

(Translation)

**Minutes of Annual General Meeting of Shareholders for the Year 2012  
Of  
PTT Global Chemical Public Company Limited**

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**Time and Place**

The Meeting was held on Monday, April 2, 2012 at the Bangkok Convention Center, 5<sup>th</sup> Floor, Central Plaza Ladprao, 1695 Phaholyothin Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900.

**The Meeting Commenced at 15:00 Hours**

Before the commencement of the Meeting, the video detailing the meeting room safety instruction was shown.

Mr. Prasert Bunsumpun, Chairman of the Board of Directors, presided over the Meeting as its Chairman, welcomed Shareholders and informed the Meeting that on the Record Date, the Company had registered the capital at Baht 45,129,302,690 (Baht Forty-Five Billion, One Hundred Twenty-Nine Million, Three Hundred and Two Thousand, Six Hundred and Ninety), by dividing into 4,512,930,269 ordinary shares (Four Billion, Five Hundred Twelve Million, Nine Hundred Thirty Thousand, Two Hundred and Sixty-Nine), par value at Baht 10 per share and the paid-up capital in the amount of Baht 45,066,439,890 (Baht Forty-Five Billion, Sixty-Six Million, Four Hundred Thirty-Nine Thousand, Eight Hundred and Ninety). There were total 4,821 shareholders attending this Meeting in person and by proxy, representing a total 2,981,222,668 shares or 66.15 percent of the Company's outstanding shares. Therefore, a quorum was formed in accordance with the Company's Articles of Association.

The Chairman then declared the Annual General Meeting of Shareholders for the Year 2012 open and introduced all Directors attending the Meeting, who were:

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| 1. Mr. Somchai Kuvijitsuwan              | Independent Director, Chairman of the Audit Committee  |
| 2. Pol. Gen. Sereepisut Tameeyaves       | Independent Director, Chairman of the Corporate Governance Committee   |
| 3. Mr. Prajya Phinyawat                  | Director   |
| 4. Mr. Nuttachat Charuchinda             | Director, Director to the Nomination and Remuneration Committee  |
| 5. Mr. Suthep Liumsrijareern             | Independent Director, Director to the Risk Management Committee  |
| 6. Pol. Gen. Sombat Amornvivat           | Independent Director, Director to the Corporate Governance Committee   |
| 7. Air Chief Marshal Somchai Thean-anant | Independent Director, Director to the Nomination and Remuneration Committee                                    |
| 8. Mr. Veerasak Kositpaisal              | Director and Secretary to the Board of Director, and Chief Executive Officer                                   |
| 9. Mr. Bowon Vongsinudom                 | Director, Director to Corporate Governance Committee, Director to the Risk Management Committee, and President |

10. Mr. Vasin Teeravechyan	Independent Director, Chairman of the Nomination and Remuneration Committee
11. Mr. Sukrit Surabotsopon	Director, Chairman of the Risk Management Committee
12. Mrs. Raweporn Kuhirun	Independent Director, Director to the Audit Committee
13. Mr. Amnuay Preemonwong	Independent Director, Director to the Audit Committee
14. Mr. Kriengkrai Thiennukul	Independent Director, Director to the Corporate Governance Committee

There were five Independent Directors: Pol. Gen. Sereepisut Tameeyaves, Mr. Suthep Liumsirijarern, Mrs. Raweporn Kuhirun, Mr. Kriengkrai Thiennukul and Mr. Amnuay Preemonwong were delegated by certain minority Shareholders as their proxies.

The Chairman then requested Mr. Veerasak Kositpaisal, Chief Executive Officer to introduce the attending executives as follow:

1. Mr. Dhanes Charoensupaya	Executive Vice President, Growth Sustainability and Innovation
2. Mrs. Puntip Oungpasuk	Executive Vice President, Corporate Strategy
3. Mr. Patiparn Sukorndhaman	Executive Vice President, Finance and Accounting
4. Mrs. Thasnalak Santikul	Executive Vice President, Corporate Affairs
5. Mrs. Sriwan Eamrunroj	Executive Vice President, Marketing, Commercial and Supply
6. Mr. Suvit Tinnachote	Executive Vice President, Group Performance Center - Olefins
7. Mr. Narong Bunditkamol	Executive Vice President, Group Performance Center - Aromatics
8. Mr. Porntep Butniphant	Executive Vice President, Group Performance Center - Refinery and Shared Facilities
9. Mr. Athavudhi Hirunburana	Executive Vice President, Polymers Business Unit
10. Mr. Sermsak Sriyaphai	Executive Vice President, EO-Based Performance Business Unit

The Chairman introduced Mr. Vairoj Jindamaneepitak and Mr. Winid Silamongkol, the auditors of KPMG Phoomchai Audit Limited (KPMG) acting as the Company's auditor, Mr. Kitipong Urapeepatanapong, the legal advisor of Baker & McKenzie Limited, and also introduced Volunteer of Shareholders' Right Protection, the representative of Thai Investors Associations who attended the Meeting.

Before starting with the agenda, Mr. Veerasak Kositpaisal, Secretary to the Board of Directors explained to the Meeting the following method of Shareholders' voting and vote counting for casting in each agenda:

- A Shareholder may cast a vote for approval, objection or abstention on each agenda on voting cards received when registered. The voting was counted one share one vote.
- Only votes for objection and abstention on each agenda would be counted and deducted from the total number of shareholders attending the Meeting, whereas the remaining portion would be deemed as approval votes on such agenda.

- If there were Shareholders disagreed with any agenda, they were asked to raise their hands and the staff would collect their voting cards that already filled in for the vote counting.

- Approval voting cards on every agenda would be collected after the Meeting adjourned in order to check the votes.

- If any Shareholder or proxy would like to give opinions or to ask questions, he/she would have to state his/her name to the Meeting before giving of his/her opinion or ask question in order that it would be recorded correctly and completely in the Minutes of the Meeting.

- The Company's Directors who were also shareholders: Mr. Prasert Bunsumpun, Mr. Prajya Phinyawat, Mr. Nuttachat Charuchinda, Mr. Bowon Vongsinudom and Mr. Veerasak Kositpaisal did not register to attend the Meeting.

- In case of Foreign Shareholders asking questions in English, the Company provided interpreters to translate such questions into Thai, then the Directors/Executive Officers would answer in Thai to ensure mutual understanding of the Meeting. The interpreters would translate the answers into English to the Shareholders who asked the questions as well.

- Mr. Nitikan Ramanat of Baker & McKenzie Limited and Mr. Nuttapol Netsiriarporn, a volunteer from the shareholder group were witnesses in the vote casting.

The Chairman also reported that to perform in compliant with good corporate governance although the Company was recently incorporated the announcement on the Company's website was made in advance from December 26, 2011 to January 31, 2012 inviting Shareholders to propose the agenda for Annual General Meeting of the Shareholders for the Year 2012 and to propose Director Nominee. However, there were no propositions submitted to the Company. Thereafter, the Chairman proceeded with the Meeting in accordance with the following agendas:

**Agenda 1 To Acknowledge the Company's Operation for the Year 2011 and Recommendation for the Company's Business Plan**

The Chairman informed the Meeting that the Company's operation for the year 2011 as detailed in the 2011 Annual Report, which was sent to the Shareholders together with invitation to the Meeting. The video presentation on the Company's operation for the year 2011 and recommendation for the Company's business plan was presented to the Meeting.

After the video presentation, the Chairman asked for comments and any questions for the Company's operation for the year 2011 or any suggestion for the Company's business plan.

Shareholders raised additional summarized comments and questions as follows:

- Mr. Chatchai Koonngam  
Shareholder
- :
1. Based on the 2011 Annual Report, page 334, Technical Terms & Abbreviations, there were abbreviations and pronunciations without definition which would enable the Shareholders to be knowledgeable about the products;
  2. According to a magazine article, the Company invested in Perstorp Holding France SAS (Perstorp) which was an owner of more than 30 patents and an owner of technology and a major manufacturer of isocyanates. What was Isocyanates? Was it similar to Potassium Cyanide?
  3. Due to the amalgamation, the number of Shareholders increased, the Company might consider increasing the number of registration staff etc. At the beginning of the amalgamation, the Company still had expenses incurred from the amalgamation. How long would it take to release this burden so that the Company would reach the real value?
  4. There should be the Shareholders' site visit.
- Mr. Prasert Bunsumpun  
Chairman
- :
- For the question no. 4, the Shareholders' site visit was a policy of PTT and its subsidiaries. Since there were a large number of Shareholders, the Company should take into consideration to arrange several site visit groups.
  - Mr. Veerasak Kositpaisal, Chief Executive Officer, would answer the other three questions.
  - The Company apologized for any inconvenience of registration and reception caused by the increased number of Shareholders after the amalgamation. At present, the Company was one of the top companies in Thailand who had a large number of shareholders. However, the inconvenience should be improved in the next meeting.
- Mr. Veerasak Kositpaisal  
Chief Executive Officer
- :
1. In accordance that the Company was in petrochemical business, these abbreviations were specific transliterated names of chemicals without any definition. They would be explained to the Shareholders during the site visit.
  2. To engage in the polyurethane business, the Company needed to buy the technology owned by Perstorp through purchasing 51% of its shares. Polyurethane with wide application in the construction, electric appliances and automotive industries was expected to grow in the region.
  3. The cost associated with the amalgamation was mostly spent on system installation especially computer system etc. The process would be ended within almost two years. When comparing with the Company's income, the remaining disbursement was in a smaller amount.

Mr. Prasert Bunsumpun  
Chairman

: There was a competitive cost incurred from the amalgamation, since it increased efficiency and invested to improve various equipments as clarified in the Joint Shareholders Meeting or in the recent Shareholders Meeting. To achieve such benefits, the Company's performance might take more than six months or one year. It was expected that the better Company's performance would lead to the higher stock price.

Mr. Thanakorn Tantikan  
Volunteer of Shareholders'  
Right Protection, as the  
Representative of Thai  
Investors Association

: Raised the following questions:  
1. Based on the auditor report, investment of purchasing shares in Perstorp and NatureWorks would be completed within a half year. Was the investment process completed?  
2. How much did the percentage increase in revenue if the Company invested in Perstorp and NatureWorks?  
3. What was a progress of the Company's project under Map Ta Phut issue?

Mr. Prasert Bunsumpun  
Chairman

:  
- The Company's project under Map Ta Phut issue was EO/EG expansion project. It was in an urgent process of seeking approval from the authorities concerned.  
- The Company's international investment to purchase shares in NatureWorks and Perstorp was business strategy of manufacturing green products and specialty products in order to lead the Company to the sustainable growth in the future.  
- Mr. Veerasak Kositpaisal, Chief Executive Officer was asked to further clarify.

Mr. Veerasak Kositpaisal  
Chief Executive Officer

:  
- To purchase shares in Perstorp and NatureWorks, 51% and 50% respectively, with the similar amount of money, the Company completely passed through the legal procedures except the antitrust law which was expected to be finished around June 2012.  
- The objective of purchasing those shares was to own the technologies. Perstorp was a manufacturer of isocyanates, a raw material to produce polyurethane, and NatureWorks was a manufacturer of PLA to enhance higher value of the Company's business. It hardly impacted the revenues.

Mr. Prasert Bunsumpun  
Chairman

: It was an investment for the Company's future business, and to bring back the technologies to enhance business value in both Thailand and Asia.

- Mr. Thammanoon Chulamaneechote  
Shareholder/Proxy
- : - There was no agenda to adopt the minutes of the Joint Shareholders Meeting on October 18, 2011, and the Company did not finish the minutes of the Meeting within the timeframe prescribed by laws.
- To promote good corporate governance, the Company should introduce a proxy of PTT, the Company's major shareholder.
  - In the Joint Shareholders Meeting, 15 Directors were elected, but only 14 Directors were registered on the following day.
  - The dividend amount was not stipulated in the Company's Articles of Association.
- Mr. Prasert Bunsumpun  
Chairman
- : The legal advisor was requested to explain in case of finishing the minutes exceeding the timeframe.
- Mr. Kitipong Urapeepatanapong  
Legal Advisor  
Baker & McKenzie Limited
- : - The minutes of the Shareholders Meeting must be finished within 14 days. In case of any necessity, an extension would be asked from the Registrar.
- Since the minutes of the Joint Shareholders Meeting held between the Shareholders of PTTAR and PTTCH was not the meeting of the existing Company, there was consequently no agenda to adopt the minutes in this Meeting.
- Mr. Prasert Bunsumpun  
Chairman
- : - In accordance with the comments from the Joint Shareholders Meeting, some were already implemented, but some had implementation limitation e.g. specifying in the Company's Articles of Association, dividends and the proportion of directors from minority shareholders. These issues were shareholders' approval authority, and they had to be approved by the shareholders meeting. Therefore, they were not specified in the Company's Articles of Association.
- Mr. Chawalit Tippawanich, PTT's proxy to attend the Meeting, was asked to show up.
  - Mr. Veerasak Kositpaisal, Chief Executive Officer, was asked to answer Mr. Thammanoon Chulamaneechote's query.
- Mr. Veerasak Kositpaisal  
Chief Executive Officer
- : - Various comments were appreciated.
- The minutes of Joint Shareholders Meeting was not finished within the timeframe prescribed by laws because after the Meeting, there were certain incidents especially flooding. The Company had to temporarily move the office to Rayong. Consequently, the extension requisition was submitted to the authorities concerned.

- Mr. Aroon Niramolparadee Shareholder : According to CSR Report, page 119, the following inquiries were raised:
1. Total water discharge was higher in 2011 than in 2010. Was it caused by plant shutdown or technology?
  2. Oxygen decreased from 4.18 tons in 2010 to 2.59 tons in 2011, and from 77.09 tons in 2010 to 62.80 tons in 2011. Was it caused by decreased water discharge or technology?
  3. A large increase in total direct greenhouse gas despite of decrease in total water discharge. Was it caused by technology or any other reasons?
  4. A few decreases in total waste, while a large amount of hazardous waste was managed by water management technology. Accordingly, total hazardous waste was lower while total non-hazardous waste was higher. Was it caused by technology or any other reasons?
  5. Based on the last table on page 120, what were other management methods 66%?
- Mr. Prasert Bunsumpun Chairman : The Shareholders' interest in the Company's information was appreciated. Mr. Bowon Vongsinudom, President, who was responsible for operations, would clarify to the Meeting.
- Mr. Bowon Vongsinudom President : The Company had 3R policy: Reduce, Reuse and Recycle, and received award from this policy. Apart from reducing waste, hazardous waste, water consumption etc., the Company had also Zero Waste to Landfill to reduce waste from our plants. With best effort, there was gradually decrease in waste from our plants. The Company would continuously maintain this policy.
- Mr. Somsak Kaensuwan Shareholder : In accordance with the explanation on purchasing 50% and 51% of shares in foreign companies, whether the Company had studied the case of prohibiting foreigners holding over 50% of shares as there was a problem arising in Indonesia.
- Mr. Veerasak Kositpaisal Chief Executive Officer : The Company had an objective to hold more than a half of shares in Perstorp in order to be entitled to manage and own technologies, therefore 51% of shares were purchased. This investment had passed through the procedures of French laws. For holding 50% of shares in NatureWorks, the Company had certain reasons including negotiation. Cargill, a major shareholder of NatureWorks had the purpose to keep the business growing, and then selected the Company to hold the other 50% of shares to jointly enhance business value and grow up together.
- The Company satisfied with the proportion of share holdings in these two companies, thus there would be smoothly mutual cooperation. The several meetings with them had been held. These businesses were expected to smoothly operate.

- Mr. Prasert Bunsumpun  
Chairman : There was no prohibition of holding over 50% of shares in foreign companies. However, the Company had to follow approval procedures of Antitrust Law. In Indonesia, foreign companies were prohibited from holding 100% of shares according to the restriction of natural resources.
- Mr. Kriengkrai  
Wongmaleewattana  
Shareholder : According to Mr. Bowon's explanation on the Company's 3R policy, did the Company just started to implement it? Certain companies had implemented this policy for a long time. Large companies should return to society in various forms. In case of PTT and its subsidiaries, they might just begin, or they had to wait for the government policy.
- Mr. Bowon Vongsinudom  
President : The question should be changed to admiration since the Company just received 3R award from the Ministry of Energy. Therefore it was an answer that the Company had implemented 3R policy for a long time.
- Mr. Prasert Bunsumpun  
Chairman : - Mr. Bowon explained that the Company's 3R policy had implemented for a long time. Moreover, PTT had implemented 4R policy. The last R was Refuse. It was to refuse what would impact on environment concerning sustainable growth development basing on balancing among society, economy and environment. It should not focus solely on operating result. In Thailand, there were two companies in the list of Dow Jones, Sustainability Index: SCG-construction, and PTT-oil&gas.  
- Dow Jones, New York, USA rated world top 2,000-3,000 companies, and selected only the ones that pay attention to all concerning fields of business operation and sustainable growth which would make the shareholders of PTT and its subsidiaries feel comfortable. This CSR report was rated A+, therefore the Company was selected to be in Sustainability Index next year. It meant that the Company was on the right track. The Shareholders' concern was appreciated. It was the Management's intention to do good operation. Not only the operating result, but also society, community and environment should be concerned. The Company always mentioned that we should be both good and smart company, so that the Company would achieve sustainable growth.
- Mr. Jirapan Buabucha  
Shareholder : According to this agenda, the questions were raised as follows:  
1. Due to good corporate governance on page 18 indicated that "PTT Global Chemical values and is committed to good corporate governance .....by cultivating ethical and integrity values among all employees....". A concrete sample and evaluation should be shown.  
2. Regarding R&D in the Annual Report, there was only found on page 51, item 9, Research and development of bioplastics and biochemicals. How much the Company did focus on R&D especially the Company's products?



- Mr. Prasert Bunsumpun  
Chairman : They were good questions: CG and R&D. As the Shareholders were acknowledged, the Company took interest on these subjects. To achieve sustainable growth, the Company had to engage with CG and CSR. Moreover, to be competitive, the Company had to have innovation. Mr. Veerasak Kositpaisal, Chief Executive Officer, and Mr. Bowon Vongsinudom, President, would clarify R&D and CG since PTTAR received an international award.
- Mr. Veerasak Kositpaisal  
Chief Executive Officer : Before amalgamating, both PTTAR and PTTCH received several awards. Furthermore, the Company evaluated employees' performance based on a component of good corporate governance since it was the Company's belief that with ethics and CG, the Company would be successful. The Company's employees were responsible for reporting to the Company their conflicts of interest. There was CG Committee to monitor transparency of the Company's business operation.
- Mr. Bowon Vongsinudom  
President : - Before amalgamating, PTTAR received Golden Peacock, an international CG award. Moreover, there was a CG book of PTTAR written by an author who was impressed on PTTAR's CG implementation. This confirmed that CG principles were important to the Company's business operation.
- According to R&D, the Company did not produce only plastic. If the Shareholders had a chance to visit the Company's plant, the Shareholders would see the Company's large R&D center. With high R&D budget, the Company's researches were in various fields. At present, the Government specified R&D budget of PTT groups. However, the Company's R&D budget was higher than what specified by the Government. The Company not only produced plastic, but also developed its quality to suit the customers' need even more.
- Mr. Prasert Bunsumpun  
Chairman : - The cabinet resolved that PTT group, especially PTT, spent 3% of net profit in R&D. PTT group consequently had a chance to support R&D of the country to enhance Thailand's competitiveness.
- For good corporate governance, before amalgamating, PTTCH received Board of the Year Award, and the Audit Committee received Audit Committee of the Year Award from Thai Institute of Directors Association (IOD). With less than two-year establishment, the Company was not evaluated for this award in accordance that the award evaluation was held every two years.
- This agenda was for acknowledgement, the Shareholders were requested to acknowledge the Company's operation for the year 2011 and the recommendation for the Company's business plan as reported.

- Mr. Somkiat Promrat Shareholder : Due to the Company's global business operation, the following questions were raised:
1. Several European countries had public debt problems causing shortage of cash and revolving fund in business operation.
  2. China, the world's second largest economy, was going to confront with soft lending or hard lending, and change of leadership.
  3. Whether the United States could solve their economic problems.
- Mr. Prasert Bunsumpun Chairman : The Company considered these issues as risks in planning business operation, and already planned for the risk management.
- Mr. Veerasak Kositpaisal Chief Executive Officer : - The three issues were in the Company's stress testing.  
- This was the proper time to buy technologies in Europe.  
- In case that China might have soft lending, the Company had supporting plan to expand additional markets to other regions. At present, the Company's large market was ASEAN.  
- The Company did not sell products to the United States.

There was no further question from the Meeting. The Chairman then concluded as follows:

**RESOLVED:** THAT the Meeting, acknowledge the Company's Operation for the Year 2011 and the Recommendation for the Company's Business Plan as proposed.

**Agenda 2**     **To Consider and Approve the Company's Balance Sheet and Profit and Loss Statement for the Year Ended December 31, 2011**

The Chairman requested the Meeting to consider the Balance Sheet and Profit and Loss Statement for the Year Ended December 31, 2011 (for the period of October 19-December 31, 2011) which were audited and certified by the auditors of KPMG and reviewed by the Audit Committee as the details appeared in the 2011 Annual Report which had been already sent to the Shareholders. It could be summarized as follow:

The Company had total revenues of Baht 106,775 Million. The net profit was Baht 2,113 Million. Total assets were Baht 372,967 Million. Total liabilities were 164,513 Million and the shareholder's equity was Baht 208,454 Million.

The Chairman asked for comments and any questions for the Company's Balance Sheet and Profit and Loss Statement for the Year Ended December 31, 2011.

Shareholders raised additional summarized comments and questions as follows:

- Mr. Kirk Samontham  
Proxy : In the recent year, the Company's stock price and income were higher, the Meeting should encourage the Board of Directors. Then the questions were raised as follows:
1. The Company's annual report should be divided into two volumes in order to be thinner, and to be convenient for the Shareholders to bring to the Meeting for asking questions. Another volume should be CSR to save budget. Moreover, due to global warming, such reports should be made of paper which was good for eye care, not art paper which was expensive.
  2. In next year budget report, product efficiency should be report separately in order to know the cause of decrease in stock price.
  3. Some feedstock prices were higher, while some were lower. How much did they increase then the Company would have benefits?
- Mr. Prasert Bunsumpun  
Chairman : The Company would take the suggestion on annual report into consideration.
- Mr. Veerasak Kositpaisal  
Chief Executive Officer : The Company's turnover was higher in both annual revenue and profit as apparently seen in the unaudited pro forma consolidated financial statement. Regarding the question on management efficiency which was a good question, it was obvious that the Company had a dimension of efficiency measurement in both turnover and operation, and comparing with other companies in the same business in order to increase in the Company's efficiency.
- Mr. Patiparn Sukorndhaman, Executive Vice President,  
Finance & Accounting was asked to clarify to the Meeting.
- Mr. Patiparn Sukorndhaman  
Executive Vice President,  
Finance & Accounting : - The Company always measured efficiency, and reported it to the Shareholders. To submit the financial report to SET, the Company also submitted MD&A. It was concluded that in the recent year, according to the Company's performance for the whole year based on the unaudited pro forma consolidated financial statement, the Company's gross margin increased 45% from 2010. In accordance with separating product analysis, higher efficiency or higher gross margin consisted of two parts: higher or lower production quality and higher or lower price or margin or price spread of each product.
- It was concluded that in the past year, the refinery's lower production decreased by 5% from 2010 because of annual plant turnaround. However, the refinery's price spread in 2011 was 56% higher than in 2010.

Therefore, Market GRM including Inventory Gain increased quite dramatically in according that petroleum price in 2011 was higher than 2010.

- For aromatics business, the production increased 6% and price spread increased 22%. Both production and sales were improved.
- For olefins business, the production increased 11% and price spread increased 21%.
- For polyethylene business, the production increased quite dramatically since LDPE plant started to commercially operate in the recent year, therefore plastic production in the whole year was 69% higher than in 2010, and price spread was 4% higher.
- For EG business, it was a business unit with high revenue in the recent year although production and sales volumes decreased by 12% due to annual plant turnaround, but price spread increased 50%.

Mr. Hang-chai Akawatsakul : Asked to clarify based on the Annual Report, pages 203  
Shareholder and 204 as follows:

1. In statements of financial position, non-controlling interests were totally more than Baht 9,900 Million.
2. Gain from step acquisition was totally Baht 857 Million.
3. Income tax expense under separate financial statements was approximately Baht 61 Million, while income tax expense under consolidated financial statements was approximately Baht 240 Million.

Mr. Patiparn Sukorndhaman : 1. In accordance that the Company had both separate  
Executive Vice President, financial statements and consolidated financial statements  
Finance & Accounting comprising of the Company's subsidiaries into every line.  
Such line was non-controlling interests to separate the parts in which the Company did not hold shares. After deducting non-controlling interests, there was solely the Company's actual profit.

2. Step acquisition derived from the amalgamation between PTTCH and PTTAR. Before amalgamating, PTTCH and PTTAR held 30% of shares in PTTUT and PTT Phenol. Therefore both PTTUT and PTT Phenol were their affiliates which were not recorded in financial results of accounting report. However, after the amalgamation, PTTUT and PTT Phenol became PTTGC's subsidiaries due to PTTGC owing percentage of their shares exceeding 50%. According to accounting standard specifying that in case of the amalgamation with changing in percentage of share holding in affiliates to become subsidiaries, from less than 50% to be exceeding 50%, fair value of such companies should be measured. Based on measurement, there was an increase in value of PTTUT and PTT Phenol, the increase in the account was recorded in profits from step up acquisition.

The Company correctly performed pursuant to accounting standard which would be confirmed by the auditor attending the Meeting.

3. Income tax expenses of consolidated financial statements and separate financial statements were different since income tax expense of separate financial statements belonged to PTTGC only, excluding income tax expense of subsidiaries. While income tax expense of consolidated financial statements belonged to PTTGC and subsidiaries. Therefore, income tax expense of consolidated financial statements was higher than the one of separate financial statements.

Mr. Jirapan Buabucha  
Shareholder : Based on the Annual Report, page 285, notes to the financial statements /15 intangible assets / customer contracts and the related customer relationships / intangible in progress Baht 3,175 Million and Baht 365 Million respectively. An explanation of the statements and amortization was requested.

Mr. Patiparn Sukorndhaman  
Executive Vice President,  
Finance & Accounting : - Intangible assets were divided into several items. Some items were normal accounting transaction and operation. Some items were arisen from the amalgamation between PTTCH and PTTAR especially customer contracts and the related customer relationships was to measure fair value of PTTAR's contracts according to accounting standard of the amalgamation between the two companies. The new additional value was set in the amount of Baht 3,175 Million recorded in the Company's financial statements. Based on accounting standard, there should be buyers and sellers in the amalgamation between PTTCH and PTTAR. Therefore, there should be new value measurement including long term contracts between PTTAR and the customers. They would be recorded to be customer contracts and the related customer relationships, and they were gradually amortized in accordance with contract terms.

- Intangible assets to be amortized were licenses of production or software. They had to be set up and amortized according to terms of usage. The intangible assets to be amortized were normal accounting transaction of every business.

Mr. Thammanoon  
Chulamaneechote  
Shareholder/Proxy : - Complemented the Chairman and the Management on emphasizing on good corporate governance, and raised the following inquire:

- Then Company submitted the financial statements to the auditor, and then reported to SET on February 17, 2012. When was the Audit Committee Meeting? When was the financial statements submitted to the Board of Directors? The financial statements were submitted to SET on February 17, 2012.

- Mr. Somchai Kuvijitsuwan  
Chairman of the Audit  
Committee : Since the amalgamation, the Audit Committee Meetings were held twice. The last one was on February 14, 2012 to consider the financial statement, and approve to submit it to the Board of Directors in order to propose for the Shareholders Meeting's approval.
- Mr. Patiparn Sukorndhaman  
Executive Vice President,  
Finance & Accounting : The Audit Committee Meeting was held on February 14, 2012 to consider approving the financial statement to be submitted to the Board of Directors Meeting on February 17, 2012, and then to SET on the same day.
- Mr. Thammanoon  
Chulamaneechote  
Shareholder/Proxy : The Audit Committee Meeting was held before the auditor report and the approval of financial statements on February 17, 2012 in the Board of Directors Meeting. Did the Company perform in accordance with good corporate governance?
- Mr. Prasert Bunsumpun  
Chairman : The auditor was requested to clarify.
- Mr. Viroj Jindamaneepitak  
Auditor, KPMG : The audited financial statements were submitted by the auditor to the management around one week prior to submitting it to the Audit Committee Meeting for their approval to submit to the Board of Directors Meeting. After being approved by the Board of Directors Meeting, the financial statements were certified by the auditor on the date of the Board of Directors Meeting.
- Mr. Aroon Niramolparadee  
Shareholder : Based on the Annual Report, page 75, table of products, products in Q4 decreased from Q3. Japan had crisis last year. They could not produce chemical products. Certain plants in ASEAN closed down. Therefore, A supply decreased causing better prices. The questions arisen from the table on page 75 were as follows:
1. Did the prices decrease from Q4?
  2. Based on pages 66 and 67, the summary of Company's performance, from October 19-December 31, 2011, the Company's net profit was more than Baht 2,000 Million within two months. While within 12 months, the profit was Baht 30,000 Million. Did the decrease result from gradually decreased prices? Could the one year profit be calculated basing on profit of Baht 2,000 Million within two months?
  3. Based on page 75, utilization rate of two chemical products decreased from 100% to more than 50% and more than 60%. What was the cause of the decrease? Was it caused by flooding?
  4. Based on page 204, derivative loss was more than Baht 1,000 Million. Did it cause any obligations? In 2010, derivative loss was more than Baht 800 Million, in 2011, it was Baht 1,000 Million, and what would it be in 2012?
  5. In accordance with the question raised in agenda 1, was the cause of decrease in water discharge, capacity decrease or 3R policy?

- Mr. Veerasak Kositpaisal  
Chief Executive Officer
- : 1. Petrochemical business was up and down quite dramatically. The one month financial statement multiplied with 12 months could not be applied for one year financial statements. Only the annual financial statements should be taken into consideration.
2. In Q4, global companies' results in the similar business to the Company confronted the same problems as the Company did. However, the Company could survive the crisis. There were two causes of decreased capacity as follows:
- 2.1. The Company's plant had annual turnaround.
- 2.2. Resulting from flooding, the industrial estates and power plants stopped operating, natural gas accordingly decreased. The proportion of natural gas supplied in petrochemical business also decreased. Therefore the Company had to reduce gas based capacity. Water usage reduction was the Company's long term plan. Since the Company had water shortage in 2005, several projects including water usage reduction were set up.
3. Mr. Patiparn Sukorndhaman, Executive Vice President, Finance & Accounting, was requested to clarify to the Meeting.
- Mr. Patiparn Sukorndhaman  
Executive Vice President,  
Finance & Accounting
- : The Company maintaining discipline in hedging caused Derivative loss. There was hedging in two activities:
1. A hedge against oil price volatility, commodity hedging: according to consolidated financial statements from October 19-December 31, 2011, derivative loss was approximately Baht 1,060 Million. Baht 465 Million was loss from commodity hedging.
2. A hedge against foreign exchange was totally Baht 592 Million. The Company's revenue and expenditure were in USD, and profit seemed to be in USD. It meant that in case of stronger Baht, the Company's profit in Baht with a basis swap with USD would decrease. Therefore, the Company hedged against such case. Some parts of loans were in USD. The Company traded USD in advance to ensure that foreign exchange rate in calculation and convert the income to be the Company's profit was appropriate.
- Last year, Baht was weaker than the Company's hedging rate. Hence, the Company had loss approximately Baht 592 Million. Same as oil prices, the Company had an objective that oil prices at the end of the year should be around USD 95/barrel. While closing price at the end of year was higher to 105 USD/barrel. It was recorded that there was loss from oil price hedging.

- Mr. Kirk Samontham Proxy : According to the Annual Report, pages 74 and 75, Mr. Bowon Vongsinudom, President, was requested to answer the following questions:
1. In case that the Company was enabled to increase paraxylene production, what would it affect the Company? Due to a Shareholder's question, what did Fukushima crisis in Japan last year affect the Company's demand and supply? What did affect plants in Thailand?
  2. Based on Chief Executive Officer, the Company had high efficiency, but the production of LDPE and MEG was 55% and 68% respectively. Why did it not reach 100%?
  3. The Company's name should be clearly translated into Thai.
- Mr. Prasert Bunsumpun Chairman : The management was asked to clearer communicate the Company's name. However, the Company's name was their intention to go to global petrochemical business.
- Mr. Bowon Vongsinudom President : 1. There were two types of paraxylene: to be raw material of polyester and PET. Fukushima crisis impacted businesses in Japan. It would be analyzed whether it impact the Company. Paraxylene was normally very profitable to the Company. The Company accordingly tried to maximize its production. Therefore, there would be an investment in debottleneck project, and then expansion project to utmost utilize the existing asset.
2. According to 50% LPDE production, it just started up this year. Moreover, the production process used very high and very dangerous pressure. The operators gradually got used to the equipments. However, the operating staff had more experience and skill. All parties concerned tried their best for the high capacity to reach 1<sup>st</sup> quartile.

The Chairman asked the Meeting whether or not there were any comments or questions. There was no further question from the Meeting. The Chairman reported the result of vote counting that the total count of Shareholders and proxies' votes was 3,336,316,336 approval votes, equivalent to 100% of the total entitled votes present and vote at the Meeting, 61,622 objection votes, equivalent to 0.00% of the total entitled votes present and vote at the Meeting, and 50,534,245 abstention votes. The Chairman then concluded as follows:

**RESOLVED:** THAT the Meeting, by a majority vote of the total entitled votes present and vote at the Meeting, approved the Balance Sheet and Profit and Profit and Loss Statement for the Year Ended as of December 31, 2011 as proposed.



**Agenda 3 To Consider and Approve the Allocation of Profit for the Operating Result in the Year 2011, the Legal Reserve Fund and Dividend Distribution**

The Chairman requested the Meeting to consider and approve the allocation of profit for the operating result in the year 2011, the legal reserve fund and dividend distribution. Pursuant to the Company's dividend policy requiring that dividend shall be paid no lesser than 30 percent of the net profit after deduction of tax and all the Company's reserve funds, condition for the distribution of dividend is also subject to investment plan, necessity and other properness in the future. In addition, Article 48 of the Company's Articles of Association prescribed that the payment of dividend shall be made within one (1) month from the date the resolution was passed by the Shareholders Meeting or by the Board of Directors Meeting, as the case may be. The notice of such payment of dividend shall also be published in a newspaper no less than three (3) days.

The operating results of the Company and its subsidiaries starting from October 19-December 31, 2011 recorded Baht 2,113 Million net profit audited by KPMG Phoomchai Audit Limited (KPMG).

According to the Public Limited Company Act B.E. 2535 and Article 49 of the Articles of Association of the Company, the Company shall allocate a reserve fund, from the annual net profit, not less than five percent (5%) of the annual net profit less the total accumulated losses brought forward (if any) until the reserve fund reaches an amount of not less than ten percent (10%) of the registered capital of the Company.

As of October 19, 2011, the Company's registered capital was Baht 45,129,302,690, the reserve fund was Baht 4,506,028,838. The Company accordingly proposed for the approval of the Meeting to allocate the 2011 net profit amounting Baht 6,901,431 equivalent to one percent (1%) from separate financial statements for the reserve fund to reach ten percent (10%) of registered capital required by law.

In accordance that the Company had been incorporated by amalgamation since October 19, 2011, the dividend distribution would be based on the operating results in the year 2011 as if the amalgamation had taken place at the beginning of 2011 when the total net profit was Baht 30,033 Million. Therefore, the Company considered distributing dividend from the operating results in the year 2011 to the Shareholders at the rate of Baht 2.98 per share, totaling Baht 13,411 Million or equivalent to 45% of the net profit in compliant with the Company's dividend policy. The Company had already distributed the interim dividend at the rate of Baht 1.68 per share amounting to Baht 7,552 Million on August 30, 2011. Therefore, the Meeting would be requested to consider the distribution of dividend for the last 6 months at the rate of Baht 1.30 per share, totaling Baht 5,859 Million paid from unappropriated retained earnings. The Shareholders should study tax benefit of the Company's dividend in Attachment 2 in the Invitation to the Meeting.

The Chairman asked for comments and any questions for the Allocation of Profit for the Operating Result in the Year 2011, the Legal Reserve Fund and Dividend Distribution.

Shareholders raised additional summarized comments and questions as follows:

- Mr. Kirk Samontham Proxy : - Complimented the Board of Directors on the Company's dividend payable to the Shareholders at the rate of Baht 2.98 per share, and complimented the good answer of Mr. Bowon Vongsinudom, President.
- The Company should consider dividing dividend for scholarship donation to poor children.
- Mr. Prasert Bunsumpun Chairman : To take care of stakeholders was the Company's policy. The Company especially had donated scholarship in Rayong area for a long time. It might increased depending to the Company's growth in the future.
- Mr. Somsak Kaensuwan Shareholder : The following inquires on dividend payment in August 2012 or at this time of next year:
1. The Government would decrease tax from 30% to 23%. Would be tax return 23/77? Would be no more 30/70?
  2. If the profits in 2011 were equal to 2012, would the rate of dividend payable in 2012 higher than 2011?
- Mr. Prasert Bunsumpun Chairman : - The Company's payable dividend rate was at least 30%. Recently, it was paid higher than that, etc; it was 45% last year. Therefore, if the operation was performed in accordance with the business plan, and the operating result was satisfied, the dividend would be payable pursuant to the Company's dividend policy to be the Shareholders' proper returns which could be comparable to other companies in the same business. If the dividend payment was not paid at the same rate, the Company had to explain to the Shareholders. Therefore, the Company still maintained the same dividend payment rate if the performance reached the objective without any global or economic crisis.
- In accordance with the Shareholder's question, tax benefit of the Company's dividend was reduced to 23/77 in this year.
- Mr. Thammanoon Chulamaneechote Shareholder/Proxy : - The dividend policy was not the Board of Directors' authority. It should be approved by the Shareholder Meeting.
- According to the Civil and Commercial Code, Section 201, the dividend rate was approved by the Shareholders.
- If the dividend paid less than the fix rate due to the Company's investment in various projects, it was acceptable. However, if the projects gradually increased, the dividend should not be retained indefinitely. The Shareholders should be entitled to the dividend in that year.
- The dividend should be paid earlier than scheduled on April 20, 2012.

- Mr. Prasert Bunsumpun  
Chairman
- : - The suggestion was appreciated. The management should consider whether it was impossible to pay dividend earlier than scheduled.
- Dividend payment was the Shareholders' authorization. To be listed on SET, the Company was asked for dividend policy. The Company then informed in principle that the dividend would be payable at the minimum rate of 30%, and might be higher according to operating results. However, the Shareholders were entitled to approve the dividend rate.

The Chairman asked the Meeting for further comment and questions. There was no further question. The Chairman reported the result of vote counting that the total count of the Shareholders and proxies' votes was 3,336,382,436 approval votes, equivalent to 100% of the total entitled votes present and vote at the Meeting, 109,521 objection votes, equivalent to 0.00% of the total entitled votes present and vote at the Meeting, and 50,463,805 abstention votes. The Chairman then concluded as follows:

**RESOLVED:** THAT the Meeting, by a majority vote of the total entitled votes present and vote at the Meeting, approved the Allocation of Profit for the Operating Results in the Year 2011, the Legal Reserve Fund and Dividend Distribution, as information proposed.

#### **Agenda 4 To Consider and Approve the Directors' Remuneration**

The Chairman requested Mr. Vasin Teeravechyan, Chairman of the Nomination and Remuneration Committee to report to the Meeting. It was concluded that according to Article 15 of the Articles of Association of the Company, Directors shall be entitled to remuneration from the Company in the form of awards, meeting allowances, retirement pensions, bonuses or other benefits in other forms pursuant to the Company's Articles of Association or the approval of the Shareholders Meeting.

The Nomination and Remuneration Committee had considered the Directors' and Specific Committees' remuneration for the year 2012 and bonus for the year 2011 by taking into account the following matters : conformity with other listed companies within the same industry of similar size as well as the performance of the Company, the performance, obligations and responsibilities of the Directors and Specific Committees, including economic conditions. It was deemed appropriated to propose the Shareholders Meeting to consider and approve the Directors' and Specific Committees' remuneration for the year 2012 and the Directors' bonus for the year 2011 as follows:

- 1) Directors' remuneration for the year 2012 to maintain at the same rate as approved by the resolution of the Joint Shareholders Meeting dated October 18, 2011 as follows:

<b>The Directors' remuneration</b>		
Retainer fee of the Board of Directors (no meeting allowance)	Proposed for 2012 (Baht / person / month)	2011 (Baht / person / month)
• Chairman	60,000	60,000
• Director	50,000	50,000

- 2) Specific Committees attendance fee for the year 2012 to maintain at the same rate as approved by the resolution of the Joint Shareholders Meeting dated October 18, 2011 i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, Risk Management Committee (Scope of Obligations & Responsibilities of Specific Committees is in Attachment 3 in the Invitation to the Meeting) are as follows:

<b>Attendance fee for Sub Committees * (Baht/person/time)</b>		
Meeting Allowance (only pay to those who attend the meeting)	Proposed for 2012 (Baht / person / time)	2011 (Baht / person / time)
• Chairman	50,000	50,000
• Director	40,000	40,000

- 3) Directors' Bonus for the year 2011 : Consideration on the Directors' bonus was made to reflect and to be relate to the Directors' performance, and to be on the level closed to companies in the same industry in the amount of Baht 6.34 million, or 0.3 % of 2011 net profit (for the period of October 19 – December 31, 2011), by calculation in accordance with the Director's term; provided that the Chairman would receive the bonus at the rate of 25% higher than Directors.

The Chairman asked for comments and any questions for the Directors' Remuneration.

Shareholders raised additional summarized comments and questions as follows:

- Mr. Kirk Samontham  
Proxy : If the Company had profit, the Board of Directors deserved to gain remuneration. If the Company suffered a loss, the Board of Directors should not be paid remuneration. Moreover, the remuneration should be compared with other competitive companies and other local and foreign companies in the same business.
- Mr. Prasert Bunsumpun  
Chairman : - The Nomination and Remuneration Committee had taken Thai Directors Compensation Survey of Thai Institute of Directors Association (IOD) into consideration, and compared with other listed companies with the similar size in the same industry.
- It was seen that the Company's remuneration rate was rather low. It was monthly payment without meeting allowance. The Company recently held the Board of Directors Meeting every month. From the amalgamation date to December 31, 2011, there were four meetings of the Board of Directors.
  - For Directors' Bonus, a smaller company's payout ratio might be higher, while a larger company's might be lower. The Company considered Directors' Bonus basing on various factors except for comparing with foreign companies which might be too high. However, the proposed rate was appropriate.

- Mr. Kirk Samontham Proxy : - If the Company had profit, the Board of Directors deserved remuneration. It might be paid too little since the Board of Directors consisted of experts who devoted to work for the Company. The recent question was whether there was no remuneration if the Company suffered loss.
- The Company should issued questionnaire on Shareholders' requirement on Board of Directors e.g. to take Shareholders to plant visit. Then the Shareholders would evaluate satisfaction.
- Mr. Prasert Bunsumpun Chairman : The suggestion was complimented. The Company would take it into consideration. If there was no profit, there was no remuneration. The suggestion on comparison with foreign companies would be taken into consideration by the Nomination and Remuneration Committee.
- Mr. Thammanoon Chulamaneechote Shareholder/Proxy : Today issue was not objected, but it should be more details, examples and data in comparative table : comparative data of the same business and data of Thai Directors Compensation Survey of IOD etc.
- Mr. Prasert Bunsumpun Chairman : The suggestion was taken into consideration of the following year remuneration.

The Chairman asked the Meeting for further comment and questions. There was no further question. The Chairman reported the result of vote counting that the total count of the Shareholders and proxies' votes was 3,334,671,196 approval votes, equivalent to 98.46% of the total entitled votes present at the Meeting, 1,635,034 objection votes, equivalent to 0.05% of the total entitled votes present at the Meeting, and 50,646,532 abstention votes, equivalent to 1.50% of the total entitled votes present at the Meeting. The Chairman then concluded as follows:

**RESOLVED:** THAT the Meeting, with more than two-thirds of the total entitled votes present at the Meeting approved the Directors' remuneration, as information proposed.

**Agenda 5 To Consider the Elect New Directors to Replace Those Who are due to Retire by Rotation**

The Chairman requested Mr. Nuttachat Charuchinda, Director to the Nomination and Remuneration Committee to report to the Meeting since Mr. Vasin Teeravechyan, Chairman of the Nomination and Remuneration Committee, was due to retire by rotation. It was concluded that according to Article 14 of the Articles of Association of the Company, at every annual general meeting of shareholders, one-third (1/3) of the Directors have to retire by rotation. However, the retiring Directors are eligible for re-election. The Directors to vacate office in the first and second years following the registration of the conversion of the Company shall be drawn by lots.

In the year 2012 which was the first year of PTTGC operation, there were 5 Directors who were due to retire by rotation namely :

- |  |  |
|--|--|
| 1) Mr. Somchai Kuvijitsuwan              | Independent Director /<br>Chairman of the Audit Committee                          |
| 2) Pol.Gen. Sombat Amornvivat            | Independent Director /<br>Director to the Corporate Governance<br>Committee        |
| 3) Mr. Sukrit Surabotsopon               | Director / Chairman of the Risk<br>Management Committee                            |
| 4) Mr. Vasin Teeravechyan                | Independent Director /<br>Chairman of the Nomination and<br>Remuneration Committee |
| 5) Air Chief Marshal Somchai Thean-anant | Independent Director /<br>Director to the Nomination and<br>Remuneration Committee |

Through set news release and the Company's website, [www.pttgcgroup.com](http://www.pttgcgroup.com), the Company invited the Shareholders to propose names of persons for the Company's Board of Directors nominees in advance from December 26, 2011 to January 31, 2012. There was no proposal of Director Nominee submitted to the Company.

The Nomination and Remuneration Committee had considered the qualification of those nominees in compliant with the related rules and regulations, the Company's definition of Independent Director, and the Cabinet Resolution on January 24, 2011 regarding the appointment of high-level government official or persons as directors in many state enterprises, along with their knowledge & experiences for the utmost benefit to the Company's operation. Moreover, to be pursuant with PTTGC good corporate governance, the Directors to the Nomination and Remuneration Committee who were considered as having conflict of interest in this election, left the meeting room while their names were considered.

The Nomination and Remuneration Committee, excluding the Directors who were considered as having conflict of interest in this election, proposed to re-elect 5 nominees to be the Company's Directors.

The Board of Directors, except the Directors who were considered as having conflict of interest in this election, agreed with the Nomination and Remuneration Committee's recommendation as follows :

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|--|--|
| 1) Mr. Somchai Kuvijitsuwan              | be re-elected for another term<br>(Independent Director) |
| 2) Pol.Gen. Sombat Amornvivat            | be re-elected for another term<br>(Independent Director) |
| 3) Mr. Sukrit Surabotsopon               | be re-elected for another term<br>(Director)             |
| 4) Mr. Vasin Teeravechyan                | be re-elected for another term<br>(Independent Director) |
| 5) Air Chief Marshal Somchai Thean-anant | be re-elected for another term<br>(Independent Director) |

The curricula vitae of 5 nominated persons were enclosed in Attachment 4 in the Invitation to the Meeting. The nominees Nos. 1), 2), 4) and 5) were qualified in accordance with the Company's definition of Independent Director which was specified pursuant to those defined by the Capital Market Supervisory Board, and even stricter in proportion of shareholding as per the detail in Attachment 4 in the Invitation to the Meeting).

The Company gave an opportunity to the Shareholders to be entitled to their full consideration. Therefore, 5 Directors who were due to retire by rotation: Mr. Somchai Kuvijitsuwan, Pol.Gen. Sombat Amornvivat, Mr. Sukrit Surabotsopon, Mr. Vasin Teeravechyan, Air Chief Marshal Somchai Thean-anant left the meeting room while this agenda was considered.

The Chairman asked the Meeting whether or not there were any comments or questions concerning the Election of New Directors to Replace Those Who are due to Retire by Rotation.

Shareholders raised additional summarized comments and questions as follows:

- Mr. Basant Kumar Dukar Shareholder : (gave comments in English)
1. Independent Directors should hold the Company's shares.
  2. Directors' Bonus should not be fixed at the rate of 3% of net profit.
- Mr. Prasert Bunsumpun Chairman :
1. Independent Directors were enable to hold the Company's shares, but not exceeding 0.5% in order not to conflict with the Company's Independent Director Definition.
  2. The Company would take into consideration the suggestion on increase of Directors' Bonus if the Company's net profit was higher.
- Mr. Thammanoon Chulamaneechote Shareholder/Proxy :
- As per the Company's invitation of the Shareholders to propose names of persons for the Company's Board of Directors nominees in advance, there were too much rules. The Shareholders were consequently unable to propose any.
  - According to the Cabinet Resolution dated January 24, 2011 regarding the appointment of high-level government officials or persons as directors in state enterprise and/or juristic person in which state enterprise was shareholder not exceeding three organizations, but there were two nominees taking over three organizations. It was not compliant with the Cabinet Resolution.
- Mr. Kriengkrai Wongmaleewattana Shareholder :
- The Company should consider Mr. Somchai Kuvijitsuwan's directorship whether it exceeded three organizations.
- Mr. Prasert Bunsumpun Chairman :
- The Company also took the Cabinet Resolution into consideration. However, director election was the Shareholders' authorization. After scrutinizing, the Company proposed the nominees for the Shareholders Meeting's consideration. The Company took into account opinions of certain parties: the Shareholders and the legal advisor. Then Mr. Kitipong Urapeepatanapong, the legal advisor of Baker & McKenzie Limited was requested to clarify to the Meeting.

- Mr. Kitipong Urapeepatanapong  
Legal Advisor  
Baker & McKenzie Limited : The aforementioned two Directors had confirmed that their directorship in juristic person in which state enterprise holding shares not exceeding three organizations. Moreover, being not state enterprise, the Company was not obligated by the Cabinet Resolution.
- Mr. Kriengkrai Wongmaleewattana  
Shareholder : According to the legal advisor, the Company was not state enterprise. The Chairman should clarify how many percentages of shares in PTT and its subsidiaries held by state enterprise in order to consider whether the Company was state enterprise.
- Mr. Prasert Bunsumpun  
Chairman : PTT was state enterprise since the Ministry of Finance held more than 50% of its shares, and PTT held more than 40% of the Company's shares, but less than 50%. The Company then was not state enterprise. However, the Company also took into consideration the Cabinet Resolution or any practices which were proper guidelines leading to clarification.
- Mr. Kriengkrai Wongmaleewattana  
Shareholder : The Chairman had better asked for Mr. Somchai Kuvijitsuwan's reconsideration.
- Mr. Prasert Bunsumpun  
Chairman : Mr. Somchai Kuvijitsuwan and Mr. Sukrit Surabotsopon had confirmed that their directorships did not exceed the limitation of the Cabinet Resolution, and there was no conflict of interest in being the Company's Directors. Moreover, Mr. Sukrit, who was a director of SPRC operating refinery business, had no conflict of interest with the Company's business.

There was no further question from the Meeting. The Chairman reported the result of vote counting as follows:

<u>No.</u>	<u>Directors</u>	<u>Approval</u>		<u>Objection</u>		<u>Abstention</u>
		<u>Number of Votes</u>	<u>Percentage</u>	<u>Number of Votes</u>	<u>Percentage</u>	
1.	Mr. Somchai Kuvijitsuwan	3,334,734,046	99.96	1,213,391	0.04	51,008,325
2.	Pol.Gen. Sombat Amornvivat	3,334,480,884	99.96	1,475,338	0.04	50,999,540
3.	Mr. Sukrit Surabotsopon	3,334,974,917	99.97	1,062,617	0.03	50,918,228
4.	Mr. Vasin Teeravechyan	3,334,977,538	99.97	1,070,779	0.03	50,907,445
5.	Air Chief Marshal Somchai Thean-anant	3,334,590,148	99.96	1,376,661	0.04	50,988,953

**RESOLVED:** THAT the Meeting, by a majority vote of the total entitled votes present and vote at the Meeting, approved the election of 5 Directors as follows; Mr. Somchai Kuvijitsuwan, Pol.Gen. Sombat Amornvivat, Mr. Sukrit Surabotsopon, Mr. Vasin Teeravechyan, and Air Chief Marshal Somchai Thean-anant to be the Company's Directors for another term.



**Agenda 6 To Consider the Appointment of the Auditor and Fix the Annual Fee for the Year 2012**

The Chairman requested Mr. Somchai Kuvijitsuwan, Chairman of the Audit Committee to report to the Meeting. It was concluded that in compliance with Section 120 of the Public Limited Company Act B.E. 2535 which specify that the Shareholders Meeting shall appoint the auditor and fix the auditor's remuneration annually and the same auditor of the past years could be appointed again.

After evaluating performance of the auditors of KPMG Phoomchai Audit Limited (KPMG) who were the Company's auditors during October 19 – December 31, 2011 according to the resolution of the Joint Shareholders Meeting on October 18, 2011 which had been of good quality, the Audit Committee requested KPMG to propose their remuneration and the scope of work for the year 2012. The proposed remuneration is Baht 3,750,000 (excluding travel and overtime expenses but not exceeding 10% of the audit fee). The proposed remuneration decreasing from the year 2011 in the amount of Baht 248,000 was due to the separation between PTTCH's and PTTAR's audit fees for the audited financial statements.

The Audit Committee deemed appropriate to propose the Meeting to consider the appointment of the Company's auditor according to the following details:

- 1) Names of Auditors and the Company : KPMG Phoomchai Audit Limited (KPMG) to be the Company's auditors for the year 2012
  1. Mr. Vairoj Jindamaneepitak, certified public accountant No. 3565 or
  2. Mr. Winid Silamongkol, certified public accountant No. 3378 or
  3. Mr. Nirand Lilamethwat, certified public accountant No. 2316 or
  4. Mr. Charoen Phosamritlert, certified public accountant No. 4068
- 2) Annual Remuneration Fee : To propose the 2012 annual remuneration fee of Baht 3,750,000 with the following details:

(Unit : Baht)		
Auditor's Remuneration	Propose for 2012	2011
Annual Audit Fee	1,950,000	1,900,000
Audit Fee of Interim Financial Statement	1,800,000	2,098,000
Total	3,750,000	3,998,000

3) Relation with the Company KPMG who proposed to audit the Company had no relationship or conflict of interest in the Company / subsidiaries / executives / the major shareholders or the related person of such. The said auditor was accordingly independent to audit and comment the Company's financial statements.

4) Years of being the Company's auditor KPMG Phoomchai Audit Ltd. had been the Company's auditor for 2 years from the amalgamation.

5) Services to other companies KPMG Phoomchai Audit Ltd. provided services to the Company, its subsidiaries and its affiliates totaling 16 companies.

KPMG had performance standard generally accepted and understood PTTGC group's businesses. Therefore, the 2012 audit of the Company would be fast and efficient.

The Chairman asked the Meeting whether or not there were any comments or questions concerning the Appointment of the Auditor and Fix the Annual Fee for the Year 2012.

Shareholders raised additional summarized comments and questions as follows:

- Mr. Basant Kumar Dukar Shareholder : (suggested in English) The audit fee should not be reduced, but the submission of financial statements should be reduced from 92 days to 60 days from the end of accounting period.
- Mr. Prasert Bunsumpun Chairman : The auditor was asked to clarify.
- Mr. Vairoj Jindamaneepitak Auditor, KPMG : The submission of financial statements was not 92 days, but it was 60 days from the end of accounting period. However, the Company's financial statements were submitted within 30-40 days.
- Mr. Thammanoon Chulamaneechote Shareholder/Proxy : According to the Joint Shareholders Meeting dated October 18, 2011, the Company was suggested for providing more details of considering audit appointment. The Company should take it into consideration for the greater good corporate governance.
- Mr. Prasert Bunsumpun Chairman : As per the Joint Shareholders Meeting's suggestion, there should be comparison among audit companies for the most appropriate one. After carefully considered by the Board of Directors and the Audit Committee, KPMG which was in the world top five audit company, creditable and was appointed to be the auditor of various PTT's subsidiaries. Nevertheless, the Company would take it into account.
- Mr. Chajchai Koonngam Shareholder : What were the overtime expenses?
- Mr. Veerasak Kositpaisal Chief Executive Officer : It was just written to cover. There were no overtime expenses in auditing.

The Chairman asked the Meeting whether or not there were any comments or questions. There was no further question from the Meeting. The Chairman reported the result of vote counting that the total count of the Shareholders and proxies' votes was 3,336,032,511 approval votes, equivalent to 99.99% of the total entitled votes present and vote at the Meeting, 202,948 objection votes equivalent to 0.01% of the total entitled votes present and vote at the Meeting, and 50,846,617 abstention votes. The Chairman then concluded as follows:

**RESOLVED:** THAT the Meeting, by a majority vote of the total entitled votes present and vote at the Meeting, approved the appointment of Mr. Vairoj Jindamaneepitak, certified public accountant No. 3565 or Mr. Winid Silamongkol, certified public accountant No. 3378 or Mr. Nirand Lilamethwat, certified public accountant No. 2316 or Mr. Charoen Phosamritlert, certified public accountant No. 4068 the auditors of KPMG Phoomchai Audit Limited (KPMG) to be the Company's auditor for the year 2012 with the remuneration rate was Baht 3,750,000 excluding travel and other performance expenses (but not exceeding 10% of the audit remuneration ) as proposed.

**Agenda 7 To Consider and Approve Fund Raising for the Period of 5 Years (2012-2016)**

The Chairman requested Mr. Veerasak Kositpaisal, Chief Executive Officer to report to the Meeting. It was concluded that to support the Company's investment plan for sustainable business growth during 2012-2016 and/or to refinance the outstanding loan of the Company and its subsidiaries, It deemed appropriate to propose the Meeting to consider and approve the Company to issue debentures for investment and/or refinance the outstanding loan of the Company and its subsidiaries in the amount of not exceeding USD 2,000 or equivalent to Baht 60,000 Million depending on the currency exchange rate on the offering date within the operating period of 5 years (2012-2016). The Company should issue debentures in Thai Baht and/or foreign currency from domestic and/or overseas capital resources. The total amount of debentures should be issued at one time or several times as it deemed appropriate and relevant to the Company's fund raising plan. The fund raising plan must be approved by the Board of Directors.

After the presentation, the Chairman asked for comments and any questions on Fund Raising for the Period of 5 Years (2012-2016).

Shareholders raised additional summarized comment and question as follows:

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|--|---|--|
| Mr. Chajchai Koonngam<br>Shareholder   | : | How was the Company recently rated by the credit rating agencies?  |
| Mr. Veerasak Kositpaisal<br>Chief Executive Officer                            | : | The Company was recently rated as follows: <ul style="list-style-type: none"> <li>• AA- by Fitz Ratings, Thailand</li> <li>• AA2 by Moodys</li> <li>• BBB by S&amp;P</li> </ul> They were satisfactory ratings for investment. The Company would maintain these credit ratings although there would be additional investments and loans.   |
| Mr. Kitti Sanitwongse Na<br>Ayudhya<br>Shareholder                             | : | What were the differences among bills of exchange (B/E) of banks, debentures of banks, and debentures of the Company?  |
| Mr. Prasert Bunsumpun<br>Chairman  | : | As the Chairman, the Company had capable Board of Directors and Management, size, circulation, assets, and PTT as the major shareholder. Moreover, the potentiality, knowledge, and ability of the Management and staff including the strength of the Company and its fundamentals were trusted. However, there was risk in investment. Mr. Patiparn Sukorndhaman, Executive Vice President, Finance & Accounting was requested to clarify to the Meeting. |
| Mr. Patiparn Sukorndhaman<br>Executive Vice President,<br>Finance & Accounting | : | The differences between purchasing debentures of the Company and banks were as follows: <ol style="list-style-type: none"> <li>1. The Company's business was definitely different from banks' business. Although the operating results of the Company and banks depended on economics, the business operations depended on various factors.</li> </ol>   |

2. The Company was moving toward to business operation in foreign countries, while banking business mostly operated in Thailand. The Company's operating results depended on both domestic and foreign countries. It was a risk diversification.
3. Banking business was going to have new condition to be compliant with Basel III since banks had to increase their capital. Moreover, according to Tier II, banks had to raise capital for increasing in cost of business operation as same as the Company going to invest in foreign countries, had to raise loan in order to increase operation cost.
4. The investment depended on investors' satisfaction, and the way to diversify risk of their own.

Mr. Prasertphop  
Phamornpairote  
Shareholder

: How much was the Company's outstanding loan?

Mr. Prasert Bunsumpun  
Chairman

: The outstanding loan was approximately Baht 130,000 Million, and the 5 year repayment was more than Baht 50,000 Million.

Mr. Prasertphop  
Phamornpairote  
Shareholder

: Was a half of the loan in USD?

Mr. Prasert Bunsumpun  
Chairman

: About 70% was in Thai Baht, and 30% was in USD.

Mr. Prasertphop  
Phamornpairote  
Shareholder

: Regarding this loan, did the Company consider the rate of currency exchange? Based on statements of income, there were derivative loss and net foreign exchange loss. What were the causes of the said losses? Did the loan relate to these two losses?

Mr. Veerasak Kositpaisal  
Chief Executive Officer

: The principle objective of this loan was to consider whether refinance was good. If it was good, it was to be chosen. Moreover, the other portion to be combined with incomes derived from business operation for future business expansion. Derivatives were the Company's risk management. Mr. Patiparn Sukorndhaman, Executive Vice President, Finance & Accounting was requested to explain.

Mr. Patiparn Sukorndhaman  
Executive Vice President,  
Finance & Accounting

- : - The Company had strict risk management policy. The foreign exchange risk management was as follows:
1. Swaping loan from Thai Baht to USD was called under the accounting term as derivative.
  2. Future trading from Thai Baht to USD was called loss or profit from currency exchange.
- Gains / losses on derivatives or gains / losses on currency exchange were under the Company's risk management.

- The Company's risk management policy was quite strict since the revenue was in foreign currency. Moreover, the expenses on raw materials were based on foreign currency as well. To manage the mentioned matters, the Company consequently had to have future exchange fee; derivatives or future currency exchange.
- In recent year, the Company had expected that Thai Baht would have been strong; therefore it was hedged at certain rate. However, Thai Baht was weaker than what had been hedged by the Company. There were accordingly derivative loss and net foreign exchange loss.
- The loan in the amount of Baht 60,000 Million to be asked for approval would be spent on investment. A portion of it was spent in foreign investment, therefore foreign currency, especially USD, was necessary. Hence, the Company had to consider if this loan was for foreign investment, it should be in foreign currency in order to manage foreign currency risk.

Mr. Kirk Samontham  
Proxy

: Mr. Bowon Vongsinudom, President was requested to answer the inquires under the Annual Report, page 202, Statements of Financial Position as follows:

1. The Company had executed natural hedging, why did it related to derivative?
2. The amalgamation between PTTCH and PTTAR should make sufficient business expansion. Why was a reason to loan in the amount of Baht 60,000 Million to support investment plan for business growth?

Mr. Bowon Vongsinudom  
President

1. The Company tried to make profit for the Shareholders. However, profit or loss had various variants such as price spread between products and raw materials, or fixed money value. When the situation changed, the Company had to manage the differences for the utmost benefit.
2. The Baht 60,000 Million loan under long term investment was necessary for business expansion project, capacity expansion project and new product project for the Company's growth and more foreign business expansion.

Mr. Kirk Samontham  
Proxy

: Complimented the Company on natural hedging execution for the Shareholders' profit. If there was apparent investment expansion plan for Baht 60,000 Million loan, the Company should explain how the domestic demand and supply was, and whether it was pursuant to fluctuating prices.

Mr. Prasert Bunsumpun  
Chairman

: The Company had five-year investment plan which was expected to spend USD 4.5 Billion or equivalent to Baht 135,000 Million. The investment in certain projects had to seek an approval from the Board of Directors. Nevertheless, the Shareholder's useful suggestion would be taken into consideration.

- Mr. Kitti Sanitwongse Na Ayudhya Shareholder : The Company had better issue debentures more than Baht 60,000 Million since at the moment was the proper period for debenture issuance.
- Mr. Prasert Bunsumpun Chairman : The suggestion was appreciated.
- Mr. Basant Kumar Dugar Shareholder : (suggested in English) The Company had better consider borrowing loan in other ways such as dividend stock for the Company's benefit and BOI privileges.
- Mr. Kirk Samontham Proxy : The Company had better issue convertible debenture in order that there was no repayment.
- Mr. Prasert Bunsumpun Chairman : The Shareholders suggested to the Company various ways to raise fund. They were beneficial and the Company would take it into account.

The Chairman asked the Meeting whether or not there were any comments or questions. There was no further question from the Meeting. The Chairman reported the result of vote counting that the total count of the Shareholders and proxies' votes was 3,335,661,756 approval votes, equivalent to 98.48% of the total entitled votes present at the Meeting, 141,471 objection votes equivalent to 0.01% of the total entitled votes present at the Meeting, and 51,278,849 abstention votes equivalent to 1.51%. The Chairman then concluded as follows:

**RESOLVED:** THAT the Meeting, with more than three-fourths of the total entitled votes present at the Meeting approved to issue debentures for investment and/or refinance the outstanding loan of the Company and its subsidiaries in the amount of Baht 60,000 Million depending on the currency exchange rate on the offering date within the operating period of 5 years (2012-2016). The Company should issue debentures in Thai Baht and/or foreign currency from domestic and/or overseas capital resources. The total amount of debentures should be issued at one time or several times as it deemed appropriate and relevant to the Company's fund raising plan. To raise fund, the Company had to seek an approval from the Board of Directors.

**Agenda 8 Other Business (If any)**

The Chairman asked the Meeting whether or not there were any comments or questions.

Shareholders raised additional summarized comments and questions as follows:

- Mr. Chajchai Koonngam Shareholder : - Encouraged the Company's staff who actively performed their duty in today meeting.  
- How much was the Company's R&D budget? How many percentages of sales it was?

- Mr. Decha Suntararachun  
Shareholder : The following questions were raised:
1. What was petrochemical situation, tendency of price and the Company's business operations?
  2. Would the Company's business plan be expanded in any directions?
- Mr. Bowon Vongsinudom  
President : Petroleum products were not quite good. Petrochemical products were both good and bad. It was a normal cycle of this business. An advantage of amalgamation was various types of products alternating to make profit to the Company. The Shareholders should feel relieved. The Company tried hard to operate business at a full efficiency in order to return profit to the Shareholders. Furthermore, the Company planned to invest in R&D more than 3% of net income.
- Mr. Veerasak Kositpaisal  
Chief Executive Officer : The video presentation on the Company's results of operation during the year 2011 and recommendation on the future business plan was presented to the Shareholders that the Company's plan aiming toward business of polyurethane and polycarbonate.
- Mr. Veera Chaimanowongse  
Shareholder : - Complimented the Chairman, the Board of Directors, the Management and staff on the successful Meeting.  
- Would the Directors' Bonus maintain at the rate of 0.3% of net profit in the following year?
- Mr. Prasert Bunsumpun  
Chairman : It would be proposed for the Shareholders' approval.
- Mr. Veera Chaimanowongse  
Shareholder : The queries were raised as follows:
- There were different opinions referring to the remuneration which was unnecessary to compare with other companies, but the Company should have the principles that could be explained.
  - While the regional and worldwide economic situation presently confronted problems, the Company had investment plan of Baht 60,000 Million loan. Did the Company find any opportunity in investment?
  - What was the Company's business tendency in this year?
- Mr. Veerasak Kositpaisal  
Chief Executive Officer : - The Company's investment plan was based on collecting data of looking back to consumers and markets, lifestyles, and growth in the region to consider long term and short term investment plan.  
- The petrochemical business cycle was up and down. Although this year business tendency was expected to be good, the Company should execute risk management and take good care of customers.
- Mr. Prasert Bunsumpun  
Chairman : It was concluded that this year tendency would be good unless there was an impact from crisis in Europe and China. If there was no crisis, the Company's performance would be successful.

The Chairman declared that the Meeting considered all agenda of this Meeting and after inquiring the Meeting, no Shareholder proposed other matter, or made any inquiry, or gave more recommendation. For good corporate governance and vote counting, the Chairman informed the Meeting that the Company's staff would collect all voting, and paid gratitude to all Shareholders for attending the Meeting and informed the Shareholders that the Board of Directors', executives' and employees' previous performance had been conformed to the concepts of good corporate governance which would still be the Company's direction for the Company's and the Shareholders' utmost benefit. Then the Chairman declared the Meeting adjourned.

**The Meeting was adjourned** at 19:24 hours.

The total Shareholders, who registered to attend the Meeting in person and by proxies were 5,937 Shareholders. The number of shares could be totally calculated 3,387,082,076 shares, equivalent to 75.16% of total number of outstanding shares, and the Company already rechecked the votes.

Signed            -signature-            Chairman of the Board of Directors  
(Mr. Prasert Bunsumpun)  
Chairman of the Meeting

Signed            -signature-            Chief Executive Officer,  
(Mr. Veerasak Kositpaisal) Director and  
Secretary to the Board of Directors