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**Minutes of the 2015 Annual General Meeting of Shareholders  
of  
Nok Airlines Public Company Limited**

**Date, Time and Venue**

The Meeting was held on Thursday, April 9, 2015, 09:20 hrs., at the Grand Ballroom, 4<sup>th</sup> floor, the Miracle Grand Convention Hotel, No. 99, Vibhavadi-Rangsit Road, Laksi Sub-District, Don Muang District, Bangkok Metropolis 10210.

**Preliminary Proceedings**

Miss Nuanwan Bhuprasert, duly assigned by the Chairman of the Board of Directors to conduct the 2015 Annual General Meeting of Shareholders, welcomed shareholders and asked the Miracle Grand Convention Hotel's representative to introduce safety/security systems available at the Meeting's premises. She then introduced members of the Company's Board of Directors, sub-committees and its senior executives who were present at this Meeting.

**Attending Directors**

- |                                                 |                                                                                                                 |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| 1) Mr. Somchainuk Entrakul                      | Chairman of the Board of Directors                                                                              |
| 2) Mr. Patee Sarasin                            | Director/Chief Executive Officer                                                                                |
| 3) Mr. Chokchai Panyayong                       | Director/Chairman of the Risk Management Committee                                                              |
| 4) Flight Lieutenant Montree Jumrieng           | Director                                                                                                        |
| 5) Flying Officer Suraphon Israngura Na Ayuthya | Director/Member of the Nomination and Remuneration Committee                                                    |
| 6) Mr. Somsak Chotrattanasiri                   | Director                                                                                                        |
| 7) Mr. Pimol Srivikorn                          | Chairman of the Audit Committee / Independent Director for proxy of minority shareholders                       |
| 8) Mr. Apichart Chirabandhu                     | Chairman of the Nomination and Remuneration Committee / Independent Director for proxy of minority shareholders |

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| 9) Mr. Padungdej Indralak | Independent Director/ Member of the Audit Committee/ Member of Risk Management Committee |
| 10) Mr. Niphon Hakimi     | Director/ Member of the Risk Management Committee                                        |

**Attending Senior Executives**

- |                              |                                |
|------------------------------|--------------------------------|
| 1) Mr. Piya Yodmani          | Deputy Chief Executive Officer |
| 2) Mr. Sanjai Boonma         | Chief Operating Officer        |
| 3) Miss Nuanwan Bhuprasert   | Chief Financial Officer        |
| 4) Mr. Yodchai Sudhidhanakul | Chief Commercial Officer       |

She also welcomed Mr. Kumpol Watnasuksanti, representative from the Thai Investors Association who was present as an observer at this Meeting.

Moreover, the Company's auditor was also invited to attend the Meeting to answer questions raised by shareholders, as well as an independent legal counsel who was to act as an observer in order to monitor the Company's voting process to ensure that they are transparent, lawful and in compliance with the Company's Articles of Association, namely:

**Advisors Present:**

- |                                 |                                                                     |
|---------------------------------|---------------------------------------------------------------------|
| 1) Miss Panjaree Chumuang       | Legal Counsel from Siam Premier International Law Office Limited    |
| 2) Mr. Niti Jungnitnirundr      | Auditor from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. |
| 3) Mr. Nantawat Samranhant      | Auditor from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. |
| 4) Mr. Watchara Likitbanjongdee | Auditor from Deloitte Touche Tohmatsu Jaiyos, Audit Company Limited |

And, to ensure that the counting of votes be duly conducted and with transparency, Miss Nuanwan Bhuprasert asked for volunteers from the attending shareholders to act as scrutinizers over the counting process at the vote-counting areas. Three volunteers came forth from the proxies to act as mediators, namely:

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| 1) Mr. Tul Ngeayvijit | Proxy |
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|----|---------------------------|----------------------------------------------------------|
| 2) | Mr. Norranit Silaket      | Proxy                                                    |
| 3) | Miss Tatcha Tarnprasertit | Proxy for Siam Commercial Bank<br>Public Company Limited |

Miss Nuanwan Bhuprasert thanked the three volunteers and informed the Meeting that, at the date of closure of the Share Register Book on March 16, 2015, the Company had a total registered capital of Baht 625,000,000 with fully paid-up capital of Baht 625,000,000, having a booked par value of Baht 1 per share and a total of 11,177 shareholders. As there were 149 shareholders present at this Meeting in person and 236 by proxy, making an aggregate total of 385 shareholders, representing a total of 348,717,049 shares or 55.79 percent of the total shares sold of the Company, the quorum was constituted pursuant to the law and the Company's Articles of Association.

Miss Nuanwan Bhuprasert then invited Mr. Somchainuk Engtrakul, Chairman of the Board of Director, as the presiding chairman for the Meeting, to declare the 2015 Annual General Meeting of Shareholders opened.

### **Commencement of the Meeting**

Mr. Somchainuk Engtrakul who presided over this Annual General Meeting of Shareholders ("Chairman") thanked shareholders for having sacrificed their time to attend the 2015 Annual General Meeting of Shareholders today and then assigned Miss Nuanwan Bhuprasert, Chief Financial Officer, as facilitator of today's Meeting, to give an elaboration on rules and steps governing the casting of votes by shareholders.

Explanation concerning rules and voting process by shareholders as well as vote-counting on every item of agenda was given by Miss Nuanwan Bhuprasert as detailed below:

1. The number of shares held by a shareholder would be equivalent to the number of votes s/he holds or is duly assigned by proxy in compliance with the law and the Company's Articles of Association.

2. On each item of agenda except for Agenda Item 6, ballot-holding shareholders would be asked by the Chairman to cast their votes only for disapproval or abstention as such ballots only would be collected and counted and then deducted from the number of all votes present at the Meeting such that the remainder would be treated as votes of approval for that agenda.

As for Agenda Item 6, to select and appoint replacement directors for those retiring at the end of their term, according to AGM Checklists of the Thai Investors Association, the Thai Listed Companies Association and the Office of the Securities and Exchange Commission, cooperation are sought from listed companies to keep the ballots from every shareholder attending the Meeting and to monitor to ensure that the voting process was conducted with

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transparency and duly in compliance with the law and the Company's Articles of Association. For this agenda item, therefore, to ensure that the number of shares would be the same as that of votes casted, the Company would temporarily suspend its registration of a shareholder's right to attend this Meeting until the Meeting has completed. And, to keep in line with the principles of good governance with respect to shareholders Meetings, the Chairman would ask ballot-holding shareholders to cast their votes for such appointment of directors on a case-by-case basis. All ballots would be collected in all cases, i.e. approval, disapproval, , and abstention. The disapproved and abstained ballots would be collected first before asking again to collect all ballots of approval. With regards to votes casted, consideration would also be given to shareholders' votes by proxy as expressed in the Deeds of Proxy. Thus, if the majority of votes are in concurrence and in line with the Company's Articles of Association concerning votes, it shall be deemed that the Meeting has accordingly given its approval or authorization for that item of agenda.

3. In the case of proxy attending the Meeting in lieu, in case the grantor of such proxy has already casted his/her vote in advance, such vote will already have been counted beforehand. However, if a proxy grantor makes no express requirement on any item of agenda, or if such is not clear, the proxy may cast his/her vote as s/he deems fit. If s/he does not approve or wish to abstain, s/he may also raise his/her hand and give the ballot to the staff for any item of agenda.

4. Once a vote is marked in the ballot, a shareholder would be asked, in a case of disapproval or abstention, to raise his/her ballot and give it to the staff to have the votes counted at the vote-counting spot. When all votes are counted, the total number of all votes on that item of agenda would be displayed on the meeting room's monitor and the Chairman would then announce the summary of votes in the resolution for that item.

However, if more time is needed than usual to count the votes in some items of agenda, the Chairman might ask the Meeting to proceed to the next agenda to keep the Meeting flowing on a continuous basis and the results would be announced immediately once they have been duly counted and checked by the staff.

5. In a case where a ballot-holding shareholder would be out of the meeting room for any item of agenda, s/he could uphold his/her voting right on that agenda by giving his/her voted ballot to the staff at the door to have it put in the ballot box when the resolution was being made by the Meeting on that item.

6. For any comment or questions to be raised by a shareholder or his/her proxy on any item of agenda, s/he is to raise his/her hand and, once permission is granted by the Chairman after identifying him/herself and his position either as a shareholder or proxy such that the Company could have them duly recorded in the minutes, the said shareholder could then proceed to make his/her comments or questions.

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7. Comments or questions are to be made to the point and in a concise manner to ensure efficiency and prevent a loss of time in the overall for the Meeting. The Company reserves its right to take action as it deems fit.

Documents used in today's Meeting consisted of the Invitation to the Meeting with enclosures of the preceding meeting's minutes as well as directors information received in the nomination towards selection of directors to replace those retiring at the end of their term, registration forms, Deed of Proxy, the Company's Articles of Association pertaining only to shareholders meeting(s), site-map of the meeting's venue and CD-ROMs for the 2014 Annual General Meeting. All of these documents had already been sent to every shareholder in advance by mail and announced in the Company's website in another outlet as well.

**Agenda Item 1: Matters to be informed by the Chairman for acknowledgement**

The Chairman announced a revision on details given in the Invitation to the Meeting on page 52/78 under the heading of Participation at Meeting by the Company's Board of Directors for the fiscal year by Mr. Padungdej Intaralak, Independent Director and member of the Audit Committee and Risks Management Committee, from the previous 3/3 to 10/12 times.

Remarks: This item of agenda is for information only such that no voting took place.

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

Minutes of the 2014 Annual General Meeting of Shareholders which was held on April 9, 2014 as detailed in Enclosure 1 had been prepared and sent to shareholders together with the Invitation to this Meeting by the Company.

The Chairman then gave shareholders and their proxies the opportunity to make their comments or raise questions on the matter.

Comments made by shareholders on this item of agenda were as follows:

Mr. Tong-in Sang-ngarm, shareholder attending the Meeting in person, raised his queries and comments to the Chairman on 2 issues, as follows

1. After various comments and suggestions had been made by shareholders in minutes of the last meeting, the Company has received them and has taken what action on these issues.

2. After minutes of the Meeting had been completed, the Company would have to send them within 14 days to the relevant authorities, i.e. the Ministry of Commerce and the

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Stock Exchange of Thailand. The Company should have sent the minutes of this Meeting to shareholders so that they could first help with their comments, suggest any revisions and verify such minutes so as not to waste time for any further revisions at the shareholders meeting again.

Mr. Krirk Samondtham, proxy, expressed his appreciation that even though the Company had suffered a loss of approximately Baht 353 million during the first 9 months, it nevertheless picked up to generate profits of Baht 73 million in the last quarter. Moreover, he suggested that, for the next meeting, the Company should arrange a venue which would be easily accessible by shareholders and amenable to the number of attendees. Souvenirs, too, should be arranged by the Company for attendees of the next meeting.

Mr. Tong-in Sang-ngarm, a shareholder attending the Meeting in person, asked the Chairman to conduct the Meeting properly in line with the contents of each item of agenda.

Miss Nuanwan Bhuprasert, explained to shareholders that minutes of the 2014 Annual General Meeting had, indeed, been sent to shareholders within 14 days to have the minutes corrected in good order. However, for the sake of transparency and clarity, it was being submitted by the Company for the Meeting's acknowledgement once again.

The Chairman accepted the said suggestions and that further action would be taken for pertinent revisions.

**Resolution:** After due consideration, the Meeting resolved to approve Minutes of the 2014 Annual General Meeting of Shareholders which was held on April 9, 2014 on the following votes:

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	348,881,362	99.9997
Disapproval	0	0.0000
Abstention	1,000	0.0002
Invalidated	0	-
<b>Total of 407 shareholders</b>	<b>348,882,362</b>	<b>-</b>

**Remarks:** Resolution on this item of agenda shall be adopted by majority votes from shareholders attending the Meeting and casting their votes.

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**Agenda Item 3: To consider and acknowledge the operating results of the Company for the year 2014**

After the Meeting having watched the video presentation on the summary of the Company's 2014 performance, Miss Nuanwan Bhuprasert was assigned by the Chairman to give a summary on the Company's performance under this agenda to the Meeting.

Miss Nuanwan Bhuprasert gave an elaboration and proposed that the Meeting acknowledged the Company's performance during the past year that the Company has stepped in to hold shares in 3 subsidiary companies namely Nok Holidays Co., Ltd., Nok Mang Kang Co., Ltd. and Nok Scoot Airlines Co., Ltd. Thus, the financial statements of these 3 companies must be included in the Company's Consolidated Financial Statements as well.

<b>Reports under the Financial Statements</b>	<b>Specific Financial Statements for the Fiscal Period ending December 31, 2014 (Baht Million)</b>
<b>Statements Showing Financial Standing</b>	
Consolidated Assets	5,937.1
Consolidated Liabilities	2,098.8
Shareholders' Equity	3,838.3
Unallocated Accrued Profits	108.3
<b>Overall Profits &amp; Loss Statements</b>	
Consolidated Revenue	12,295.6
Profits (Loss) Before Income Tax	(410.8)
Net Profits (Loss)	(410.5)
Overall Consolidated Profits (Loss)	(398.9)
Net Profits (Loss) per share	(0.66)

The Company's operating results for specific operations are as follows:

- The Company's Total Assets were approx. Baht 5,937 million, a drop of approx. Baht 335 million as the result of using approx. Baht 3,280 million as working capital and investment in a variety of operations the majority of which involved approx. Baht 1,840 million as placement of deposits for aircraft procurement, approx. Baht 725 million as loans for investment with Nok Mung Kung Co., Ltd. and for investment with Nok Scoot Airlines Co., Ltd., approx. Baht 150 million for in-flight equipment fitting, and approx. Baht 41 million as investment in Pan Am International Flight Training Center (Thailand) Co., Ltd. which give an equity rate of approx. 15 percent; therefore, they were not included in the Consolidated Financial Statements but received only the part of dividends when dividend payment was declared.

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- The Company's Total Liabilities were Baht 2,099 million, an increase of approx. Baht 371 million over 2013 consisting of approx. 173 million of forward revenue as the result of a continuously growing passenger volume, an increase of approx. Baht 145 million in Accrued Trade Payables which correspond with the increased sales volume albeit there were no Interest-Bearing Debts in 2014.

- The Company's Shareholders Equity were Baht 3,838 million or a drop of approx. Baht 705 million as the result of approx. Baht 399 million loss and dividend payments of approx. Baht 306 million.

The Company suffered a loss of approx. Baht 410 million in its 2014 performance from specific operations as the result of increased passenger and service costs in line with its flight increases as detailed below:

- It had a Total Revenue of approx. Baht 12,300 million or an increase of approx. Baht 980 million, with an increase of 1.7 million passengers and 8 more aircraft consisting of 4 Boeing 737-800 and 4 Q400 propeller aircraft and an increase of approx. 5,000 flights and a launch of 3 new flight routes vis-à-vis reduced passenger fares as the result of price competition. Other revenues increased pursuant to the volume of passenger transportation.

- 2014 costs and expenses rose mainly from passenger and service costs which were in line with its increased revenue. There was an increase of approx. Baht 2,450 million in costs over 2013. The main costs were Fixed Cost pertaining to aircraft and the number of employees which grew in line with the number of aircraft in its fleet. Furthermore, there were increased fuel costs of approx. Baht 937 million, approx. Baht 587 million of increase on aircraft rental, approx. Baht 513 million increase of aircraft maintenance costs, an increase of approx. Baht 180 million for flight service costs including expenses pertaining to employees, pilots, in-flight attendants, etc. and increase of approx. Baht 40 million for administrative expenses as the result of sale promotion activities to induce a variety of sales turnover.

- From the Consolidated Financial Statements, the Company acknowledged net loss pertaining only to the parent company of approx. Baht 471 million which was part of an increased loss as the result of its subsidiaries' losses mainly comprising approx. Baht 61 million net loss incurred by Nok Scoot Airlines Co., Ltd.

Shareholders and their proxies were given an opportunity by the Chairman to make their comments or raise queries on the subject.

Mr. Krirk Samondtham, proxy, made this statement: when reading page 22, lines 1-3, of the Annual Report on the Summary of Financial and Operational Information, found that in 2012, the Company's Total Revenue was Baht 8,260 million and its Pre-Tax Profits were



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approx. Baht 500 million, and in 2013, it had a Total Revenue of Baht 11,000 million and Profits of Baht 1,099 million or an increase of approx. 100 percent over the preceding year. However, in 2014 with its Total Revenue of approx. Baht 12,000 million, the Company suffered a loss of Baht 411 million, hence he would like to ask as to why the Company should have generated more profits before it was listed in the Stock Exchange of Thailand than after it was listed in SET despite the fact that it could turn around to generate approx. Baht 73 million of profits during the 2014 last Quarter regardless.

As for the problem with the International Civil Aviation Organization – ICAO, according to the interview given by Mr. Patee Sarasin that Nok Scoot in which the company has invested in could play a part to help solve the problem, he would like the Company to give details on the impact of this problem and what action has been taken by the Company and what plan has it made to protect and solve this problem.

Mr. Patee Sarasin explained to the Meeting about the Company's performance that during the past two years, political problems had greatly reduced the volume of passenger travel in conjunction with the fact that capacity for aviation business in the market has been hiked up by various competitors and marketing maneuvers through price-cutting, thus the ceiling for passenger fares had likewise dropped for every airlines. However, the Company could still manage to retain Cabin Factor.

The Chairman added that, as far as the impact of the ICAO problem is at a national level, but would not have an impact on airlines that are already up-to-standard. However, supporting has been given by every sectors involved with this issue to the Civil Aviation Department. Refer to this problem, Nok Scoot Airlines had a direct impact which was suspended the flight to Japan. The Company has been take an action to this problem by using Scoot Airlines Co., Ltd to transport passengers. Nok Air believed that the ability to solve this problem would boost up confidence and reputation in the aviation business.

Mr. Krirk Samondtham, proxy, asked further: first, if the ICAO problem continued, what would be the extent of its impact on the Company and how has the Company planned to solve the problem at the time when the aviation business was growing.

Secondly, in the 4<sup>th</sup> Quarter of 2014, the Company has profitability that derived from decreasing in Jet fuel price from US\$127 per barrel to about US\$50 per barrel, what would be the pros and cons for fuel hedging. To what extent has the Company taken out measures over fuel hedging and what additional profits would the Company make if the fuel cost remained at US\$50 per barrel.

Lastly, there was no other airline with the New Low for its stock price as that of the Company while several other airlines were having new high. For instance, Delta Airlines closed at +4 percent yesterday. American Airlines too closed at +4 percent, etc. Stakeholders' interests

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should be taken into account by the Company as well, whether the Company's investment would still be profitable for its shareholders or not.

Mr. Tanat Tatchavarand, a shareholder attending the Meeting in person, raised queries on the Company's revenue in its 2011 – 2014 Financial Statements. One found that in 2011, the Company had a revenue of Baht 6,000 million and Baht 5,800 million of expenses; in 2012, its revenue increased to Baht 8,000 million with expenses of Baht 7,700 million. In 2013, its revenue was Baht 11,000 million and it has expenses of Baht 10,000 million with an increased Net Profit Margin of almost 10 percent. It turned out, however, that in 2014, its revenue grew slightly from Baht 6,000 million to Baht 8,000 million and Baht 11,000 million respectively. How come, then, that 2014 profits rose only by Baht 1,000 million over 2013 despite the fact that its passengers grew by approx. 29 percent or from 5.9 million to 7.6 million pax while 2014 expenses grew a great deal from Baht 10,000 million to approx. Baht 13,000 million resulting in a loss of almost over Baht 400 million.

Secondly, he would like the Company to explain about its Cash Flow Statement: it was stated that there was an income of Baht 767 million from its subsidiaries. This came from which part of the 2014 Cash Flow. He next queried on the item of expenditures in the explanation given for the operating results that there were expenses of about 65 percent in the Dollar currency. Thus, when the Dollar strengthened from Baht 30 in 2013 to Baht 32 in 2014, the Company suffered a loss in one part. But, how come, in the Cash Flow Statement from operations, there was a statement saying that there were Unrealized Gains from exchange rates of as much as Baht 24 million. Why did it appear as loss in the explanation given but as profits in the Financial Statement.

He raised the next query as to why Nok Scoot Airlines suffered a loss of approx. Baht 61 million, and how long did the Company anticipate it would take to turn Nok Scoot Airlines to profitability for the Company. What was Nok Scoot Airlines' Cabin Factor and would the use of over 400 seating aircraft for North Asian routes lead to a loss for the Company or not if the cabin factor could not be filled to its full capacity.

Furthermore, the 2013 Cabin Factor was 84 percent. How then did the 2014 Cabin Factor drop to 81.3 percent and why did RASK drop by 14 percent, from 2.6 to 2.26.

The Company's passenger yield also dropped from 2.9 to 2.5 while its expenditures, i.e. Cost per Available Seat-Kilometers (CASK) remained at approx. 2.36. Revenue per Available Seat-Kilometers (RASK) being less than ~~its~~ CASK has caused the Company to suffer a loss: why were these figures changing constantly and which method did the Company have to solve these problems. And passenger yield have improve once RASK is higher than CASK, or not.

Lastly, he asked for the Company's opinion as to whether Nok Scoot Airlines would generate profits for the Company or not, and how.

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The Chairman thanked the shareholder for his questions and assigned Mr. Patee Sarasin to provide further explanation as well as assigning Miss Nuanwan Bhuprasert to give additional explanation to the Meeting about the Company's Revenue and Expenditures.

Mr. Krirk Samondtham, proxy, asked the Company to kindly give a detailed explanation on these issues of Cabin Factor, RPK, ASK and other technical terms for the enlightenment of minor shareholders.

The Chairman stated that he would like to explain specifically on details pertaining to the items of agenda only. As for details on Cabin Factor, RPK, ASK and other technical terms, he would accept this issue (for consideration). And, if shareholders are interested, the Company might think of opening a course for further details. He then asked Mr. Patee Sarasin and Miss Nuanwan Bhuprasert to next answer the shareholder's queries.

Mr. Patee Sarasin gave this explanation to the Meeting that the fact; there is high competition in aviation business as the result of supply exceeding demand which gave rise to price competition or what we called Price War, therefore, the Company to control its costs to maintain stability and to accept a lower revenue. This was an issue of supply over demand. However, if shareholders followed on further, they would know that the Company's performance has improved during the first Quarter of 2015. In other words, its revenue was higher than its expenditures. Once the market is stable and without any additional capacity, the aviation business would begin to pick up as the consumer's behavior changed to travel by air more and more.

As for Nok Scoot Airlines' cabin factor, the Company could not give details now as it has not yet started to take off in flight after running first into the ICAO problem. On this issue of forward sales of approx. 20,000 passenger seats, he would like to say that they involved sales on the basis of charter flights only. When the Company explained that Baht 61 million has been invested by Nok Scoot Airlines, such investment was made to get itself ready to conduct the operations.

On this issue of passenger yield which has dropped as the result of Price War, he gave this example: normally, there would be 2 sellers each of which could sell a seat at Baht 100 each. Subsequently, new sellers stepped into the scene and changed the price to Baht 70. Price ceilings governing sales of other companies would have to come down in the same way too. However, the Company would like to assert that its passenger yield was still higher than those of its other rivals as customers placed high confidence on the Company's airlines.

Mr. Tanat Tatchvaranand, a shareholder attending the Meeting in person asked if the current rate of RASK was at 2.26 or not.

Mr. Patee Sarasin explained that currently, the said figure has adjusted upwards albeit he could not give more details. On this issue of solving the ICAO problems, the Company has supported from Scoot Airlines which held 49 percent equity in Nok Scoot Airlines by using

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its Aviation License in Singapore to step in and help over this problem. The Company was confident that, with co-operations among every airline, this problem could be overcome shortly.

Miss Nuanwan Bhuprasert explained in details about the Company's financial affairs, as follows:

- The sum of Baht 767 million in the Cash Flow Statement, she explained that as the Company's Financial Statements were prepared characteristically as a consolidated financial statement, i.e. by including those of other subsidiaries as well, hence, when calls were made for payments of increased capital shares in Nok Scoot Airlines during 2014, the impact of this issue would be shown in the Cash Flow Statement for the portion received by Nok Scoot Airlines from Scoot and other shareholders as "Cash receipt for payment of shares by subsidiary companies for stake holdings for which it has no power of control".

- Last year, fuel costs were stable at a rather high level of over US\$100 per barrel and dropped substantially in November. However, the Company has taken out Fuel Hedging for some parts only with a hedging period of about 6 months; thus, it was able to reduce its costs by and by. However, the Board has authorized to extend the Fuel Hedging period on a temporary basis, from the 6 months to 12 months instead during the times of fuel cost decreases to give the Company maximum benefits; thus, it could manage its fuel costs efficiently.

Mr. Tanat Tatchvaranand, a shareholder attending the Meeting in person, queried if this figure of Baht 767 million would appear in the Company's Financial Statements every year or not.

Miss Nuanwan Bhuprasert explained that the said figure appeared in the 2014 Cash Flow Statement as the result of the call for payment of Nok Scoot Airlines' increased capital shares; on the other side, pursuant to accounting principles, it would be included in the presentation as the Company's Cash and would decrease with usage.

Miss Nuanwan Bhuprasert explained further that unrealized profits from foreign exchange of Baht 24 million shown in the Cash Flow Statement was a settlement of balance pursuant to principles governing preparation of cash-flow statements. And, although the Company might have unrealized profits from foreign exchange, there were nevertheless losses from other sections of work, thus, a loss would appear in the Company's overall picture.

Mr. Tanat Tatvaranand, a shareholder attending the Meeting in person asked if the Company made any profits during the past year or not.

Miss Nuanwan Bhuprasert explained that the Company had slight profits from its Foreign Exchange Hedging.

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Mr. Tanat Tatvaranand, a shareholder attending the Meeting in person asked the Company for additional explanation on this Cabin Factor issue.

Miss Nuanwan Bhuprasert explained that when RPK and ASK were taken into account, one could see that the Company had 8 more aircraft in its fleet over the preceding year, thus, its ASK or Available Seat per Kilometre has increased.

The Chairman explained that there was a slight drop only in the Company's Cabin Factor as the result of competition with other airlines. Even though the Company could control its approx. 80 percent but it still came under a severe pricing impact regardless.

Mr. Krirk Samondtham, proxy, asked the Company to reply to the first issue, namely: what was the percentage of fuel hedging taken out by the Company as the result of a drop in fuel costs, and under what terms.

Mr. Patee Sarasin gave the following explanation: the Company has set up fuel hedging at the rate of 30 percent for the duration of about 2-3 months; the Company had the opportunity that it did not set up fuel hedging for the long term while fuel costs were going down. The Company used Physical Hedge, meaning that it bought fuel for the future. Currently, fuel price has dropped to about US\$48 per barrel, hence, this had been approved by its Board of Directors for fuel hedging for the long-term, not for the sake of generating profits because it would be necessary for the Company to make its projections to keep the hedged costs remaining stable at the level of reasonable price in view of the fact that the evaluated portions made by the Company would have to be presented as its Revenue. If the said price were stable/not fluctuating, the Company would be able to determine its competition on the daily basis as to how it would make a profit or suffer a loss. The reason why the Company's profits for the first Quarter improved was because the Company had benefitted from that scenario and the aviation business market had begun to stabilize. The Company expected its revenue during March – April to likewise improve.

Mr. Krirk Samondtham, proxy, asked what effects would this 30 percent Fuel Hedging on Fuel Oil have on the Company's expenditures and for what duration would Fuel Hedging be undertaken as the Company has said that it had the capability to increase such Fuel Hedging for a longer term.

Mr. Patee Sarasin explained that the Company expected to be able to take out Fuel Hedging for 1 year.

Mr. Krirk Samondtham, proxy, asked further that, the Company used to generate profits before it entered the Stock Market, from Baht 500 million to Baht 1,000 million albeit today, it went in and it was just like its shares were being stolen from what one used to buy them, from Baht 11 to Baht 16 which now dropped to the New Low. Why did their price not reflect the performance.

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Moreover, in page 22 of the 2014 Annual Report, the Company set a passenger target 9 million passengers, thus, this year, the number of passengers the Company recorded as being realized was as high as 30 – 40 percent, whether or not this figure came from the 1<sup>st</sup> Quarter/ However, during the 2<sup>nd</sup> Quarter which was Thailand's Low Season, what method would the Company use to the Cabin Factor, and the Company's profitability.

Mr. Patee Sarasin explained that profitability depended on several factors. The issue of Foreign Exchange Rates was one which was beyond the Company's control albeit Foreign Exchange Hedging had been taken out by the Company at a certain level. On this issue of market expansion, the Company has expanded its flight routes to Yangon and has become No. 1 Airlines there with its Cabin Factor being as high as 90 percent. Furthermore, action was underway for the Company to launch its flights to the People's Republic of China for which approx. 250 million of travelers were expected to leave the country each year with Thailand as one of their major destinations. The Company, therefore, started with a route to China at Hefei and Nanning with a Cabin Factor of 97 percent. One could see that movements had been made by the Company by pulling passengers from China into Thailand as well. The Company's performance depended on various factors as mentioned before.

Mr. Krirk Samondtham, proxy, agreed with expansion of aviation routes to foreign countries albeit he asked the Company to explain about figures concerning such overseas expansion as to what percentage of profits would be derived from such revenue.

Mr. Patee Sarasin explained that expansion of overseas routes was not that much. The Company was currently planning on 1-2 flights a day only to China vis-à-vis its domestic flights of approx. 170 flights a day. One could see that domestic flights still constituted the Company's core revenue.

The Chairman asked Miss Nuanwan Bhuprasert to elaborate further and asked Mr. Krirk Samontham to give other shareholders the opportunity to express their opinion as well.

Miss Nuanwan Bhuprasert explained that, for longer distance, the Company benefitted from them to increased revenue and reduced costs. Should any shareholder wish to have more details, they could do so after this Meeting.

Mr. Tong-in Sangngam, a shareholder attending the Meeting in person, asked the Chairman to conduct the Meeting correctly in line with the contents of each item of agenda and then asked to put forth his comments and additional queries.

The Chairman accepted the said suggestion and gave Mr. Tong-in Sangngam the opportunity to make his comments and raise further queries.

Mr. Tong-in Sangnam, a shareholder attending the Meeting in person suggested that the Company's strong operating and financial points be added to the documents attached to this

(Translation)

item of agenda by separating them on an individual basis such as revenue, costs, gross profit, taxes, net profits or loss, profits per share, dividends, accumulated profits, accumulated loss, etc.; therefore, shareholders could look at these issues from the document without having to turn on the CD-ROM again. Shareholders could then study the operations' outstanding points and consider reasons to motivate investors to buy these shares which would not take too much of the meeting's time.

Furthermore, he raised questions about this issue with the International Civil Aviation Organization–ICAO, as to why the relevant authorities like the Ministry of Transport and Department of Civil Aviation should have neglected this matter to let the problems crop up. However, he felt that politicians should not meddle with these problems as they were national issues. Secondly, this territorial airspace belonged to Thailand and not to foreign companies: how did a great number of foreign companies come into existence here, hence, domestic airlines were made to suffer losses.

The Chairman expressed his thanks for the said suggestion and then gave other shareholders a chance to put forth more suggestions.

Mr. Kampol Watsuksanthi from the Thai Investors Association's Group of Volunteers for the Protection of Shareholders, asked about progress that, from page 21, paragraph 3 of the 2014 Annual Report, it was recorded that Khun Adirek had asked if the Company was interested in joining with the Anti-Corruption Project or not to which the Company gave a response that a study was underway: what action has been taken by the Company so far.

Mr. Pimol Srivikorn, Chairman of the Audit Committee and an Independent Director explained that the Company was not idle in its anti-corruption activities in any way and that, as the next step, Action Plan has been set to be followed objectively by every employee.

Mr. Adirek Pipatpatma, a shareholder attending the Meeting in person commented that, from what he has been following on the performance of work by the Company's management since its listing in the Stock Exchange, he felt that the Company passed in almost every areas of its operations, be they in maintaining the Market Share at No. 1 ranking, increasing its cabin factor, revenue growth and introducing new innovations such as Wi-Fi, overseas route expansion as well as co-operations with Nok Scoot. However, the Company still could not maintain the averaged passenger fares. In other words, in 2013, an average passenger fare was about Baht 1,800 which dropped to about Baht 1,400 in 2014. It was here which has caused the Company to suffer a loss.

He further commented that the Company is classified as a national airline because Thai Airways International is a major shareholder which stake by government

It said that Nok Air and Thai Airways were Thailand's national carriers. Even though during the last 2-3 years, the aviation industry had grown and was likely to grow much more, one could see, on the contrary, that the benefits did not fall on Thailand's airlines as there were a great number of various other lines stepping in to carry out their competitive operations

(Translation)

such as Malaysia, i.e. Thai Air Asia Ltd., Vietnam, Indonesia, i.e. Thai Lion Air which led to severe price competition leaving the Company almost without any profits from its operations. The Company should have used its relationship with the Ministry of Finance which was a part of the government to its aid by giving its consideration as to whether by opening such business opportunities they were in the process of destroying the country's aviation industry or not, and what measures were there to solve the problem.

Mr. Patee Sarasin thanked the shareholder for his suggestions and explained that the Company had, indeed, taken such problems for consideration in view of the fact that it had to face current Capacity over Demand problems. However, as an operator, the Company had no power to take any action albeit it expected that the government had already been duly informed of this problem.

The Chairman accepted the said suggestions and added that the Company had already informed the relevant authorities as well as the Government of this matter.

No further comments or queries were made from the floor on this agenda. It was construed, therefore, by the Chairman that the Company's 2014 Performance Report had been duly acknowledged by the Meeting.

Remarks: This item of agenda is for information only such that no voting took place.

**Agenda Item 4: To consider and approve the financial statements and the income statements of the Company for the year ending 31 December 2014 of the Company**

Miss Nuanwan Bhuprasert was assigned by the Chairman to provide a summary on statements which present the 2014 financial standing and comprehensive profits and loss statements.

Miss Nuanwan Bhuprasert explained to the Meeting that the Company has already sent its Financial Statements which presented the financial standing and comprehensive profits and loss statements for the annual fiscal period ending December 31, 2014 as shown in the 2014 Annual Report under the heading of Financial Statements in the CD-ROM form to every shareholder as duly audited and certified by the Company's authorized auditor. Financial Standing and Operating Results under the Consolidated Financial Statements as at December 31, 2014 could essentially be summarized, as follows:



(Translation)

Report under Financial Statements	Consolidated Financial Statement	Statements on Specific Operations
	For the Fiscal Period ending (Baht Million)	
	31 December 2014	31 December 2014
<b>Statements Showing Financial Standing</b>		
Consolidated Assets	6,569.0	5,937.1
Consolidated Liabilities	2,219.6	2,098.8
Shareholders' Equity	4,349.4	3,838.3
Unallocated Accumulated Profits	47.1	108.3
<b>Comprehensive Profits/Loss Statement</b>		
TOTAL Revenue	12,312.9	12,295.6
Profit (Loss) Before Income Tax	(666.2)	(410.8)
NET Profit (Loss)	(665.8)	(410.5)
Comprehensive Profit (Loss)	(654.2)	(398.9)
Net Profit (Loss) per share	(0.75)	(0.66)

- Total Company Assets as at December 3, 2014 were Baht 6,569 million which was boosted by Cash Received for Increased Capital Shares in Nok Scoot Airlines Co., Ltd. with an outstanding balance at year-end of Baht 1,174 million.

- Total Company Liabilities as at December 31, 2014 were Baht 2,220 million which were increased by Trade Account Payables in Nok Scoot Airlines Co., Ltd. which commenced operations during September 2014.

- Shareholders Equity as at December 31, 2014 were Baht 4,349 million divided into Baht 3,771 million as the Company's portion, and Baht 578 million as those of Stakeholders without the power of control. The Company's portion was reduced by approx. Baht 67 million from Cash Flow Statements for Specific Operations as the result of realization of net losses of its subsidiary companies pursuant to investment ratio.

- As for operating results for the Company's Group, however, there were comprehensive losses of Baht 654 million in 2014 divided into Baht 460 million as the Company's portion and Baht 194 million as those interest without the power of control. The Company's portion of loss increased as the result of its specific performance of Baht 61 million from realization of losses pursuant to investment ratio most of which were incurred from losses in Nok Scoot Airlines Co., Ltd. which was in the process of incorporation and application for various licenses to operate international low-cost airlines .

(Translation)

- As for Nok Mung Kung Co., Ltd.'s operating results, income would become realized on receipt of dividend payments from Nok Scoot Airlines Co., Ltd. proportionately to its equity.

From details of the above reports on its financial standing and operating results, these reports were being submitted to the Meeting for its approval of the Financial Statements and Comprehensive Profits and Loss Statements for the year ending December 31, 2014.

The Chairman then gave shareholders and their proxies the opportunity to make their comments or raise queries on the said matters.

Questions and comments were made by shareholders, as follows:

Mr. Krirk Samontham, proxy, asked for reasons why the Company's revenue did not reach the targets with a loss of Baht 666 million before income tax. He also asked what guidelines of improvements did the Company plan on its income structure to enable it to become profitable this year and how much was the target for the Company's revenue this year. As for Profit Margin which the Company said resulted from its Fuel Hedging, Cabin Factor and expansion of its overseas operations – in which quarter could shareholders see changes in these matters.

Miss Nuanwan Bhuprasert explained that these data were estimated projections which could not be disclosed by the Company. However, if the rates of increase of aircraft in its fleet and market growth were taken into account, the Company anticipated that the number of its passengers would grow to as much as approx. 9 million over the preceding year's 7.8 million with an anticipated increase of 1.2 million passengers. As for the Cabin Factor which was 81 percent in the preceding year, the Company believed that it could be maintained at this level or more. However, on items which the Company could not control such as fuel costs or the US Dollar exchange rates, plans had been made by the Company to deal with these problems such as consideration made on hedging as all expenses or costs were already known to the Company. As far as external factors were concerned which were outside the Company's control, i.e. market competition, plans had been made to support expansion of sales outlets as well as arrangements on various projects which were considered new innovations in this sector of business. Thus, even though the Company could not give the figures of its projections here, one believed that, with the various factors as mentioned above in conjunction with the management's efforts, the returns for the entire year would move in a good direction during the 1<sup>st</sup> and 4<sup>th</sup> Quarters albeit not so good in the 2<sup>nd</sup> and 3<sup>rd</sup> Quarters as the results of seasonal effects incurred by this industry sector.

The Chairman explained that the reasons for all problems which had arisen during the past year were known to the Company albeit it could not give an explanation in detail. However, the Company asserted that it would do its best despite the fact that the Company could not take complete control over matters like competition.

(Translation)

Mr. Krirk Samontham, proxy, questioned further that the Company's profits before it was listed in the Stock Exchange rose from Baht 500 million to Baht 1,000 million. However, it suffered a loss of Baht 666 million last year, hence, he would like to have the Company explain about its past profit margins: what were they and to which level has last year's profit margin dropped.

Miss Nuanwan Bhuprasert explained that, from the Profit Margin at Baht 11,000 million, the Company's profits were approx. Baht 1,066 million or about 10 percent as the competition was not severe then. Average passenger fare was approx. Baht 1,600 – 1,700 with the Cabin Factor of approx. 84 percent. However, fare shortfalls were quite a lot currently despite the fact that fuel costs had come down which were still not enough to make compensation after all calculations were made.

The Chairman explained further that the Company has launched its overseas flights such as opening 2 routes to China which would be expanded to 6 in the future. This could make compensation for the problems that had arisen as it could generate more profits and greater maximization of aircraft.

Mr. Krirk Samondtham, proxy, asked about the average fares: in page 23, line 5 of the 2014 Annual Report under the heading of Average Fares, 2012 – average fares were Baht 1,884, Baht 1,788 in 2013 and Baht 1,473 in 2014. He asked about the Company's average fare today.

Mr. Patee Sarasin explained that currently, the Company's average fare was around Baht 1,600 with a tendency to rise gradually.

Mr. Sakchai Trakulsri, a shareholder attending the Meeting in person, asked about the new accounting standards being used by the Company which would be applicable on the Company as to how much impact they would have on the Company's Financial Statements this year and next year and could such loss be used by the Company tax-wise or not next year.

Miss Nuanwan Bhuprasert explained that the new accounting standards would not have an impact on the Company and it could use losses tax-wise. However, as the Company was also granted promotional privileges by the Board of Investment, consideration must, therefore, be made hand-in-hand once again,

With no further questions from the floor after the Chairman has given the Meeting the opportunity to ask further questions, the Chairman therefore asked the Meeting to give its consideration and approve the Statements presenting the 2014 Financial Standing and Comprehensive Profits and Loss Statement for the fiscal year ending December 31, 2014.

(Translation)

**Resolution:** After due consideration, the Meeting resolved to approve the Statements presenting the 2014 Financial Standing and Comprehensive Profits and Loss Statements for the fiscal year ending December 31, 2014 on the following votes:

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	377,334,789	99.9995
Disapproval	0	0.0000
Abstention	1,600	0.0004
Invalidated	0	-
<b>Total of 651 shareholders</b>	<b>377,336,389</b>	-

**Remarks:** Resolution on this item of agenda shall be adopted by majority votes from shareholders attending the Meeting and casting their votes.

**Agenda Item 5:** **To consider and approve the suspension of allocation of the profits as per performance results of the Company for the fiscal year ending December 31, 2014 as a reserve according to the laws and to approve the suspension of the dividend payment as per performance results of the Company for the year 2014**

The Chairman explained to the Meeting that according to the Public Limited Companies Act, B.E. 2535 (1992) (as amended) and Article 44 and Article 45 of the Company's Articles of Association, any dividend payment of the Company shall obtain an approval from the shareholders, whereas the Company must allocate at least five percent of the annual net profit, less any accumulated losses carried forward to the reserve fund (if any) until the reserve fund equals at least ten percent of the registered capital.

The Company's Board of Directors has duly considered its performance for the fiscal period of January 1 through to December 31, 2014 that the Company suffered a net loss of Baht 410.5 million such that the Company had to suspend any payment of dividends for its 2014 annual performance. Since the Company had fully allocated profits as a reserve according to the laws, there was not any proposal for approval of allocating profits as a reserve according to the laws at this Meeting.

The Chairman gave the shareholders and their proxies an opportunity to express their opinions or raise questions but no shareholders expressed any additional opinions or requested additional information on this agenda item. The Chairman, therefore, asked the Meeting to give its consideration and approve the suspension of allocation of the profits as per the performance

(Translation)

results of the Company for the fiscal ending December 31, 2014 as a reserve according to the laws as well as to approve the suspension of the dividend payment as per performance results of the Company for the year 2014.

**Resolution:** After due consideration, the Meeting resolved to approve the suspension of allocation of the profits as per the performance results of the Company for the fiscal ending December 31, 2014 as a reserve according to the laws and the suspension of the dividend payment as per performance results of the Company for the year 2014 with the following votes:

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	377,302,790	99.9910
Disapproval	31,000	0.0082
Abstention	2,600	0.0006
Invalidated	0	-
<b>Total of 616 shareholders</b>	<b>377,336,390</b>	<b>-</b>

Remarks: Resolution on this item of agenda shall be adopted by majority votes from shareholders attending the Meeting and casting their votes.

**Agenda Item 6: To consider and approve the appointment of directors who will retire by rotation and the appointment of a new director**

The Chairman explained to the Meeting that, to ensure that the number of shares and number of votes casted correspond with each other on the consideration of this agenda item, the Company would suspend its acceptance of registration for the purpose of attending the Meeting on a temporary basis up until the conduct of this agenda item is completed.

At the 2015 Annual General Meeting of Shareholders, there were 4 directors to retire by rotation, namely:

1. Mr. Apiporn Pasawat Director
2. Flight Lieutenant Montree Jumrieng Director
3. Flying Officer Suraphon Israngura Na Ayuthya Director/Member of the Nomination and Remuneration Committee

(Translation)

4. Mr. Padungdej Indralak

Independent Director/  
Member of Risk Management  
Committee and Audit Committee

At the same time, the Board passed a resolution proposing to the Meeting to consider the appointment of Mr. Visit Tantisunthorn to assume the position as Independent Director in replacement of Mr. Apiporn Pasawat, a director who will retire by rotation.

For the details of this agenda item, the Chairman assigned Miss Nuanwan Bhuprasert, Secretary to the Nomination and Remuneration Committee, to give additional explanation to the Meeting.

Miss Nuanwan Bhuprasert explained that, according to Section 71 of the Public Limited Companies Act, B.E. 2535 (1992) (as amended) and Article 17 of the Company's Articles of Association, it is required that at every Annual General Meeting of Shareholders, one-third of directors shall retire. If the number of directors cannot be divided exactly into three parts, a number of directors closest to one-third shall retire. Directors retiring by rotation may be re-elected.

The Company's Nomination and Remuneration Committee has considered and proposed the person to assume the position as director in replacement of a director who will retire by rotation pursuant to the following criteria and selection methods:

1. Their qualifications shall be in line with those stipulated by the Public Limited Companies Act, the Securities and Stock Exchange Act, rules and regulations set by the Securities and Exchange Commission and the Stock Exchange of Thailand and the Company's principle concerning good governance including other relevant rules and requirements.

2. Such person shall have the knowledge, ability and experience in a number of various professions which would be beneficial as well as value-addition to the Company.

3. Their qualifications would be conducive towards and promoting such activities to monitor the Company's operations for corporate value enhancement such as be of integrity, ethical, independent, with the courage to express opinion, have creative ideas, carry out their duties with prudence and honesty, sacrificing their time, with appropriate age and physical and mental health, well-prepared in advance for meetings and are acceptable to the society and so forth.

After due consideration of the opinion given by the Nomination and Remuneration Committee, the Company's Board of Directors considered it appropriate to nominate 3 persons as listed below as the Company's directors to replace those retiring by rotation:

1. Flight Lieutenant Montree Jumrieng

it was proposed that he resumed his position as the Company's director for

(Translation)

another term

2. Flying Officer Suraphon Israngura Na Ayuthya it was proposed that he resumed his position as the Company's director for another term
3. Mr. Padungdej Indralak it was proposed that he resumed his position as the Company's director for another term

In addition, the Board passed a resolution proposing to the Meeting to consider the appointment of Mr. Visit Tantisunthorn to assume the position as Independent Director in replacement of Mr. Apiporn Pasawat, a director who will retire by rotation.

Moreover, it is deemed appropriate to propose to the Meeting to consider the appointment of a new director, i.e. Mr. Charamporn Jotikasthira as the Company's director. Thus, the total number of the Company's director shall be 12.

In this regard, the new director was considered by the Nomination and Remuneration Committee as such person is fully qualified pursuant to the Public Limited Company Act B.E. 2535 (1992) (as amended), and is knowledgeable, and has expertise and experience in the business which will benefit the Company in its development

The details of the biography, education, work experience, shareholding proportion, director status in another company of the directors who will retire by rotation and will be nominated for reelection and a person who will be nominated as a director, are as set out in Enclosure 3, and the details of the new director are set out in Enclosure 4 respectively which had been sent to shareholders together with the Invitations to this Meeting.

The Chairman gave the shareholders and their proxies an opportunity to express their opinions or raise queries on the said matters.

Questions raised and opinions expressed by shareholders on this agenda item were as follows:

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person asked about the case of the Company's nomination of Mr. Charamporn Jotikasthira, President of Thai Airways International Public Company Limited of which Thai Smile Airways Co., Ltd. is a subsidiary and flies on the same routes as those of the Company such as Bangkok – Chiangmai – whether there would be any conflict of interests or not.

(Translation)

Mr. Patee Sarasin explained that Thai Smile Airways Co., Ltd.'s current clientele were in the premium category such that there would not have any impact on the Company's operations with their flying on the same routes as ours.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person asked about the difference of approximately Baht 200-300 in fares as to whether it would cause an impact on price competitiveness between Nok Air and Thai Smile or not.

Mr. Patee Sarasin explained that such price difference would have no impact on competition due to the fact that both companies have different groups of clientele.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person, asked about the objectives of having Thai Airways International Public Company Limited's President as the Company's director.

Mr. Patee Sarasin explained that it was because Thai Airways International Public Company Limited held approximately 39.2 percent equity in the Company and that in the past, Thai Airways International Public Company Limited's President had been appointed as the Company's directors on a continuous basis such that it had no impact on the Company's operations in any way.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person asked about Thai Airways International Public Company Limited's policy to re-structure its internal organization and it being in the process of selling off its non-profitable companies as to whether there was a possibility of this to cover the sale of Nok Air as well.

Mr. Patee Sarasin explained that Thai Airways International Public Company Limited has no policy as yet to sell off its shares in the Company.

Mr. Athit Suthi, a shareholder attending the Meeting in person suggested that it should be mentioned in the Invitation to the Meeting sent to shareholders as well that Flight Lieutenant Montree Jumrieng was also an executive in other companies which might give rise to conflict of interests as he was a director in other non-listed companies such as Thai Smile Co., Ltd. even though the Management thought that it does not constitute an issue related with interests.

Mr. Patee Sarasin explained that it was a case of coordinated interests between the two companies which could provide good support for the Company's operations.

The Chairman gave additional elaboration that, as far as management of these two companies were concerned, they were entirely separated from each other and the Company was not subject to Thai Airways International Public Company Limited's control in any way.

Mr. Pruethanand Sriwongchiang, a shareholder attending the Meeting in person, raised queries on nomination of directors whether it would be necessary for them to be closely-



(Translation)

related to the Company, and what would be the maximum term for these directors. In addition, on the issue of director's qualifications where it was determined that they should be acceptable to the society, Mr. Pruethanand would like the Company to explain a definition of this term of acceptable to the society. Furthermore, for director nominations submitted by minor shareholders pursuant to criteria set by the Company, would they have to be famous or not, and how.

Mr. Apichart Chirabandhu, Chairman of the Nomination and Remuneration Committee explained that, the nomination method would have to start from searching for a person who would be of benefits to the Company in its operations in view of the fact that the Company is engaged in a specific business (aviation) such that most persons nominated as the Company's directors would have held records and experience of work in aviation matters and be well-versed in such areas so as to support the Company. Some of them might have experiences in financial areas. As for the criteria of being acceptable to the society, the Company would check that they have no tainted reputation/records.

Mr. Pimol Srivikorn, Chairman of the Audit Committee explained further about nomination of Thai Airways International Public Company Limited's President as the Company's director that appointment of people from Thai Airways International Public Company Limited's could provide additional assistance and information to the Company. Nonetheless, from competitive point of view, even though Mr. Patee Sarasin had preliminarily explained that there were differences in the clientele group of these two companies, in some matters, however, when the Company considered its interests might be affected, the Board would not permit directors with vested interests to participate in the Meeting for that item of agenda for the sake of clarity, transparency and independence. Furthermore, the Audit Committee would be monitoring transactions which could be overlapping or inter-related for the sake of fairness and transparency.

The Chairman gave the shareholders and their proxies an opportunity to express their opinions or raise questions but no shareholders expressed any additional opinions or requested additional information on this agenda item. The Chairman, therefore, asked the Meeting to give its consideration and approve the appointment of the directors to replace those retiring by rotation and approve the appointment of a new director.

Mr. Unapol Kansapkrirk, a shareholder attending the Meeting in person commented that, as a matter of principles, directors being nominated for reinstatement for another term should not be in the meeting room.

The Chairman explained that, to follow the shareholder's advice, he would ask directors being nominated for reinstatement for another term to leave the meeting room.

Mr. Krirk Samondtham, proxy, asked the Company to explain the reasons for its selection of Mr. Visit Tantisunthorn, former Secretary-General of the Government Pension Fund (GPF) as a director of the Company and what performance has Mr. Visit Tantisunthorn made in

(Translation)

relation to the aviation business and in what areas would he be of help to the Company's work as well.

Mr. Patee Sarasin explained that Mr. Visit Tantisunthorn used to be the Company's director since its inception. Various areas of work had ensued from Mr. Visit Tantisunthorn and he has a good understanding of the Company's businesses as well as being an expert in finance. Thus, the Company viewed that Mr. Visit Tantisunthorn would be suitable to become a director of the Company.

**Resolution:** After due consideration, the Meeting resolved to approve the appointment of the directors to replace those retiring by rotation, and approve the appointment of a new director with the following votes:

#### 6.1 Flight Lieutenant Montree Jumrieng

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	373,786,690	99.0595
Disapproval	2,518,600	0.6674
Abstention	1,030,100	0.2729
Invalidated	1,000	-
<b>Total of 616 shareholders</b>	<b>377,336,390</b>	<b>-</b>

#### 6.2 Flying Officer Suraphon Israngura Na Ayuthya

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	349,160,890	92.5330
Disapproval	27,129,100	7.1896
Abstention	1,046,400	0.2773
Invalidated	0	-
<b>Total of 616 shareholders</b>	<b>377,336,390</b>	<b>-</b>

(Translation)

**6.3 Mr. Padungdej Indralak**

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	374,504,690	99.2495
Disapproval	1,778,600	0.4713
Abstention	1,053,100	0.2790
Invalidated	0	-
<b>Total of 616 shareholders</b>	<b>377,336,390</b>	-

**6.4 Mr. Visit Tantisunthorn**

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	374,537,390	99.2584
Disapproval	1,784,100	0.4728
Abstention	1,013,900	0.2686
Invalidated	1,000	-
<b>Total of 616 shareholders</b>	<b>377,336,390</b>	-

**6.5 Mr. Charamporn Jotikasthira**

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	375,430,990	99.4950
Disapproval	1,891,300	0.5012
Abstention	14,100	0.0037
Invalidated	0	-
<b>Total of 616 shareholders</b>	<b>377,336,390</b>	-

Remarks: Resolution on this item of agenda shall be adopted by majority votes from shareholders attending the Meeting and casting their votes.

(Translation)

**Agenda Item 7: To consider and approve Directors' Remuneration for the year 2015**

Mr. Apichart Chirabandhu, Chairman of the Nomination and Remuneration Committee, was assigned by the Chairman to clarify the detail of this agenda item to the Meeting.

Mr. Apichart Chirabandhu explained that, according to Section 90 of the Public Limited Company Act B.E. 2535 (1992) in conjunction with the Company's Articles of Association Clause 22, the determination of the directors' remuneration shall be approved by the Shareholders' Meeting. The Company's Nomination and Remuneration Committee had duly considered the suitability of remuneration for the Company's directors and other Committees by comparing with other listed companies in the Stock Exchange, which have their market value close to the Company, and determined that the directors' remuneration shall not exceed Baht 7,680,000. The rate of monthly remuneration and meeting allowances of directors for the year 2015 has not varied from those in 2014, but the sum of directors' remuneration in 2015 is higher than 2014 since the Company has additionally appointed the Risks Management Committee. In addition, it was proposed the Meeting to consider granting the Nomination and Remuneration Committee the authority to allocate such amount of money to each director and other subcommittee within the budget approved by the Shareholders' Meeting according to the details provided in the Invitation as follows:

POSITION	2015 DIRECTORS REMUNERATION		DIRECTOR BONUS
	Monthly (Baht)	Meeting Allowance (Baht/meeting)	
<b>The Board of Directors</b>			Since the Company suffered losses from performance, the Company therefore suspended the directors' bonus payment for the 2014 performance.
- Chairman	60,000	-	
- Director	40,000	-	
<b>Audit Committee</b>			
- Chairman	-	30,000	
- Audit committee	-	20,000	
<b>Nomination and Remuneration Committee</b>			
- Chairman	-	30,000	
- Nomination and Remuneration committee	-	20,000	
<b>Risk Management Committee</b>			
- Chairman	-	30,000	
- Risk Management committee	-	20,000	

(Translation)

The Chairman gave shareholders and their proxies an opportunity to express their opinions and raise their queries on the aforesaid matters, and proposed the Meeting to consider and approve the remuneration of directors for the year 2015.

**Resolution:** After due consideration, the Meeting resolved to approve the remuneration of directors for the year 2015, whereby remuneration shall not exceed Baht 7,680,000, effective from 1 January 2015 with the following votes:

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	377,321,790	99.9942
Disapproval	16,000	0.0042
Abstention	5,600	0.0014
Invalidated	0	-
<b>Total of 619 shareholders</b>	<b>377,343,390</b>	-

Remarks: Resolution on this item of agenda shall be adopted by votes of not less than two-thirds of all votes of shareholders attending the Meeting.

**Agenda Item 8: To consider and approve the appointment of the Auditor and determination of the Audit Fees for the year 2015**

Mr. Pimol Srivikorn, Chairman of the Audit Committee and Independent Director, was assigned by the Chairman to clarify this agenda item to the Meeting in detail.

Mr. Pimol Srivikorn explained that, in compliance with Section 120 of the Public Limited Company Act B.E. 2535 (1992) specifying that the annual General Meeting of Shareholders shall appoint the Auditor and determine the Company's audit fees of each year, the Audit Committee had chosen the auditor for the year 2015 and asked the Company's Board of Directors to propose to the Shareholders Meeting for approval of appointment of Deloitte Touche Tohmatsu Jaiyos Advisory Company Limited, which is an audit firm with good reputation, independence and expertise in auditing. Any of the following auditors shall be authorized to audit and render their opinion on the Company's Financial Statements:

- 1) Mr. Niti Jungnitnirundr Certified Public Accountant No. 3809, and/or
- 2) Mr. Supamitr Techamontrikul Certified Public Accountant No. 3356 and/or
- 3) Mr. Permsak Wongpatcharapakorn Certified Public Accountant No. 3247

(Translation)

The Audit Committee had verified the aforesaid Company and individuals and found that they do not have any relation or interest with the Company, the executives, major shareholders, or related with any inter-related individuals of these people. Thus, the aforesaid Company and individuals would have the independence to conduct the audit and render their opinion on the Company's Financial Statements.

The Audit Committee proposed and considered that the Shareholders Meeting shall determine the Company's audit fees for the year 2015 in the amount not exceeding Baht 1,900,000, and its subsidiaries' audit fees for the year 2015 in the amount not exceeding Baht 600,000; hence, the total audit fees for the year 2015 shall not exceeding Baht 2,500,000.

The Chairman gave shareholders and their proxies an opportunity to express opinions and raise queries on the said matters.

Shareholders raise queries and express opinions on the said matter, as follows:

Mr. Pruettanand Sriwongchiang, a shareholder attending the Meeting in person, enquired about the reason why the Company considered that adjustment of the audit fees by increasing 13.64 percent would be appropriate since other large-sized companies had not been making similar adjustments. According to the Company's current Financial Statement, the adjustment of audit fees has been increased by 13.64 percent, and, in his personal opinion, he viewed that this big increase on the audit fees is not appropriate.

Miss Nuanwan Bhuprasert clarified that in 2014, the Company had additionally established three subsidiaries and had conducted the Company's Financial Statement and those of its subsidiaries as the Consolidated Financial Statement for the first year, consequently the number of accounting items had been increased during the end of 2014, which were more than expectation, while the Audit Fees of 2014 had not included such consolidation costs.

For year 2015, as the Auditors had anticipated that the number of accounting activities would be increased in line with the number of more companies, thus, they proposed for an adjustment of their audit fees more than the previous year approximately 13 percent. However, if considered the number of account activities which had actually occurred, they could be much more than the increased audit fees.

Furthermore, in 2014, the Company's Board of Directors had approved payment of additional remuneration to the auditors in the amount of Baht 600,000, as the audit fees of the Company and its subsidiaries established in 2014, after granting approval from the 2014 Annual General Meeting of Shareholders. Thus, the audit fees that actually incurred in 2014 were totally Baht 2,000,000. She, therefore, proposed the Meeting to ratify payment of the aforesaid Baht 600,000 as remuneration to the Auditors on this occasion.

(Translation)

Ms. Siriporn Siripaiboon, a shareholder attending the Meeting in person, additionally enquired that, in 2014, as the Meeting of Shareholders had approved the Company's audit fees only Baht 1,400,000, but, why the Company paid its audit fees in the amount of Baht 2,000,000 which was more than the amount approved by shareholders.

Miss Nuanwan Bhuprasert clarified on this issue that, in 2014, the Company had to pay audit fees in the amount of Baht 1,400,000 which was the amount set for the preparation of the Company's Financial Statement only. However, in the midyear of 2014, after the said amount of audit fees had been approved by the Meeting, three subsidiaries were established by the Company, resulting in the increase of audit costs. As such expenses had already been approved by the Company's Board of Directors, consequently, she would like to have shareholders give their ratification or make a retroactive approval of this Meeting.

After the Chairman had given the Meeting an opportunity to ask for additional information and no shareholders raised any question, the Chairman then proposed that the Meeting consider and approve the appointment of the Auditor and determination of Audit Fees for the year 2015.

**Resolution:** After due consideration, the Meeting resolved to approve the appointment of Deloitte Touche Tohmatsu Jaiyos Advisory Company Limited as the auditor office of the Company, whereby Mr. Niti Jungnitnirundr, Certified Public Accountant No. 3809 and/or Mr. Supamitr Techamontrikul, Certified Public Accountant No. 3356 and/or Mr. Permsak Wongpatcharapakorn, Certified Public Accountant No. 3427 is/are to be the auditor(s) of the Company. Any of the aforementioned auditors is approved to audit and render their opinions on the Company's Financial Statements. Furthermore, the Meeting resolved to approve the Audit Fee payable to the auditors for the year 2015 in the amount of not exceeding Baht 2,500,000, and to ratify the payment of remuneration on the additional audit fees of the Company's and those of its subsidiaries which were established in 2014, after approval had been granted by the 2014 Annual General Meeting of Shareholders, in the amount of Baht 600,000, in accordance with the following votes:

(Translation)

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	371,702,690	98.5025
Disapproval	5,646,100	1.4962
Abstention	4,600	0.0012
Invalidated	0	-
<b>Total of 620 shareholders</b>	<b>377,353,390</b>	-

Remarks: Resolution on this item of agenda shall be adopted by majority votes from shareholders attending the Meeting and casting their votes.

**Agenda Item 9: To consider and approve the issuance and offer for sale of the Company's debentures**

Miss Nuanwan Bhuprasert was assigned by the Chairman to clarify the details of this agenda item to the Meeting.

Miss Nuanwan Bhuprasert clarified that, for the purpose of business expansion and preparation of capital for the Company, the Shareholders' Meeting would be asked to consider and approve the issuance of debentures in the amount not exceeding Baht 3,000 million, with a term of not more than Five (5) years from the date of each issuance, in which that the Company could use the aforesaid capital for its operation and expansion of its business. At this time, the Company did not have any Interest-Bearing Debts, in other words, its financial cost was rather high. Since issuance of debentures would help reduce the Company's financial cost without any Dilution Effect on the current Shareholders Equity, the Meeting would be asked to consider and approve a loan in the amount not more than Baht 3,000 million or in other currencies of the same amount on the date of issuance. In addition, the Shareholders' Meeting would be asked for its approval in authorizing the Chief Executive Officer and/or the Chief Financial Officer to determine details concerning the issuance and offer for sale of each type and each kind of debenture each time, including the authority to carry out any necessary actions concerning the issuance and offer for sale of such debentures for completion and in accordance with the law.

The Chairman gave shareholders and their proxies the opportunity to raise their comments and queries on the said matters.

Shareholders enquired and raised comments on this agenda item as follows:



(Translation)

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person, enquired that when considering the Company's Financial Statements in the year which the Company had increased its registered capital, the Company's cash or short-term investment funds that could be transformed into cash were over Baht 5,000 million. Currently, Baht 1,800 million of such capital has been used by the Company as guarantee for aircraft, such that there was a balance of cash or short-term investment funds that could be transformed into cash approximately Baht 3,000 million. In case the Company wished to further issue debentures in the amount not exceeding Baht 3,000 million, making the sum of capital total to Baht 6,000 million: what plans of investment did the Company have.

Miss Nuanwan Bhuprasert clarified to the Meeting on this issue that, it had been clearly stated in the Note to the Company's Financial Statements that the Company would need to have the working capital for the advance deposit payments of seven (7) Boeing 737-800 aircraft, which was the part of outstanding capital. The Company also had additional expenses to be incurred in the future, making a total of US\$ 228 million or equivalent to more than Baht 7,000 million, as disclosed in the Note to the Company's Financial Statements at the end of 2014. Such capital was the working capital which would be used gradually during the next 2 - 3 years. However, it was not yet certain that in which year these debentures, which were being submitted for approval, would be issued, since the process of issuing debentures take time.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person, asked for the Company's additional clarification concerning procurement of Baht 6,000 million as much as possible.

The Chairman enquired Miss Nuanwan Bhuprasert about the Company's schedule of issuing the said debentures.

Miss Nuanwan Bhuprasert explained that, issuance of debentures shall be previously concerned about the market conditions, regarding suitability of the amount of money which the debentures would be issued and the need to keep the issuance costs at a low level as well.

The Chairman additionally explained that the aforesaid issue shall be concerned about the Company's Cash Flow, and in his opinion, issuance of debentures shall be mainly concerned about the procurement of Boeing 737-800 aircraft during 2016 – 2017 as well.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person, raised another question, regarding such procurement of Boeing 737-800 aircraft, that whether the Company diverted the method from lease to procurement or not.

Miss Nuanwan Bhuprasert clarified this aforesaid issue that, during 2016 – 2017, the Company would have to disburse a lot of money as the deposit payment for the aircraft, which being delivered during 2018 to 2019. Such aircraft would be procured on the basis of hire-

(Translation)

purchase, which requires a large sum of Cash Flow to be made available by the Company during such period.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person, enquired about the price of Boeing 737-800 aircraft.

Miss Nuanwan Bhuprassert replied that it could not be disclosed.

The Chairman additionally clarified that, according to the Aircraft Purchase Agreements, the prices of such aircraft were subjected to non-disclosure agreement.

Mr. Pruettanand Sriwongchiang, a shareholder attending the Meeting in person, enquired that most companies would normally issue debentures for the purpose of capital funding, for the advance use or investment prior to its issuance of debentures. On this occasion, the Company wished to issue debentures for another Baht 3,000 million, which was indeed a high sum. If its investment needed a lot of money, how often would the Company have to issue debentures to adequately cover its operation.

Miss Nuanwan Bhuprasert explained that, pursuant to the studies, it was found that the aforesaid Baht 3,000 million of debentures should be the appropriate amount for the Company's investment for the next 5 years.

Mr. Pruettanand Sriwongchiang, a shareholder attending the Meeting in person, additionally enquired that, as the term of debentures, being proposed for the approval under this agenda item, was determined at 5 years, did such term refer to the redemption term of such debentures or that the Company would issue additional debentures during the period of 5 years.

Miss Nuanwan Bhuprasert clarified that, this agenda item, being proposed for approval, stated that the term of debentures would not be more than 5 years for each issuance. Whether the Company could issue additional debentures or not, shall be depended on the approval of shareholders since such issue was subject to their approval.

Mr. Pruettanand Sriwongchiang, a shareholder attending the Meeting in person, additionally enquired that, in case the Company wished to issue additional debentures, on what ground did the Company issue such additional debentures.

The Chairman clarified that, the main objective in seeking approval of issuing debentures on this occasion was for the purpose of investment in new aircraft.

Mr. Pruettanand Sriwongchiang, a shareholder attending the Meeting in person, additionally enquired that, what the interest rates and level of credit rating of such debentures did the Company determine and classify.

(Translation)

The Chairman explained that, since the aforesaid issue was a subject to be studied and conducted further, consequently, the interest rates and level of credit rating of such debentures could not be informed yet.

Mr. Unapol Kaensupkrirk, shareholder attending the Meeting in person, commented that, before issuing the aforesaid debentures, did the Company conduct any studies or consult with whoever concerning the current market conditions or not. Currently, the value of Company's shares was Baht 11.60, albeit the shares' value would become lower and definitely have an impact on minor shareholders once news of the issuance of these debentures was broadcasted. Issuance of debentures, that would cause such impact, consequently, should be clearly determined its objectives, and not to merely seek approval on the principles of the overall amount of Baht 3,000 million only.

Ms. Siriporn Siripaiboon, a shareholder attending the Meeting in person, enquired about what would be the Debt to Equity Ratio as the result of this issuance and what was the Company's policy concerning creation of debts in order to maintain the level of Debt to Equity Ratio.

Miss Nuanwan Bhuprasert clarified that, if the calculation was made by taking the Company's current Financial Statements into account, the Debt to Equity Ratio would be around 0.8 to 0.9 per 1 shareholders' Equity. However, the Company would have to consider as to when such debentures would be issued and what was the Debt to Equity Ratio at that time.

The Chairman additionally clarified that, the Company was currently in the process of taking action on the aforesaid matters, and there was no level classification of debenture's credit yet and the Company had not yet carried out other matters as well. However, its request for approval of debenture on this occasion was for the purpose of deposit placement for aircraft, which would be additionally procured during 2016 to 2017, and to prevent the Company from suffering a situation of inflexibility during such period. The Company has not yet determined that when the debentures would be issued. The request for approval on this occasion, therefore, was to seek the approval from shareholders, in order that the Company was able to issue debentures within a financial amount not exceeding Baht 3,000 million.

Ms. Siriporn Siripaiboon, a shareholder attending the Meeting in person, additionally enquired about how the Company determined its policy on creation of debts pertaining to Debt to Shareholders Equity.

Miss Nuanwan Bhuprasert clarified that, in the aviation business industry, the Debt to Equity Ratio would normally be around 1.5 to 2 per 1 shareholders' Equity. However, the Company had no policy, in which to arrange its Debt to Equity Ratio to equivalent to the aforesaid rate. It expected, however, that for this issuance of Baht 3,000 million debentures including the debts which would arise in the future, its Debt to Equity Ratio would be by 1 – 1.2 per 1 Shareholders' Equity.

(Translation)

Mr. Thanaprasert Pamornpairote, a shareholder attending the Meeting in person, commented that, regarding the issuance of debentures, the term of debentures should be specified in the Invitation to the Meeting, i.e. from which year to which year, since such details were not mentioned in the Invitation of this year. In case there should be an agenda item concerning the increase of financial amount of loan again in the future, the sum of money and the number of years in which the Company would need to use the money should also be stated as to in which years that would be.

The Chairman accepted and agreed to comply with the aforesaid suggestions. He then additionally clarified that the Company had been listed in the Stock Exchange for only 2 years and its current performance was reasonably good, albeit it would have to make slight improvement and expected to develop even more in the next year.

Mr. Preuttanand Sriwongchiang, a shareholder attending the Meeting in person, additionally enquired that if the Company's current Financial Ratio was 0.8 per 1 or not.

Miss Nuanwan Bhuprasert explained that, currently, the Company has no Interest-Bearing Debts, any long-term loans or loans subject to regular interests.

Mr. Pruetanand Sriwongchiang, a shareholder attending the Meeting in person, suggested that, in case that the Company had the Interest-bearing Debt, each area of the Financial Ratio should also be stated in the Financial Report, so that the Company's ability to pay off its debts and interests could be informed. Moreover, he raised additional query that, in the normal case, whether the Debt to Equity Ratio should not be more than 1.5 – 2 per 1 shareholders' Equity or not, and what was the level of Debt to Ratio Equity that shall be deemed as the precautionary ratio.

Miss Nuanwan Bhuprasert clarified that, the aforesaid ratio was mentioned as the ratio in the worldwide aviation business industry, however, the Company's policy was rather conservative. The Company was of the opinion that a Debt to Equity Ratio at 1 per 1 was appropriate. If it were to be higher, it should not exceed that of the worldwide aviation industry anyway.

Mr. Krirk Samondtham, a proxy, agreed with the aforesaid issuance of debentures, and additionally enquired that even though the Company had not yet conducted the TRIS Rating of the debenture before the issuance, but when the Company became the listed company in the Stock Exchange, a Due Diligence would have already been conducted, such that he would ask for the Company's estimation on the debentures' rating as to the level of that they should be.

Miss Nuanwan Bhuprasert clarified that, the credit rating of debenture was underway, however the Company intended it not to be lower than that of an Investment Grade.

(Translation)

After the Chairman had given the Meeting an opportunity to enquire additional queries, and no shareholders raised any question, the Chairman then proposed that the Meeting consider and approve the issuance and offer for sale of the Company's debentures.

**Resolution :** The Shareholders Meeting resolved to approve the Company's issuance and offer for sale of the Company's debentures in the amount not exceeding Baht 3,000 million or an equivalent sum in other currencies, and granting the authority to the Chief Executive Officer and/or the Chief Financial Officer to determine the various details relating to the issuance and offer for sale of each type and kind of debenture each time, including the authority to carry out any necessary act concerning the issuance and offer for sale as prescribed by the law.

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	375,823,890	99.5946
Disapproval	773,900	0.2050
Abstention	755,600	0.2002
Invalidated	0	-
<b>Total of 620 shareholders</b>	<b>377,353,390</b>	-

Remarks: Resolution on this item of agenda shall be adopted by a vote of not less than three-fourths of the total votes of shareholders attending the Meeting and having the right to vote.

**Agenda Item 10:** **To consider and approve the amendment of the Company's objectives and amendment of the Clause 3 of the Company's Memorandum of Association so as to correspond with the change of the Company's objectives**

Miss Nuanwan Bhuprasert explained to the Meeting that, to keep in line with the Company's current operations and its future expansions, the Company found it necessary to revise its Objectives and Article 3 of the Articles of Association re: The Company's Objectives so as to cover its business expansion as well as to comply with the law by adding 19 new Articles to make a total of 43 as detailed in Enclosure 6 which had been sent to shareholders, together with the Invitation to this Meeting. Details of the Objectives to be revised are as follows:

1. To engage in the businesses of cargo, parcel and passenger transportation, transfer services via land, waterway, and air, both domestic and international, including the businesses of rendering the goods clearance

(Translation)

services at port according to the customs formalities and freight arrangement for all categories of goods.

2. To engage in the service businesses on legal matters, accounting, engineering, architecture including advertising.
3. To render services on counselling and giving advice relating to management in commercial aviation, commerce, industry, tourism, and investment which does not relate to securities trade, including manufacturing, distributing, marketing, and technique relating to such matters.
4. To engage in the service businesses to repair, maintain, inspect, lubricate, provide anti-rust treatment for all kind of vehicles, including services of installing, inspecting, and repairing all kind of accident prevention equipment.
5. To engage in businesses of bidding for sale of goods and serve for hire of work in accordance with all objectives to persons, groups of persons, juristic persons, government entities, and government authorities.
6. To enter into agreements and contracts with government entities, government authorities, state enterprises, or any other entities in accordance with the Company's objectives and to apply for rights, licenses, privileges, and concessions from government entities, government authorities, state enterprises, or any other entities that the Company deems appropriate and to exercise rights and comply with any and all agreements, contracts, rights, licenses, privileges, and concessions including to assign or grant of rights pursuant to such agreements, contracts, rights, licenses, privileges, and concessions to other persons or companies.
7. To engage in the all ground service businesses for aircraft, passengers, baggage, and on-going activities, both within and outside the Kingdom of Thailand, as well as being an agent to provide such services.
8. To engage in the service businesses to prepare goods, materials, or equipment for using by passengers on aircraft and to keep aircraft clearness and ready for flight.
9. To engage in the businesses of rendering all types of cleaning services.
10. To engage in the businesses of rendering all types of security services.
11. To engage in the businesses of rendering ramp services, to provide aircraft movement equipment, to provide power supply equipment for aircraft.

(Translation)

12. To engage in the businesses of rendering utilities services to aircraft, to provide power supply, drinking water and water in aircraft.
13. To engage in the businesses of rendering aircraft's waste disposal services.
14. To engage in the businesses of rendering marshalling signals services or any signals to aircraft for stand entries, cooperating for the rendering aircraft's filling of gasoline services and aircraft's taking-off and landing.
15. To engage in the businesses of rendering cleaning services inside aircraft, rendering driving service for freight equipment including rendering services for ground passengers.
16. To engage in the businesses of rendering 400 hertz electrical system and air conditioning system for fixed type of aircraft.
17. To engage in the businesses of rendering catering and beverage services on aircraft and ground.
18. To engage in the businesses of rendering duty free shop(s) throughout Kingdom (except for seeking benefit from natural resources and internal trade of local agricultural products).
19. To engage in the businesses of rendering duty free product's pick up point services at international airport located throughout Kingdom.

The Chairman elaborated further that these Objectives were added to cover the Company's businesses which would arise in the future. He then gave shareholders and their proxies an opportunity to express their opinion or raise queries on the said matter.

Mr. Tanaprasert Pamornpairote, a shareholder attending the Meeting in person gave a comment on this revision of the Articles of Association that some articles to be revised were not likely to be involved in the aviation business. For instance, the one which says: "To conduct the business of tender for the sale of goods and for toll manufacture pursuant to all of its Objectives for individuals, groups of persons, legal entities, government authorities and the State's organizations" etc. He then suggested that any business for which it was not well-versed with or is not related to the aviation business should not have been included in its Articles of Association because the Company was merely well-versed in the aviation businesses to the point of becoming Number One low-cost domestic airline only such that it should maintain this Number One position. If it expands its businesses too much, its performance might be affected.

The Chairman expressed his thanks for such suggestion and accepted it for further consideration.

The Meeting was given an opportunity to raise further queries. There being no further queries from the floor, the Chairman therefore proposed that the Meeting gave its

(Translation)

consideration to approve the revised and expanded Articles of Association and to revise Article 3 to keep in line with the addition of Objectives in the Company's operations.

**Resolution:** After due consideration, approval was granted in order to revise the Company's Objectives and to revise Article 3 of the Articles of Association to keep in line with the addition of Objectives for the Company's operations on the following votes:

<b>Result</b>	<b>Number of Votes</b>	<b>Percentage of shareholders attending the Meeting and casting their votes</b>
Approval	376,577,890	99.7934
Disapproval	773,900	0.2050
Abstention	5,600	0.0014
Invalidated	0	-
<b>Total of 622 shareholders</b>	<b>377,357,390</b>	-

Remarks: Resolution on this item of agenda shall be adopted by a vote of not less than three-fourths of the total votes of shareholders attending the Meeting and having the right to vote.

**Agenda Item 11: Other matters (if any)**

The Chairman gave shareholders an opportunity to express their opinion and raise queries on a variety of issues.

Mr. Unapol Kansapkrirk, a shareholder attending the Meeting in person suggested that transporting vehicles should be arranged by the Company for shareholders to attend the Meeting as it was quite difficult for shareholders who were not using personal cars to travel to the Meeting. He also asked about the "The Angel" feature series as to the response it received.

The Chairman accepted the suggestion about cars to transport shareholders to the Meeting and that consideration would be made as appropriate.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person asked about the conditions of competition in the aviation business as it was stated by the Company in the explanation in support of the Financial Statement by the Management that the Company was under the Over Supply position as to what methods would be used by the Company to deal with this problem.

Mr. Patee Sarasin explained that the Company has been using marketing tactics through advertisements and PR activities to stimulate sales. For example, the feature "The Angel"



(Translation)

is another way of advertisement which used lower budget than television advertisements and produced indirect results as well. In other words, viewers would be in touch with Nok Air's operations and would be patronizing the Airline more and more while serving at the same time to enhance air hostesses' standards. Besides, this feature has received such good response from viewers that Season 2 has to be produced. It could be said, therefore, that this feature is a cost-effective investment.

The current Over Supply condition has arisen as the result of rapid increases of fleets from our competitors which boosted up supply.

The Chairman elaborated further that there was a large number of international airlines using Thailand's territorial sky and that they have more capital funds than Thailand's airlines with an ensuing an impact on the latter. However, airlines belonging to Thai nationals as well as other government authorities have begun to realize this situation and tried to preserve the country's interests. With this presence of a large number of international airlines, market share of Thailand's airlines has plunged with an impact on the communications structure which could pose a risk for Thailand in the future.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person, asked about 7 more Boeing 737-800s to be delivered to the Company in 2015 as to what method would the Company use to take delivery of these aircraft.

Mr. Patee Sarasin explained that, this year, the Company planned to accept delivery of 4 aircraft in all, two of which would be Bombardier-Q400s and the other two Boeing 737-800s. As for the process of consideration to bring in more aircraft, the Company would have to first design a suitable Destination Plan before bringing in aircraft for operations. However, the Company could consider taking delivery of these aircraft on a Pending basis. For instance, if the Company's growth rate is high next year, it could consider bringing in more aircraft. On the contrary, if there is a drop in its growth rate, the Company could negotiate to have their delivery slowed-down.

The Chairman elaborated that the Company has made use of aircraft delivered to it as it has expanded its international routes which would further expand in the future. Thus, the Company has no worry on this matter.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person asked about Mr. Patee Sarasin's sale of his shares— about 4.5 million out of his current 25 million shares and also about sales made by several major shareholders such as Laddawan Fund Co., Ltd. which sold off about 30 million shares, Mr. Supamong Aswivichitr who was left, after the sale, with 9 million out of his 25 million shares, Siam Commercial Bank Public Company Limited which was left 21 million from its 25 million shares and Aviation Investment International Limited selling off all of its equity, At the same time, he asked Mr. Patee Sarasin to present his Vision to build up confidence for the Company's shareholders as well.

(Translation)

Mr. Patee Sarasin presented his Vision on the said matter that he was determined to develop Nok Air as the country's Number One domestic airline on a sustained basis. The reason he has stepped in to undertake aviation business was because he wanted to protect Thailand's aviation industry by introducing new innovations and new lines of thoughts on a continued basis. He would like all shareholders to be proud of the fact that the Company was not only an auditable company, but it was also a company with transparency and a company with which foreign investors have expressed their interest to join up in a joint venture, by they Singapore Airlines or All Nippon Airways – ANA. This was an indication of the confidence placed in the Company by foreign airlines. He would ask all shareholders to be confident that the Company would continue in its path of development and would not cede to other foreign airlines in its operations.

The Chairman elaborated further that currently, shares in the aviation business line were all in the down trends, both in Thailand and overseas as the result of today's high competition. However, for major shareholders who sold off their shares, which could be to generate profits investment-wise. And it was very much likely that they would return to buy them back again. Besides, the position in today's stock markets was such that one could not point out to the direction as to whether it would go up or down. However, he himself was confident in the future of the Company's shares that it would be better in the long-term.

Currently, there was an incident concerning the International Civil Aviation Organization or ICAO. The Company thought this would be a good experience for Thailand. If such problems were solved, the country's aviation industry would be growing on a sustained basis particularly Nok Air which has good potential and Branding.

Mr. Tanat Tachvaranand, a shareholder attending the Meeting in person, asked about Mr. Patee Sarasin's interview which mentioned the Company's 2013 performance that it has generated over Baht 1,000 million profits and that it was likely that this year's performance would not be as much as in 2013, as to the reasons which had caused it.

Mr. Patee Sarasin explained to the Meeting that in 2013, there were dynamic changes which had caused the operating results to hike over Baht 1,000 million. However, the Company could not anticipate what its profits would be.

Mr. Pruetanand Sriwongchiang, a shareholder attending the Meeting in person asked if delivery of new aircraft would help solve problems of delays beyond flight schedules or not.

Mr. Patee Sarasin understood the problem but would like to explain to shareholders that the Company gives highest priority to the safety of its passengers in its policy. Thus, if there were any factor which would affect passengers' safety, the Company would consider that as its first priority.

Miss Pornthip Wanghiranyachote, a shareholder attending the Meeting in person applauded Mr. Patee Sarasin for his performance and commented that in the Twitter, there was a

(Translation)

great deal of complaints about Nok Air's delayed departure beyond its schedule such that she would suggest that Nok Air's teamwork help explain the reason about these delays so that the Company's image would not suffer.

The matter was duly acknowledged by the Chairman who then explained that currently the Company's Call Centre was ready to provide services to its clients with full efficiency.

After the Meeting was given the opportunity to express its opinion and raised additional queries and there were no further queries from the floor or other matters submitted, the Chairman thanked shareholders for having sacrificed their time to attend the Meeting and offer their beneficial comments before declaring the 2015 Annual General Meeting of Shareholders duly adjourned.

The Meeting ended at 12.30 hrs

- *Mr. Somchainuk Engtrakul* -

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(Mr. Somchainuk Engtrakul)

Chairman of the Board of Directors

- *Ms. Sunun Witthawatpongton* -

.....

(Ms. Sunun Witthawatpongton)

The Company Secretary