employ disabled persons. Accordingly, she proposed the Company to consider employing disabled persons instead. At present, disabled persons could do various works such as traditional Thai massage which the disabled persons who obtained the Thai Traditional Medical Assistant Diploma could work with the Company. If the Company employed disabled persons, the Company might have more revenues and would not have to pay to the Fund for Promotion and Development of Life Quality of Disabled Persons in the amount of Baht 21 million. She viewed that the Company should employ the disabled persons as did the airlines of other countries so that the Company would not have to waste the money paying to the Fund for Promotion and

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Development of Life Quality of Disabled Persons. In the past year, the Board of Directors explained that the Company had to pay a contribution to the Fund for Promotion and Development of Life Quality of Disabled Persons because of the Company's proportion of the disabled person employment and that the money will be paid to the disabled persons. However, when she checked, she did not find any welfare arrangement and she had not enjoyed any welfare although she travelled frequently both domestically and internationally. Secondly, she was pleased to know that the Company had signed the agreement to supply snacks to Amazon because she viewed that it could make profits so that the Company could suffer less loss. On another matter, she knew that Thailand had a number of oil fields, especially in Wichian Buri and Si Thep districts, Phetchabun province. Several academics claimed that Thai oil was of comparable quality with that of Brunei and Thailand could produce as much as oil as Brunei which could produce oil for its own airline's use. Therefore, she viewed that the Company should push the Ministry of Energy to provide supports so that the oil in Thailand could be used for the Company. She was informed by the foreign person who was the onshore concessionaire that A-grade oil would be exported to other countries. Thailand which was the owner of oil fields should also use A-grade oil, not B-grade or C-grade oil. She thought that if the Company could discuss with the Ministry of Energy, the Company might bring Thai oil to use with the Company and significantly reduce the loss in order that the minority shareholders could enjoy the profit as dividend.

Mr. Phanyos Jenhatkhun, a proxy, asked the Company to conclude and report the voting result in Agenda 8 to the Meeting.

Mr. Norachet Sangruji, a shareholder, asked if the Mileage Point under the Frequent Flyer Program would be recorded in the Company's financial statements as liability in accordance with the International Financial Reporting Standards (IFRS) as unearned revenue. In case the Company announced the reduced rate of redemption of Mileage Point in this October, whether and to what extent such liability would be reduced. Moreover, in recording such transactions pursuant to the International Financial Reporting Standards (IFRS), the extent to which the redemption rights were exercised must be considered. The Company might not have to record the whole amount as liability since the rights were not exercised in full and the rights were subject to expiration. The Company's liability would be adjusted on a quarterly or yearly basis when the rights were expired. Therefore, should there be an adjustment to the rate of redemption of Mileage Point for plane tickets, the Company should have less liability and such financial figure should be improved. Although there was a change of such items from the positive figure to the negative figure in 2017 - 2018, it was in the past. Accordingly, the Board of Directors was requested to consider such factors in support of its explanation. However, he viewed that there were some concerned issues in relation to such matter. The Company's report on environmental, social and governance (ESG) development specified that the Company placed the importance on its branding image and customers' satisfaction and the customers were always greatly satisfied with the Company. The customers' satisfaction was based on a number of factors including check-in service, on-board service, punctual departure and other factors all together. However, with regard to the Company's Royal Orchid Plus program or Frequent Flyer program, had the Company ever surveyed the customers' satisfaction on such programs? He was worried that although the reduction in liability and in the rate of redemption of Mileage Point for plane tickets would benefit the Company, the Company may, at the same time, lose its credibility and the

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good feelings that the customers had towards the Company. The management executives were asked to take this into consideration before proceeding as such. Moreover, he, as a shareholder and service user, would like the management executives to consider the details on how much the Mileage Points were actually redeemed for plane tickets. He was worried that, if carefully examined, it might be found that many Mileage Points were already expired. Based on his experience, the airline would usually open for the advance ticket reservation for about 310 days in advance. He tried to reserve a plane ticket in the first week that the Company opened for Mileage Point redemption for plane tickets. He found that the Company's system was very good that it could tell which aircraft model was for such flight and how many remaining available seats there were. However, the questions that he did not receive a clear answer that why he could not redeem his Mileage Points for a plane ticket in the first week that the ticket reservation was open when all of the seats were still available. He was informed by the system and the Call Center only that the redemption for plane tickets could not be done and he had to queue up. He did not understand why he could not exercise his right even though he did the reservation a long time in advance. The clarification received from the Call Center was unclear as to whom he was queuing up after. Ultimately, the right was expired. He would like to ask the Company to see the system's problems. He did not intend to blame anyone but the Company's system could not actually be used to redeem for plane tickets. If the Company had examined, it would have found that it cannot be used to redeem the collected Mileage Points. He was therefore unsure if the Company could maintain its branding image and the customers' satisfaction. He did not want the Company to reduce the liability in the redemption of collected Mileage Points for plane tickets by, on purpose, making the system unable to be used for exercising the right. He therefore requested the management executives to investigate this matter. The second issue was the investment in the NOK Air of which the Company was a major shareholder. He had followed the news and found that the Company's gesture in relation to such investment in the NOK Air was not clear. NOK Air was a low cost airline which faced problems and needed capital increase; therefore, a shareholders' meeting was held to consider the capital increase. The Company, as a major shareholder, should have a clear gesture and direction in relation to the investment in such airline. However, as he followed up, he found out on the 3 times of capital increases of NOK Air that the Company did not agree to the 1<sup>st</sup> capital increase, agreed to the 2<sup>nd</sup> capital increase and did not agree to the 3<sup>rd</sup> capital increase, alternately. The Company should have a certain investment direction and reasons to explain to the shareholders for them to understand what the Company's policy for the investment in NOK Air and the Company's future plan were since they may have various impacts, particularly on the shareholders of both the Company and NOK Air. Regardless of the Company's decision on its voting in the shareholders' meeting of its subsidiary company, the Company should assure that the Company had exercised its right as a shareholder in every investment of the Company. For example, the Company should appoint a proxy to attend every shareholders' meeting of NOK Air. He was not certain if, at present, the Company did proceed as such. He had no issue with how the Company decided on the investment in NOK Air since it was a matter for the management executives to consider based on reasons as appropriate, but the Company should at least send a representative to provide opinions and do the shareholder's duty in the shareholders' meetings of the subsidiary company in which the Company invested.

The Chairman asked the President to explain in response to the shareholders' questions.

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Mr. Sumeth Damrongchaitham, the President, explained that in relation to the petition requesting for an investigation on the corruption occurring in 2012 – 2017 in Delhi, India, the Company received such petition in July 2018. However, such petition was complicated and relating to several departments. The President at such time had appointed the Investigation Committee in accordance with the Company's Regulation on Petitions 2010 so as to investigate the facts on various issues. At present, the Board of Directors had checked and found that certain cases were valid corruption. Therefore, the person who was in charge of this matter being the Executive Vice President, Human Resources Division had ordered the Director of Human Resources Department to conduct a disciplinary investigation. This matter was currently under the disciplinary investigation pursuant to the Company's regulation. The reason for the delay was because the petitioner submitted the petition on the matter which occurred years ago and there were numerous issues and information involved and the information needed to be gathered from other country(ies). Such matter was currently still under the process and its status had been reported to him regularly. It was true as per the shareholder's observation that the person that was being investigated was his friend. But the Company received such petition before he was appointed as the President and the investigation process had been proceeded in accordance with the Company's regulation without his, the President's, involvement in any step. If the shareholders could prove that he was involved, they could submit another petition against him. He confirmed that he was not involved in the investigation process and he only received reports on the progress and ordered that the investigation must be proceeded in accordance with the Company's regulation. The shareholder petitioning on this could rest assure that he was not involved in the investigation process. Should be any progress or additional information on this matter, the Company will report the same in the Shareholder Q&A Information as did the Company in the past.

For the investigation on whether the Company's employee(s) took leaves to attend meetings as the cooperative's operational committees no. 42, 43 and 44 in accordance with the announcement which such matter was submitted to the Chairman of the Board of Directors in the shareholders' meeting, the orders in relation to such matter were made pursuant to the Company's regulation and the matter was, at present, still under the investigation. The investigator had considered that it was a disciplinary breach and had submitted the matter to the Executive Vice President, Human Resources. The Executive Vice President, Human Resources had already considered and ordered the Director of Human Resources Department to set up the Disciplinary Investigation Committee.

With respect to the Company's dispute with the Customs Department, the Customs Department sent a letter to the Company on 1 December 2017 that there was the investigation of good transportation forms for year 2012 and found that during 2007 – 2012, the import permit number was not specified therein; therefore, it was presumed that the import of goods such as food, meats, fruit juice, liquor and seafood into the Free Zone was not legal under the customs law. Accordingly, the Customs Department exercised its power to fine the Company in a total amount of Baht 1,700 million for importing 252 items of goods. The Catering Department, the Cargo & Mail Commercial Department and the Legal Department had cooperatively examined the documents until the import permits for 200 items of goods were found. The remaining 52 import permits were still missing. The Company had already informed the Customs Department to also examine the documents that were with the Customs Department because if the Company had not obtained the import permits, the customs officers should not have been able to inspect the goods and give clearance. In addition, since this was an examination on matters which

happened years ago, there were obstacles in finding the relevant permits. Currently, the Cargo & Mail Commercial Department was in the process of finding the relevant permits. At the initial stage, no corruption by the Company's employees was found. The Company had also disputed against the legal issue on the import of meats, liquor and others for which a permit was required under the customs law that the law did not require that the permit must be declared at the time the goods were import into the Free Zone and, in practice, the Company always declared the import permits. Such matter had not yet come to conclusion and the Company was in the process of finding documents and clarifying the Customs Department. Should there be any progress, the Company would subsequently inform the shareholders.

In relation to the monthly remuneration of the Audit Committee, Article 16, Chapter 2 of the Ministry of Finance's Regulation on Audit Committee and Internal Audit Division of State Enterprise B.E. 2555 provided that the audit committee must also receive remuneration as member of the audit committee in addition to the remuneration of the director of state enterprise in a monthly lump sum amount equivalent to the meeting allowance of the director of such state enterprise. It was also provided that the chairman of the audit committee shall receive higher remuneration by 25% of such remuneration and the secretary of the audit committee shall receive a monthly lump sum remuneration in the amount of half of the remuneration for the member of the audit committee. Moreover, the rules and practice guidelines for audit committees of state enterprises of the Ministry of Finance according to Article 4 of the letter of the Ministry of Finance No. Gor.Kor 02029/Wor.76 dated 11 August 2000 specified that the remuneration of the audit committee shall be paid in lump sum on a monthly basis in the amount equivalent to the meeting allowance of the state enterprise's director. If there is no meeting in any month, remuneration shall not be paid and shall not be reduced by 20% according to the letter of the Office of the Secretariat of the Cabinet (most urgent) No. NorRor. 0205/1712 dated 16 February 1998 Re: Reduction of Meeting Allowance of State Enterprises as it did not fall under such resolution of the cabinet. For the member of the audit committee of state enterprise that had securities listed on the Stock Exchange of Thailand, they shall receive remuneration in accordance with the shareholders' resolution. The determination of monthly remuneration for the Audit Committee of the Company was therefore in compliance with the Ministry of Finance's regulations.

With respect to the quantity of passengers in the next year and the factors which the Company expected to affect the quantity of passengers, there were quite numerous details in relation to such matter. Thus, he explained in brief that many agencies had estimated that the quantity of passengers would grow slowly in 2019. At present, the demand of passengers in the market did not grow as much as in the previous years because the higher oil price impacted the travel expenses. This was different from the past when the oil price was low so the passengers were motivated to travel by plane. Secondly, Thailand was impacted by the number of Chinese tourists decelerating because of the economic situation and the trade war between China and the United States of America. Lastly, it was political factors and circumstances around the world such as the closure of airspace, the war in Bangladesh or the unrests in some areas. All of these factors caused an adverse effect to the growth of the quantity of passengers. Nevertheless, the Company's management had always followed up on these matters and relevant measures and strategies would have to be adjusted to be consistent with the occurring situations.

In relation to other remunerations of directors, the Board of Directors did not receive any other welfare or benefits from the Company besides the remunerations proposed to the Meeting for consideration in the previous agenda.

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For the Royal Orchid Plus Frequent Flyer program of the Company, the Mileage Point collected by the passengers would be recorded as the Company's liability in the financial statements. The Company had recorded such liability at the rate of 80%. However, the net figure of such item was still being reviewed by the State Audit Office of the Kingdom of Thailand and the Company will disclose the same in the next occasion. On the issue that the shareholder expressed the concern on how would the adjustment of the rate of redemption of Mileage Point for plane tickets impact the customers' satisfaction, he explained that he found that there had been a lot of problems in connection with the redemption of collected Mileage Point for plane tickets in the past. The Company found that there were a large number of Royal Orchid Plus members that had collected many Mileage Points but they could not exercise their rights to redeem them for plane tickets. This was because, in the past, it was necessary to excessively limit the amount of redemption for plane tickets in order that the Company's revenue from ticketing would not be affected. This might rather cause a negative result by creating dissatisfaction of the customers who had collected Mileage Points but could not redeem them for plane tickets. He had spent months studying and discussing with the relevant commercial department(s) until a conclusion had been reached that the Company would increase the Mileage Point rate to be used for redemption for plane tickets in order to compensate the loss suffered by the Company from the redemption for plane tickets. However, the Company would adjust the Mileage Point redemption rate so that they could be used as cash equivalent. This would be different from the past where the redemption of Mileage Points were like reward redemption which there must be a seat limitation of each flight, for example, the redemption could be made for not more than 5% of Business Class or First Class and in the Economic Class, higher rate of redemption would be prescribed. When the redeemed tickets were over the limits, the tickets could no longer be redeemed for. It would then turn out that the customers who collected many Mileage Points would lose benefits and would be dissatisfied since they collected a lot of Mileage Points but were unable to redeem the same for plane tickets until they were expired. The Company itself did not want such result. The Commercial Department thus proposed the redemption rate for plane tickets to be increased but valued as cash equivalent. That was there would be the calculation as to how much Mileage Point cash equivalent must be used for the relevant route at the relevant time. This would be different from the current redemption for plane tickets which was in a manner of reward redemption. Moreover, the Company would also increase the Frequent Flyer rate of Frequent Flyers so that they receive higher Mileage Points according to the ticket level. That was there would be an adjustment to the demand and supply. The last thing that the Company would do was negotiating with the credit card issuers who were the Company's business partners. The Company's customers may, to some extent, receive less benefit if compared to credit card users. The users of credit cards of which the issuers were the Company's business partners might use to exchange the collected credit card points for Mileage Points. Such collected points were obtained by using credit cards in daily life and that was different from the Company's Frequent Flyer. It appeared that many credit card customers had exchanged their collected points for collected Mileage Points; whereas, the rate for exchanging collected credit card points for collected Mileage Point was, at present, quite unfair. Therefore, during the past 2 – 3 months, the Commercial Department had negotiated with all of the credit card companies in order to have such exchange rates adjusted for fair. The Company even had to terminate the former contract and enter into a new one with certain credit card companies; while the Company was able to agree with certain credit card companies to adjust the exchange rate straight away. All of the 4 things already explained were the management of Royal Orchid Plus

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Frequent Flyer program in order for the collected Mileage Points to be usable. It was expected that this would take effect in this October. In the meantime, the Company would encourage the customers to use the collected Mileage Points. For example, normally, if a customer had less 10,000 collected Mileage Points, she/he would not be able to redeem the same for any plane ticket to anywhere. The Company would encourage the customers to use the collected Mileage Points and add cash to redeem for plane tickets, particularly during the low season. This would also create opportunities for the customers who had collected Mileage Points with the Company to enjoy the most benefits during the low season. He had already assessed and discussed with several relevant units of Commercial Department on the appropriateness to proceed with such measures. By asking the chief executive officers of several listed companies who were the customers having many collected Mileage Points, he found that they could not exercise their rights to redeem for the plane tickets because they were unable to reserve seats for a long period of time in advance. That was due to the fact that they would usually know their travel schedules only a short while in advance. They would be more satisfied if the collected Mileage Points could be exchanged as cash. In addition, this group of customers was not those who exchanged the collected credit card points but were the passengers who travelled frequently. Thus, these measures also solved such problem. He believed that, in the long term, the customers would understand and these would help balance the collected Mileage Points to be one of the Company's marketing tools in the future.

For the investment in NOK Air, the Company decided not to do the capital increase in the 1<sup>st</sup> capital increase because the Company viewed that NOK Air did not have a clear investment plan. The Company is a state enterprise and the Board of Directors has the responsibility in its investment decisions. The Board of Directors, therefore, could not vote to approve for the Company to increase the capital in NOK Air. As for the 2<sup>nd</sup> capital increase, there was a prior preparation. The Company appointed a financial advisor to study the suitability of investment and such financial advisor had prepared, in writing, its opinion that the investment was advisable. The Board of Directors had considered and agreed with such opinion of the financial advisor. The Board of Directors, thus, resolved that the Company increase the capital in NOK Air. For the 3<sup>rd</sup> capital increase when he was already appointed as the President, the Company inquired the major shareholder of NOK Air and knew that it was under the reorganization process. However, the Company was not clarified on the work plan although the management of NOK Air had presented its business plan to the Company's management for acknowledgement. When considered by the Company, there were a number of observations which made the Company unable to decide to increase the capital in NOK Air. For the shareholder's observation that the Company should at least attend the meetings, because in the case that the Company could not decide on the capital investment but was present at the meeting, the Company would have to abstain from voting and as a result, there would have been insufficient affirmative votes to approve the capital increase because the Company held a high portion of shares. Accordingly, the Company decided not to attend the meeting in order for NOK Air to be able to increase its capital. However, the Company did send its representative to observe the meeting. The Company supported NOK Air to do the capital increase as to solve problems and so that it would not be delisted from the Stock Exchange of Thailand. The Company was only unable to approve to purchase the share capital from the capital increase in NOK Air because NOK Air was still unable to present a clear work plan. Should there occur any damages, the management executives or the directors approving such matter would have to be responsible. Therefore, the Company agreed to decrease its shareholding ratio. Although such circumstance was not the best

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one, it did not cause damages to the Company or NOK Air. In this regard, yesterday, he attended the shareholders' meeting of NOK Air as director. He would like to inform that NOK Air tried to adjust its work plan and the Company was ready to assist NOK Air in doing so. As for the preparation of NOK Air's strategy plan which tried to create the connectivity with the Company, the management and the board of directors of NOK Air had a plan to move to operate at Suvarnabhumi Airport instead because it found out that in operating at Don Mueang Airport, NOK Air was unable to connect with other airlines. That was because Air Asia airline was the main operator so it did not send customers to NOK Air as NOK Air was its competitor in the same market. Accordingly, NOK Air had a plan to move to operate at Suvarnabhumi Airport where it could connect with other airlines including the Thai group such as Thai Airways. Based on the information appearing in the shareholders' meeting of NOK Air, the situation assessment was that many financial figures had improved but they had not yet reached the points where it could be deemed that NOK Air was relieved from the current situation. Accordingly, please be informed that the decisions of the Company's management were made based on the information that the Company had to the best the Company's management could and were made for the operation which was deemed beneficial to both companies.

In relation to the quantity of food served to the passengers on board, the Company did not reduce the quantity. In general, in the food production process, the food together with the tray would be weighed and the Company controlled the average quantity of food for the Economy Class to be at approximately 500 – 600 gram per tray. The Company also controlled the quality by randomly checking that the quantity was in accordance with the prescribed standard. The main dish's quantity would be at approximately 260 – 280 gram. Accordingly, he would like to confirm that in the past year or years that the Company received the Best Economy Class Onboard Catering Award and the Company still receives the same, the Company had a plan to improve by increasing the weight of the main dish for the Economy Class from 260 – 280 gram to 300 – 320 gram. It had already been increased for certain routes such as Australia. However, at present, it was still under the Company's consideration at the overview level as to how to proceed. Accordingly, he confirmed that there was no reduction of the quantity of food served on board.

Mr. Anurak Teeralertswaynai, a shareholder, stated that he was confident that all of the directors were determined to manage for the benefits of the Company. However, the Company still suffered a loss and the operation result did not reach the target aimed. In order that the shareholders would not criticize the management of the Board of Directors and that the Board of Directors would have a norm in its management, it was requested that a norm be set such that if the Company's Board of Directors was unable to manage the Company to have a profit or reach the target prescribed in the vision, the Company would reduce the remuneration of the Company's Board of Directors by approximately 10 – 20% of the remuneration that the Board of Directors should receive. It was also requested that such norm be applied to both the current Board of Directors of the Company and the new board of directors that will come in to manage the Company in the future. This would make the new board of directors that would come in to manage the Company prepare and study the Company's strengths and weaknesses as well as analyze the competition strategy by using the SWOT technique before coming in to solve the Company's problems. In case such a new board of directors had studied and deemed that they had no capability to solve the Company's problems, they would not have to take the positions in the Company.

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Mr. Norachet Sangruji, a shareholder, stated that the President's explanation in response to his question was clear. However, he requested the Company to communicate to the Royal Orchid Plus member card holders on the solving of problems in relation to the redemption of Mileage Points for plane tickets. The President had not yet responded to his query on the allocation of seats opened for reservation in the redemption of Mileage Points for plane tickets. He found that, as the ticket reservation was open about 310 days in advance, he tried to reserve the plane tickets in the first week the Company opened the reservation by redemption of Mileage Points for plane tickets. However, he found out that he was unable to redeem the collected Mileage Points for plane tickets. He was happy that, as informed by the President, the problem on redemption of Mileage Points for plane tickets would be solved to be more fair. However, he requested that the problem on the allocation of seats opened for reservation in the redemption of Mileage Points for plane tickets as to whether there were sufficient seats also be considered. That was because even in the first week the Company opened for the reservation by redemption when there definitely must have been available seats for such reservation given there must have been, in respect of every flight, the seats allocated for reservation by redemption of Mileage Points for plane tickets, he tried to reserve the plan tickets but he was unable to exercise his right. He did ask in relation to such exercise of right in the system and with the Call Center but he was still unable to exercise the right until he nearly did ask to inquire the Executive Vice President, Commercial why he was unable to exercise the right. He had waited the queue in order to exercise the right until the right was expired. This problem should not be relevant to the system improvement as explained by the President. Therefore, for the customers' satisfaction and the environment, social and governance (ESG) of the Company to be sustainable, he requested that there should be an inspection on why there was no available seat on the flights opened for reservation by redemption of Mileage Points for plane tickets whereas when the passenger travelled on such flight, it was found that there were empty seats on such flight. The relevant persons were also requested to solve this problem.

For the Company's expenses, the President should discuss such matter with the Commercial Department because the Company's expenses did not vary based on the number of passengers but they were fixed costs. Based on his experience, he found that many flights had numerous empty seats. Therefore, the Company should use such empty seats in its sale promotion. He expected that such proceeding should have already been in the work system as already explained by the President. He raised the observation on such matter because he found that, according to liability item of the Company's financial statements, the unearned revenues from transportation was in the amount of Baht 30,624 million which was the 3<sup>rd</sup> highest and was after only the debentures in the amount of Baht 55,320 million and the liability under the terms of the aircraft lease agreement(s) in the amount of Baht 50,282 million. For the Company's financial condition to be better, if the Company could solve such expense problem, it should proceed so. For the Company not attending the shareholders' meeting of NOK Air, he did not agree with such decision because the Company, as state enterprise, should adhere to the good governance principle. Since the Company had a significant shareholding ratio in Nok Airline Public Company Limited although, at present, there had been a dilution in the Company's shareholding, the Company's decision still had an impact on other shareholders. Although the Company did not intend to obstruct the capital increase of Nok Airlines Public Company Limited, the Company should not have decided not to attend the meeting. If the Company did not receive a business plan which was sufficiently clear, the Company should attend the meeting to express its opinion on such business plan being unclear and further explain as did the President

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to the shareholders today that the Company did not object the capital increase of Nok Airlines Public Company Limited because it deemed that there was no other way to solve the problem so that the Company's opinion would be recorded at the meeting. In comparison with the Company, if the Ministry of Finance being the major shareholder of the Company did not attend the Company's meeting, to what extent that would impact the Company. Therefore, if Nok Airlines Public Company Limited is still unable to solve the problems in the future and the same case occurs, he insisted that he did not agree with the decision not to attend the meeting and he deemed that such decision was not appropriate and ought not to do.

Mr. Wiwat Sornsermsombat, a shareholder, requested for the President's concrete explanation with regard to the competition strategy analysis using the SWOT technique, such as what were the Company's strengths and weaknesses in its business operation at present and the opportunities and obstacles of the Company in its business operation in the future. In addition, the Company was requested to prescribe the rules on solving the problem on the number of empty seats on the planes by prescribing that within 3 months from now, the number of empty seats would be decreased. This could be the index which indicates the performance of the Company's personnel. Such rules should be prescribed in the management by objectives (MBO) of low to high ranking employees for the employees to follow up and oversee such problem solving to be in accordance with the rules. Moreover, the Company should study the causes of the present loss from higher oil price and prescribe the rules for solving such problem for the Company to have the least impact. For the Company's financial management, he would like the management executive who was a financial expert to manage the Company's finance as if he/she manages his/her own money in order for the spending to be most beneficial to the Company. Moreover, the Company should set milestones to follow up on the result of the solving of such problems by prescribing 3 months, 6 months, 9 months and 12 months as the time to follow up that these problems have been mitigated. Otherwise, the Company would not be able to solve the problems that it was currently facing and it might cause the Company as Thailand's national airline to become the foreign company's. In addition, the competition rate of airlines was currently quite high and there were more low cost airlines. As a result, more major airline companies faced the loss problem and quitted operating their business. Accordingly, the Company as a major airline company might not be able to compete and continue to operate its business. Moreover, in order for the content of the financial statements to be more easily understood by the shareholders, he requested that the financial statements be presented in a form of pie chart or clustered column chart for the comparison of the income and expense figures of each year.

Mr. Suchart Mitpakwaen, a proxy, stated that the Company's good governance prescribed only in relation to the prevention but not the suppression. Moreover, he viewed that the Company did not comply with the good governance, particularly on the personnel appointment and transfer. That caused the Company to suffer a loss because the Company appointed the persons who had no knowledge nor capability to administrate and manage and as a result, the administration and management were inefficient causing the Company to suffer a loss. For example, the persons having no knowledge or capability were appointed to take positions in the Catering Department and so there were disputes within the department causing damages and as a result, the Catering Department suffered a loss which it had never suffered before. The Managing Director of Catering Department was thus requested to closely monitor such matter.

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Mr. Surasit Sriprapha, a shareholder, stated that as explained by the President that the Company had not yet obtained all of the import permits, he raised the observation that since the Company had not yet obtained the permits to import food and drugs because the relevant agency did not approve to issue the permits with a retrospective effect, he would proceed to have the Department of Special Investigation of Thailand investigate whether or not the Department of Livestock Development or other relevant sectors had received approvals for retrospective issuance of the permits. He did not want the Company to suffer damages but he wanted to have the facts proved. In the past, the Customs Department had consulted with the Office of the Council of State and the Office of the Council of State had opined that government agencies cannot issue permits to have a retroactive effect. Moreover, in addition to the complaint in relation to 37 employees that took leaves non-compliance with the regulation constituting a fraud of the time they actually worked, there was a complaint on the case where an employee whose employment was terminated due to his/her misuse of Code 41 (the code for taking a leave to perform work outside of office) as it was found that some employees used Code 41 to take leave to perform work outside of office but, instead, they went gambling in the neighboring country. Nevertheless, such employee returned to work in the Company and committed a forgery of salary envelope. However, the Company punished such employee by only deducting the salary of such employee. At present, the court had rendered its judgment to impose an imprisonment on such employee but granted a probation. He did submit a complaint on such employee's wrongdoing again as he found that such employee did not perform his/her work. At present, the fact was concluded that such employee did actually commit as such but no relevant action had been undertaken until 2 years had passed. As informed by the President that such matter was currently under the consideration of the Vice President, Aviation Business Unit, he would like to inform that according to Chapter 2 of the Company's regulation on the Company's discipline on punishment, in case a disciplinary investigation committee has been appointed, the investigation must be completed within 90 days. If it could not be completed within such period, such period could be extended for 2 times and for 15 days for each time. However, the Company had not yet appointed a disciplinary investigation committee and so the disciplinary investigation had not yet been commenced. Therefore, he requested the President to accelerate this matter because if such matter was neglected and stuck with at the consideration of the Vice President, Aviation Business Unit, it would have no benefit for the Company. Moreover, he had made a complaint about the former president's wrongdoing until his salary was deducted. He also found out that the former president committed a wrongdoing in violation of the Company's disciplinary regulation on personnel management, Chapter 2 Disciplines, Punishment, Appeal and Complaint B.E. 2554 which was related to the performance under the employment contract. He asked the Legal Department of the Company that in case the former president actually did commit such wrongdoing, will the former president be punished and how? As per his personal understanding, since the president employment contract was a contract which was made pursuant to the law on standard qualifications of directors and employees of state enterprises, in case such former president committed disciplinary wrongdoing, it should be deemed the offence under Section 11 of the Act on Offences Committed by Officials of Government Organizations or Agencies B.E. 2502 which was a similar offence with Section 157 of the Criminal Code. However, the Company's Legal Department had sent a letter in response to his queries that the president was not subject to the labor law. He did not think that was relevant because the Labor Protection Act B.E. 2541 applies to private organizations.

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Mr. Teerawat Wongwanich, a proxy, stated that he proposed the President to inform the resolution of Agenda 8 and since this Agenda 9 had been discussed for almost 2 hours, it was now appropriate and the President was requested to adjourn the Meeting.

Miss Suporn Patumsuwanvadi, a shareholder, stated that the Chairman had not yet answered the question in relation to the remuneration and the tax payment duty. Moreover, she discovered that a company supported disabled persons by, instead of contributing money to the fund for disabled persons, employing the persons with vision disabilities to provide massages to the employees of such company at its factory(ies) and to the shareholders at the shareholders' meeting. That also permitted the disabled persons to have additional incomes. In addition, she thought that it was good to present and explain the Company's internal information to the shareholders' meeting for acknowledgement. Moreover, she requested that the President, as the new generation, had courage to change and reform the Company's operation in order for the Company's operation to be transparent including for the Company's operation result not to be at a loss and the Company to be sustainable by preventing the Company from facing so much problems that there must be a business rehabilitation or the Company's business must be sold to other person(s). If the current Board of Directors and the current management executives could solve the problems and make the Company to return to being successful, it would be the honor and the pride of the Board of Directors and the management executives.

Mr. Surasit Sriprapha, a shareholder, stated that the customs duty issue was not the Company's internal issue. Moreover, if the Board of Directors would give an opportunity for the shareholders to submit their complaints in the Board of Directors' Meeting every month, it would be useful and the shareholders would not have to explain and discuss in the shareholders' meeting.

Mr. Sumeth Damrongchaitham, the President, stated that for the meeting with the employees as proposed by FS1 Somsak Manop, in the beginning of the year, he was in the middle of preparing such work plan to discuss with the directors on the improvement and restoration of the work plan which may take a while. At present, the relevant departments were informed that there would be site visits in several areas. During the past period, he was informed that the Technical Department at the U-Tapao International Airport requested for his site visit and he had already made a plan to visit such site. Although traveling to each area might take time, he would spend the time efficiently.

In relation to the supporting documents asked by the shareholder, he would arrange for the relevant department to inspect the system and manage to fix it.

For the criteria for considering voided ballots, the Company had prescribed the rules which had standard and were clear. He asked the officer who was relevant to the vote counting to explain as inquired by Miss Suporn Patumsuwanvadi.

For the report on the operation result, the Company had already reported the operation result on a quarterly basis. Moreover, during the past 8 months, he commenced to see more employees by using Facebook live with the employees working at the head office, the Thai Airways' Operation Center (OPC) and the offices in other countries including recording video clips and editing the same to be more concise in order that the employees working in other

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countries would have the opportunity to listen to additional opinions and that there was more communication between the management executives and the employees.

For the communications between the management executives and the shareholders, at present, there had already been such communications. For the past period, he had given more interviews to the press agencies on a daily basis and responded to questions on every issue. Therefore, the shareholders could always follow up on the progress of the operation of the management executives or the policies through such news.

In relation to the recruitment of the Company's management executives both for the president position and other lower ranking positions, the qualifications and the recruitment process had already been prescribed in accordance with the rules under the Act on Standard Qualifications of Directors and Employees of State Enterprise B.E. 2518 by the State Enterprise Policy Committee. Because the relevant law required that the President must also be the Company's director and he was appointed as the Company's director to replace that resigning one, the term of his office was equivalent to the remaining term of the director who resigned. Therefore, he was the director who had to retire by rotation at this Meeting and this matter was proposed for the Meeting's consideration in Agenda 7.

For the management executive position(s) being currently vacant, many management executives would be retiring this year. However, he did try hard to find the suitable person(s) to complete the management executive committee by looking at both the middle-ranking employees of the Company to come into being the management executive and the external personnel who had the knowledge, experience and vision that were useful to the Company. He personally intended to give more opportunity to the Company's internal personnel than external persons.

In relation to the reduction of the rental charge of Airports of Thailand Public company Limited (AOT), the Company had discussed with AOT all along. The Company had informed certain issues to the Ministry of Transport which was the supervisory and regulatory authority of AOT and the Company, in order for the Ministry of Transport to help negotiate and mediate for those issues to be finalized.

For the tax payment, all of the directors paid the tax by themselves and the Company was not responsible for any such expenses.

For the competition strategy analysis by using the SWOT technique, the Company had 3 strengths. The first strength was the Company's branding image because Thai Airways was a reputable airline which had credibility for both Thai and foreign passengers. The second strength was the good flight slots which were convenient for both domestic and international passengers. Thirdly, Thai Airways had the best personnel in the aviation industry. As for the Company's weaknesses, for example, many operations were not up to date nor adjusted to changes. As a result, the Company's ability to compete was not on par with other leading airlines. Many people may be of the view that another weakness of the Company was that the Company had a large amount of debts. However, his opinion was that, in comparison with other airlines having less debt than the Company, those airlines had significantly more capital than the Company. It was impossible to manage by having both the low amount of debts and capital. If the Company was to have high capital, the shareholders would have to invest more money in the Company. Nevertheless, he would closely control and supervise the management of the Company's debts.

In relation to the punishment for the president in case he committed a disciplinary offence, although the employment contract did not specify that the president shall enjoy the benefits under the State Enterprise Labor Relations Act B.E. 2543, the president must be subject to

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punishments under the Company's regulations. Moreover, he might be filed a civil lawsuit against without any special exemption. Even in the case of being the director position, the director would be subject to the same punishments including the punishments under the relevant laws of the Office of the Securities and Exchange Commission (SEC) and the National Anti-Corruption Commission (NACC).

For the suggestions brought up by the shareholders at the Meeting, he had the relevant department record them and report a summary thereof to him in order to inform the management team for relevant handling. For the various complaints, he intended to proceed to finalize them quickly as wished for the same by the shareholders. He would urge that they were proceeded on issues for them to be finalized quickly and he would inform the result for the shareholders' acknowledgement later on.

Miss Sirilak Thaisiriniyom, the proxy who was the witness for the vote counting, explained that in relation to the voided ballots asked by the shareholder, there were cross marks in both the affirmative vote block and the abstention block in the first ballot. Thus, it was a voided ballot. For the other ballot, there were cross marks in two voting blocks and a striking out without signature. Thus, it was a voided ballot.

Mr. Sittichoke Boonvanich, a shareholder, stated that although the Company's general shareholders' meeting took a long time, it was a good example because there were useful and substantive opinions and knowledge on aviation techniques. Since Thai Airways was the national airline having the assets in the amount of Bath 200,000 million but suffered a loss of as much as Baht 20,000 million in 2014. Although the Company suffered less loss this year, it still suffered a loss. The majority of the public understood that the Company received subsidies from the government to procure and purchase aircrafts for its business operation. However, the Company was unable to operate its business to have a profit. Therefore, the public may blame the Company's personnel that they were the burden of the country. On the other hand, in case the Company is able to operate its business to have a profit, the Company's personnel would be honored and praised that they were capable. He praised the Corporate Communication Department that it provided information swiftly and did public relations to explain on the news that had a negative impact on the Company. He also praised the Company that it had already solved the problem that the Company's onboard appliance were unlawfully brought out for sale. On the non-payment of dividend to the shareholders, he proposed that the Company instead issue warrants to the shareholders. Moreover, he was of the opinion that since the Company had very good routes and flight schedules, the Company should use such advantage by managing the Company to be able to have a profit from such routes as much as possible. In addition, for the problem on a redundant amount of the employees of the Company, the amount of Thai Airways' passengers was the same with that of Singapore Airlines but there were 10,000 more staffs in Thai Airways than Singapore Airlines. Also, the revenues of the Company's employees were 2 time less. He was not certain if these problems had been fixed. For the loss from oil price, he proposed in the general shareholders' meeting of PTT Public Company Limited that there should be a control of aviation oil which was sold to the Company so that the Company would not face a loss from the oil price fluctuation.

Mr. Suchart Mitpakwaen, a proxy, stated that, although over a year had already passed, the relevant person(s) had not yet responded to his queries in relation to the investigation of and the

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punishment to the person who disclosed the petitioner's name as the petitioner submitted a complaint/petition to the management executives-, and his queries in relation to the investigation in the case where the Company's employee being in charge of making the sweet brown sauce was bullied. Therefore, he requested for a response to his question that at which stage that the investigation was and who was guilty as one year had passed already.

Miss Suporn Patumsuwanvadi, a shareholder, asked the Chairman to respond to every question asked by the shareholders at the Meeting. Regardless of whether or not the Company would proceed as per the shareholders' suggestions, please inform the shareholders. Then, she asked if the person explaining on the voided ballots case was the shareholder or the representative of the Legal Department.

Miss Sirilak Thaisiriniyom, a proxy, responded to the question of Miss Suporn Patumsuwanvadi, a shareholder, that she was a proxy appointed by a shareholder.

Miss Suporn Patumsuwanvadi, a shareholder, stated that if such voided ballots had been considered by the shareholder's representative, she trusted such consideration. She also praised the shareholders who casted negative votes on each agenda because that demonstrated their freedom in voting at the Meeting. She also praised the Chairman and she hoped that the Chairman and all directors would be able to change the management of the Company to be more transparent than it was in the past.

Mr. Sumeth Damrongchaitham, the President, asked the Managing Director of the Catering Department to explain on the relevant matters.

Mrs. Varangkana Luerojvong, a management executive, explained that on the first issue in relation to the eggs in sweet brown sauce recipe, the Company had its recipe for such dish which prescribed the ingredients which needed to be weighed and measured. It was an exclusive recipe of Thai Airways' Catering Department which was served for almost 60 years. Therefore, it was unlikely that someone had tasted it in order to change the taste of such dish. On the second issue in relation to the personnel recruitment, as explained by the Chairman, the Company already recruited its personnel pursuant to the good governance system. Also, there was the recruitment process for all personnel including those in the Catering Department in order to have the persons who have specific qualifications and were suitable to the positions in the Company.

Mr. Sumeth Damrongchaitham, the President, stated that for the investigation on the person who disclosed the shareholder's name in case the shareholder submitted a complaint to the management executives, because the Company received numerous complaints, he would like to look into this and would subsequently inform the result to the shareholders.

The Chairman thanked all shareholders for their time in attending the Meeting, providing opinions and suggestions as well as asking useful questions for the Company and for helping to save time of this Meeting. He wished a safe travel back for every shareholder.

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During the Meeting, there were additional shareholders and proxies present at the Meeting and so there were a total of 897 shareholders and proxies present representing 1,633,390,536 shares, equivalent to 74.8310% of all shares.

The Meeting was adjourned at 19:17 hrs.

(Signed) *Lasanan Leelamane*  
(Mrs. Lasanan Leelamane)  
Corporate Secretary  
Secretary to the Meeting  
Minutes Keeper

(Signed) *Sumeth Damrongchaitham*  
(Mr. Sumeth Damrongchaitham)  
President

(Signed) *Ekniti Nitithanprapas*  
(Mr. Ekniti Nitithanprapas)  
Chairman of the Board of Directors  
Chairman of the Meeting