

**TRANSLATION**  
**Minutes of Annual General Meeting of Shareholders 2017**  
**Of**  
**TTCL Public Company Limited**  
**April 7, 2017.**

**14.00 hrs. at the Company's Conference Room 2701 – 2703, 27<sup>th</sup> Floor, Sermit Tower,  
 No. 159/41-44, Sukhumvit 21 (Asoke) Road,  
 Khweang Klongtoey Nuer, Khet Wattana, Bangkok 10110**

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The 2017 Annual General Meeting of Shareholders of TTCL Public Company Limited was held with having 467 shareholders present in person and presented by proxy. 116 shareholders present in person which represented 120,794,272 shares or 21.57 percent and 351 shareholders presented by proxy which represented 197,424,652 shares or 35.25 percent respectively. Altogether, there were shareholders holding 318,218,924 shares from the total of 560,000,000 shares, equivalent to 56.82 percent of the total number of share issued. Therefore, the quorum was declared under the Company's regulation.

**Board of Directors:**

- |    |                             |   |
|----|-----------------------------|---|
| 1  | Mr. Hironobu Iriya          | Chairman of the Board<br>President & CEO  |
| 2. | Mr. Piriya Wongphayabal     | Vice Chairman and General Advisor   |
| 3. | Mr. Makoto Fusayama         | Director  |
| 4. | Mr. Tiwa Jaruke             | Director<br>Executive Director<br>Nomination and Remuneration Committee<br>Corporate Governance Committee                       |
| 5. | Ms. Kantika Tanthuvanit     | Director and Company Secretary<br>Executive Director<br>Corporate Governance Committee  |
| 6. | Mr. Sivaraks Pinicharomna   | Independent Director<br>Chairman of Audit Committee   |
| 7. | Mr. Gumthorn Utarnwuthipong | Independent Director and Audit Committee<br>Chairman of Risk Management Committee<br>Chairman of Corporate Governance Committee |
| 8. | Mr. Ryuzo Nagaoka           | Independent Director and Audit Committee<br>Chairman of Nomination and Remuneration Committee                                   |

**Absent Director**

- |    |                             |                                      |
|----|-----------------------------|--------------------------------------|
| 1. | Mrs. Nijaporn Charanachitta | Director due to urgent business trip |
|----|-----------------------------|--------------------------------------|

**Board of Managements:**

- |    |                         |   |
|----|-------------------------|---|
| 1. | Mr. Saneh Poorisat      | Senior Vice President<br>Engineering, Training and Task Force |
| 2. | Ms. Suratana Trinratana | Chief Operation Officer (COO)                                 |
| 3. | Mr. Wanchai Ratinthorn  | Chief Project Officer (CPO)                                   |
| 4. | Mr. Hideto Koyama       | Chief Sales Officer (CSO)                                     |
| 5. | Mr. Gobchai Tanasugarn  | Chief Finance Officer (CFO)<br>Investor Relations             |

- |     |                             |  |
|-----|-----------------------------|--|
| 6.  | Mr. Yukio Kobe              | Director<br>Engineering and Project Execution Division   |
| 7.  | Ms. Pornchan Katejulasriroj | Director<br>Engineering, Project Execution Division and Sales &<br>Business Development Division |
| 8.  | Mr. Jittapon Sittisak       | Deputy General Manager<br>Finance and Accounting Division  |
| 9.  | Mr. Paibun Sribanphai       | Accounting Manager, TTCL Public Company Limited  |
| 10. | Ms. Nisachol Rittayamai     | Accounting Manager, Accounting Department<br>International                                       |
| 11. | Ms. Jaruwan Sookthauyart    | General Manager, Administration Division<br>Assist. Company Secretary                            |

**Company Auditor: Pricewaterhouse Coopers ABAS Ltd.**

- |    |                                |          |
|----|--------------------------------|----------|
| 1. | Mr. Vichien Khingmontri        | Partner  |
| 2. | Ms. Luxsamee Deetrakulwattanol | Director |
| 3. | Mr. Kitipon Rungkeratikul      | Manager  |

To comply with proper procedure in a listed company's General Meeting of Shareholders, The Company invites Mr. Dechathon Pongthomma – Senior Lawyer, a legal advisor from IPCT Associates Law Office Co., Ltd. to ensure correct voting procedures and counting, to witness vote counting.

**Opening of the Meeting**

Mr. Hironobu Iriya, the Chairman of the Board, President & CEO opened the meeting at 14.00 hours and assigned Mr. Piriya Wongphayabal, Vice Chairman and General Advisor, to preside over the meeting and to be conducted in Thai as most of shareholders attending are Thais.

Mr. Piriya Wongphayabal announces the details of vote counting procedure. In casting votes, any shareholder who wishes to vote against in such agenda by raising hand or mark the voting card accordingly and the Company's officer shall collect the voting cards.

In the event a shareholder has granted proxy to another to be presented at the meeting on his/her behalf, the proxy holder can consider matters and pass resolutions on behalf of the grantor in every respect as he/she thinks fit. The same voting method as that for shareholders present in person will be used.

In the event of presence by proxy, if the shareholder has voted on each agenda item in the letter of proxy, the voting in that letter will be adhered to.

Any shareholder or proxy who wishing to vote against or abstain for any agenda, please raise your hand or vote in the ballot paper. The Company's officers will collect the ballot paper for counting and summing up the vote summary, if no shareholders who vote against or abstain, the Company will assume that all shareholders attending approve such agenda.

In casting vote to comply with Shareholders resolution is required simple majority of attendees entitled to cast votes not abstaining from voting and voided ballot.

Agenda 5 to consider and fix the Board of Director, Audit Committee, Board of Management and Management's remuneration of the year 2017 would be required the votes of not less than two-third of the total number of votes casted by the shareholders attended the meeting.

In counting votes, one share was equal to one vote. The Company would use a computer system to count the voting by deducting the abstaining votes or disapproving votes from the total shares represented in the Meeting and the resolution of the vote would present in the projector's screen.

In case a shareholder wishing to raise queries or express opinions would be required to identify oneself. In case of a proxy, he/she should identify the shareholder he/she represented. A shareholder should take no more than 5 minutes per person to allow the other shareholders raising queries or express opinions. The company will make a clarification on the issues in question and recorded as data for the meeting properly.

A shareholder can ask a paper for write a question and return to staff for presenting the management or concerned persons to reply at the end of meeting.

The Meeting was proceeded with the following agenda:

**Agenda 1 To adopt the Minutes of the Annual General Meeting of Shareholders No. 1/2559 held on April 8, 2016.**

The Minutes of Annual General Meeting of Shareholders No. 1/2559 held on 8<sup>th</sup> April 2016 was submitted to all shareholders along with the invitation. Therefore, the Chairman then asked the meeting to consider approving the Minutes of Annual General Meeting of Shareholders.

There was no any query, the Chairman asked the Meeting to approve the minutes of Annual General Meeting of Shareholders No. 1/2559 dated April 8, 2016.

**Resolutions** : The Meeting approved the minutes of Annual General Meeting of Shareholders No. 1/2559 dated April 8, 2016 by unanimous votes as follows;

Total Votes	320,282,403	Shares			
- Approved	320,282,403	Shares	representing	100.0000	Percent
- Disapproved	-	Shares	representing	0.0000	Percent
- Abstained	-	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	-	Percent

**Agenda 2 To acknowledge the report on the result of the Company's operation for the year 2016.**

The Chairman assigned Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relation to report the result of the Company's operation for the year 2016.

Mr. Gobchai Tanasugarn then reported the result the result of the company's operation for the year 2016 as reported in the Annual Report which was submitted to all shareholders in the form of Compact Disk along with the Invitation. To provide shareholders with the additional channel in considering information, the company has made the text of the 2016 Annual Report on Company website including a hard copy of its annual report to shareholders upon request to the Company.

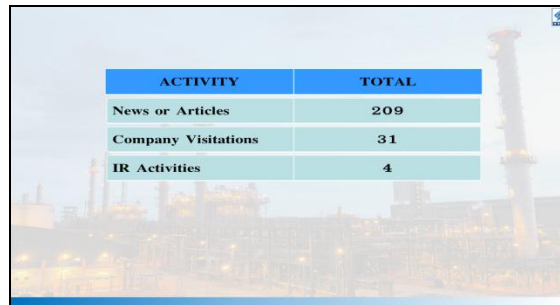
The overall Company's operation can be classified into 6 aspects as follows :

1. Investor Relations Activities
2. Occupational Health, Safety and Environment Activities
3. Human Resources Activities
4. Corporate Social Responsibilities Activities
5. Anti-Corruption Activities
6. Assessment from External Organization
  - Investor Relation
  - Corporate Governance
  - Shareholders Meeting

## Investor Relations Activities 2016



The overview of the company's investor relations in 2016 can be summarized as follows:



ACTIVITY	TOTAL
News or Articles	209
Company Visitations	31
IR Activities	4

- Press releases and articles published in the media 209 times
- Meetings and interviews with company executives 31 times



- Invited or engaged activities which were arranged by external organization to publish the company information 4 times

## Occupational Health, Safety and Environmental Implementation

The company has emphasized the importance of Occupational Health, Safety and Environmental Management. In order to ensure that the project under TTCL's responsibility has suitability and effectively control measure to prevent Occupational Health, Safety and Environmental Impacts on human resources, properties, related person and community including conform to project's requirements and international standards.

The guidelines for Occupational Health, Safety and Environment are covered main issues as follows;

1. Subcontractor Evaluation
2. Occupational Health and Safety Management
3. Environmental Management
4. Emergency Preparedness and Response



As a result, the company has received the certificates from Project's Owner such as certificate for achieving 11 million Man-hours without Lost Time Accident of Combined Heat and Power (CHP II) Project, Rayong Province.

## Human Resources Activities



The company recognizes the importance of employees that they are valuable resources to drive the company's business. By the company will recruit staff with motivating while retain quality employees, and focus on developing employee's knowledge and skills to be able to support new business for effective and sustainable company.

**4. Corporate Social Responsibilities Activities**

The company successively encourages the various activities and projects for Corporate Social Responsibilities in the following:

- 1) Social and Community Support Project
- 2) Educational Support Project
- 3) Environmental Development Project

To extend the effect to the stability and sustainability of the society and the public in 2016 as the following projects.

**Social and Community Support Project**



The company encourages employees to involve in social and community work by participating in activities with organizations and agencies, including volunteer activities such as Blood and Platelets donation, School appliances donation, Community volunteer, Road improvement and help for Flood Victims.

There are also other activities such as Songkran Festival, Rains-cloth and candle for monks and Walk-Run Project.



## Educational Support Project



The Company focused on education development both inside and outside, to set the several training courses to employees to develop their knowledge continuously. Furthermore, to provide good quality education to less fortunate youth or remote rural areas by donating learning media, education equipment and computer.

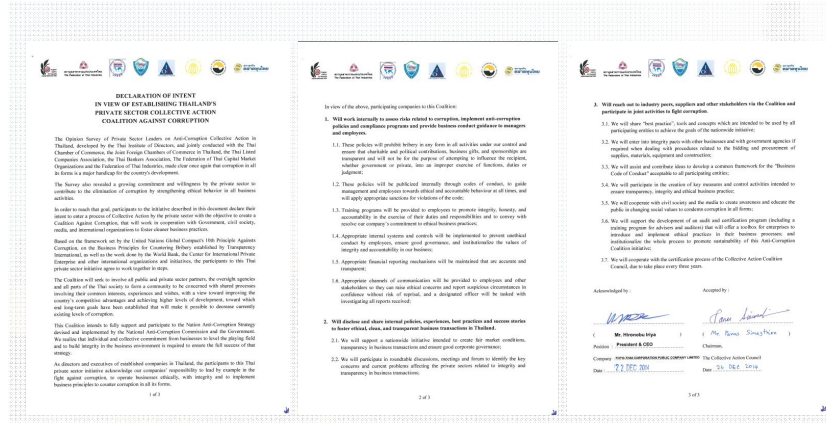
## Environmental Development Project



TTCL and employee are prepared to take part in efforts to support and promote the conservation of the environment and natural resources through various environmental projects, and hopefully contribute to instilling proper conscience among employee to recognize the need to help conserve, maintain, and restore the environment and natural resources, appreciate its value, and make efficient use in order for the resources to remain with us forever.

# Anti-Corruption Activities

## Declaration of Intent in view of establishing Thailand's Private Sector Collective Action Coalition Against Corruption



The company signed on declaration to join the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) project and has been accepted on December 26, 2014.

The Company developed a self-assessment form for Anti-Corruption measures, which accompanies supporting evidence related to business policy, measures and procedures and its internal control system. In addition, the Audit Committee has also reviewed the Company's completeness and adequacy of Anti-Corruption practice to meet requirements of Collective Action Coalition's certification process. All documents were submitted to the CAC panel as part of the Company's application for CAC membership at the end of Quarter 3/2016. The company was certified by Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) Project in October 14, 2016.



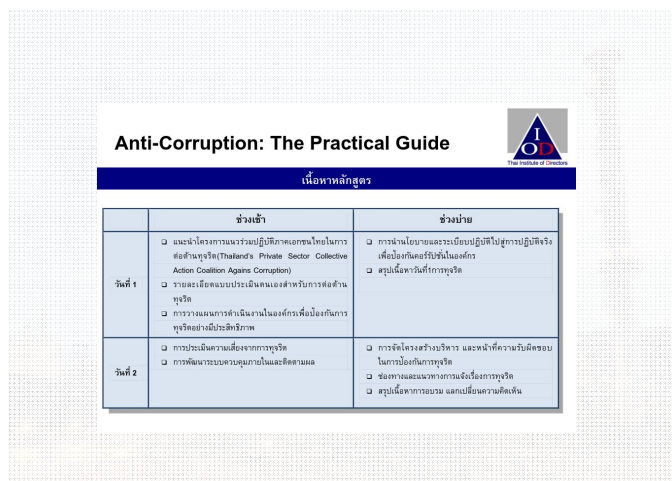
Level	Anti-Corruption progress indicator	Actions
<b>Level 1 Committed</b>	Commitment from President & CEO not to involve with Corruption (Anti-Corruption) ⓪ Board of Directors' resolution (5/2557)	Nov. 14, 2014
<b>Level 2 Declared</b>	CEO signs on declaration to join Collective Action Coalition Against Corruption (CAC) Project by Thai Private enterprises ⓪ The Collective Action Council accepted TTCL Declaration of intent in view of establishing Thailand's private sector collective action coalition against corruption	Dec. 22, 2014 Dec. 26, 2014
<b>Level 3 Established</b>	Setting up and Indicating policy and practices to oppose dishonest government officials and those related to corruption, chaired among CG Committee, Company Secretary & Internal Auditor. ⓪	Sep. 1, 2015
<b>Level 4 Certified</b>	IOD's self evaluation Tool for Countering Bribery form • Prepare by Company Secretary and CG Committee • Check by Internal Audit • Review by Audit Committee • Obtain approval from the Chairman of Audit Committee ⓪ To be endorsed by the Board of Directors (4/2559) ⓪ Certification by Collective Action Coalition Against Corruption (CAC) ⓪	Jun 15, 2016 Jul 15, 2016 Aug 11, 2016 Aug 11, 2016 Aug 15, 2016 Oct 14, 2016
<b>Level 5 Extended</b>	Indicating anti-corruption policy which extends to business partners, consultants and business representatives.	Under proceeding

Indicating anti-corruption policy, the company is under proceeding to extend to business partners, consultants and business representative.

In addition, the company has participated with external agencies in the following activities.



- The Company executives and staff representative joined the “National Anti-Corruption Day 2016” which organized by the Anti-Corruption Organization of Thailand (ACT) along with participants from the government and private sectors at Sanam Luang.



- The company encourages Director, Management and employees to attend trainings and seminars on Anti-Corruption held by external organizations.

### Assessment from external organization

- Investor Relation Evaluation Results
- Corporate Governance Report Assessment Results
- Annual General of Shareholders Meeting Evaluation Results



### Investor Relation Evaluation Results



In 2016, TTCL participated in the Investor Relations Evaluation which was arranged by the Stock Exchange of Thailand and independently assessed by TRIS Rating Co., Ltd.

From the above evaluation, TTCL was classified as one of a group of 44 companies with market capitalization from 3,000-10,000 million baht.

As for the results in 2016, TTCL was rated and achieved better results compared to 2015 as detailed in the following table.

	ผลประเมิน ปี 2559		ผลประเมิน ปี 2558
	TTCL	คะแนนเฉลี่ยทั้งกลุ่ม	TTCL
<b>คะแนนรวม</b>	<b>84.95%</b>	<b>68.85%</b>	<b>80.37%</b>
1.1 การให้ความสำคัญและการสนับสนุนจากคณะกรรมการและผู้บริหาร	91.54%	76.57%	87.69%
1.2 การจัดทำกรรมาธิการสัมพันธ์กับประชาคมความดี และช่องทางสื่อสาร	73.13%	55.82%	71.33%
1.3 ระดับของการให้ข้อมูลของเว็บไซต์ของบริษัทและเว็บไซต์ IR Webpage	86.30%	69.39%	76.00%

The overall score of company in 2016 was 84.95%, higher than group average of 68.85% and higher than the 2015 score of 80.37% as a result from 3 sub-agendas as follows:

1. Supports from Board of Directors and Management
2. IR Activities
3. Completion and Update of Information in IR Webpage

Based from information yielded from the above evaluation, TTCL will consider them as a tool for practice guideline and improvement in Investor Relations in the future.



In addition, TTCL's company rating was assessed by TRIS Rating Co., Ltd. The result shows the company's rating as BBB+ with a "Stable" outlook, published on 6 January 2017.

### Corporate Governance Report (CGR) 2016 assessment

The CGR 2016 assessment of 601 listed companies, there are 455 companies received a score of 70 percent or higher ("Good level of recognition or above), specifically, 80 companies scored 90 percent or above-corresponding to "Excellent" recognition level as follows;

The results of CGR 2016

Listed Company	Percentage	Average score	Level of recognition
455	80	13%	90 percent or above ▲▲▲▲▲ "Excellent"
	195	33%	80-89 percent ▲▲▲▲ "Very Good"
	180	30%	70-79 percent ▲▲▲ "Good"
146	24%	60-69 percent	"Satisfactory"
		50-59 percent	"Pass"
No logo given	N/A		
<b>Total</b>	<b>601</b>	<b>100%</b>	

TTCL CG Score	
2016	2015
▲▲▲▲▲ "Excellent"	▲▲▲▲ "Very Good"

The company's 2016 CG score is 90 percent corresponding to "Excellent".

## Evaluation Result of Annual General Meeting of Shareholders 2016

Overall Evaluation Result					As at 20 <sup>th</sup> June 2016
Year	Overall Listing Company Points				TTCL's Evaluation
	Number of Company	Maximum	Minimum	Point Average	Result
2016	601	100	42.75	91.62	100.00
2015	575	100	49.13	92.68	93.25

The Evaluation Result of Annual General Meeting of Shareholders 2016 from Thai Investors Association, the average score of 601 listed companies is 91.62 while the lowest score is 42.75.

The company's evaluation result is 100.00 compared with the evaluation result in 2015 at 93.25.

**Resolutions** : The Meeting acknowledged the Company's annual performance for the year 2016.

### **Agenda 3 To approve the statement of financial position and the statement of comprehensive income for the fiscal year ended 31 December 2016**

The Chairman assigned Mr. Gobchai Tanasugarn, Chief Financial Officer, Investor Relations, reporting for the Company's Statement of Financial Position and the Statement of Comprehensive Income for the Fiscal Year Ended 31 December 2016.

Mr. Gobchai Tanasugarn informed the meeting that, in compliance with the Public Limited Companies Act of 1992 Clause 112 and Clause 113, the Company is required to prepare a Statement of Financial Position and the Statement of Comprehensive Income of the Company for the end of the fiscal year for the shareholder's approval.

Annual Report together with the Statement of Financial Position and the Statement of Comprehensive Income of the Company as of 31 December 2016 were submitted in the form of Compact Disc to all Shareholders together with the Invitation of this meeting. For the attended shareholders in this meeting, they will also receive the Annual Report in the form of "Hard Copy" both in Thai and English.

Mr. Gobchai then summarizes the Financial Highlights as followings:

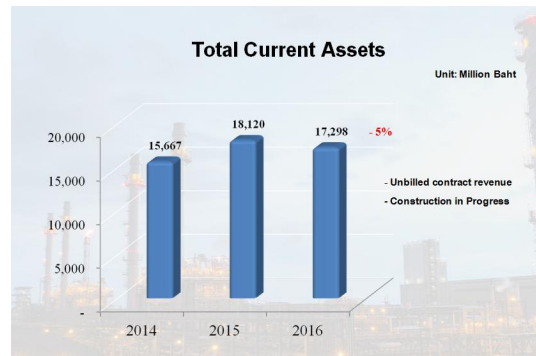
## Company's Financial Status

### Total Assets



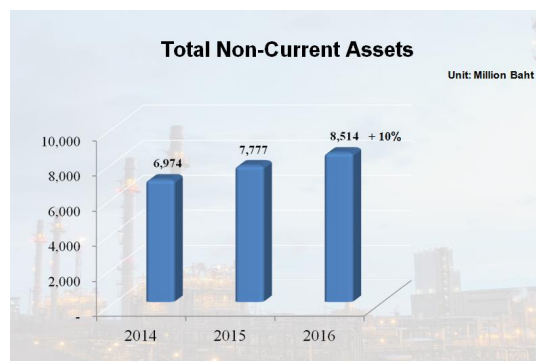
As of 31 December 2016, total assets slightly decreased from previous year and recorded in 25,800 million Baht.

### Total Current Assets



Current assets decreased 5% from previous year or recorded at 18,120 million Baht as a result of progress of domestic power plants, petrochemical projects and Qatar's Desalination Phase 2 Project, which were in final stage of construction that led to a reduction of some current asset items i.e. Unbilled contract revenue and Construction in progress.

### Total Non-Current Assets



Non-current assets increased by 10%, from 7,777 million Baht from the previous year to 8,514 million Baht. Due to the dilution of TTCL's holding portion in ToyoThai USA from 80% to 4%, the related parties transactions previously recorded as current assets such as Unbilled



Contract Revenue and Construction in Progress were then converted to Short-term loan to related parties with value of 1.1 billion Baht and thus presented in Non-current assets.

### Total Liabilities



As of 31 December 2016, Total liabilities slightly decreased from the previous year to approximately 19,500 million Baht.

### Total Current Liabilities



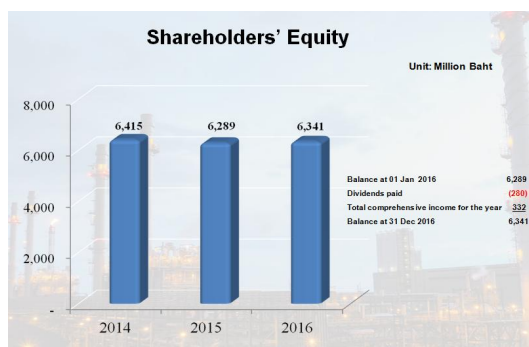
The Company recorded current liabilities at 13,190 million Baht. The changes in short-term liabilities were mainly from repayment of short term loan of financial institutions, Debenture maturity within one year, and the increase in Accrued construction costs.

### Total Non-current Liabilities



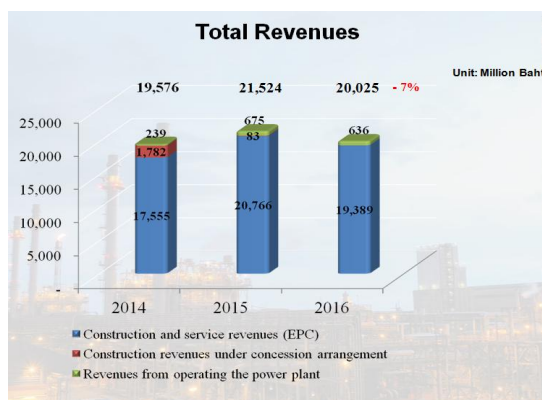
Non-current liabilities declined from 6,477 million Baht to 6,281 million Baht, mainly from the decrease in Long term loans i.e. repayment of loan under the financial support agreement with EXIM Bank of Thailand.

## Shareholders' Equity



As of 31 December 2016, Shareholders' equity slightly increased to 6,341 million Baht from 6,289 million Baht in the previous year. This was a result of the Company's Total comprehensive income at 332 million Baht and dividend paid 280 million Baht.

## Total Revenues



For the operating result of 2016, Total revenues was 20,025 million Baht, declined 7% from last year. The main income came from Construction and service revenue, which accounted for more than 95% of total revenues that consisted of 5 projects:

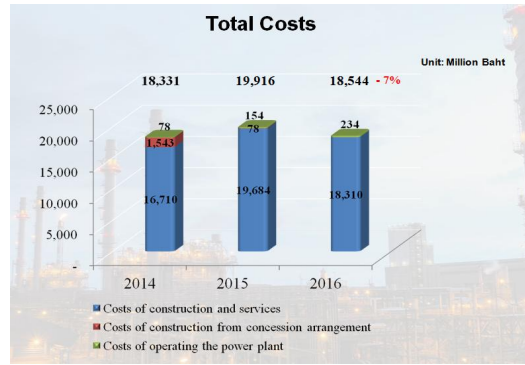
## Top-5 EPC Projects

#	Project	Amount (Million Baht)	% of EPC Revenues	% Progress of Contract
1	Malaysia's Utility for SCC in RAPID Project	5,722.50	29.51%	64%
2	Qatar's Desalination Phase 2 Project	3,151.26	16.25%	100%
3	PTTGC's LLDPE Expansion and Hexene-1 Project	2,969.05	15.31%	65%
4	Lao's Rock Salt Exploitation & Processing Plant Project	2,022.47	10.43%	44%
5	IRPC's Combined Heat and Power Plant Project	1,506.15	7.77%	99%
	Subtotal	15,371.43	79.28%	
6	Others	4,017.57	20.72%	
	<b>Total</b>	<b>19,389.00</b>	<b>100.00%</b>	

Malaysia's RAPID, Qatar's Desalination Plant Phase 2, PTTGC's LLDPE Expansion and Hexene-1, Rock Salt Project and IRPC's CPH II Projects.

The main reason for the decline in revenues was from the slowdown of Lao's Rock Salt project and the partial shutdown of Ahlone Power Plant Myanmar in the first half year 2016.

## Total Costs



At the end of 2016, Total Cost was recorded at 18,544 million Baht, dropped 7% in the same proportion as the decline in Total Revenues.

## Comparison Revenues and Costs

31 December 2016	Revenues	Costs	Gross Profit	%
Construction and Service revenues	19,389.00	(18,310.04)	1,078.96	5.56%
Construction revenues under concession arrangement	-	-	-	-
Revenues from operating power plant	635.45	(233.46)	401.99	63.26%
<b>Total</b>	<b>20,024.45</b>	<b>(18,543.50)</b>	<b>1,480.95</b>	<b>7.40%</b>

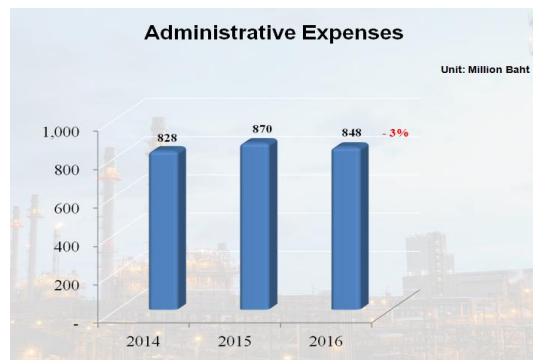
  

31 December 2015	Revenues	Costs	Gross Profit	%
Construction and Service revenues	20,765.51	(19,684.10)	1,081.41	5.21%
Construction revenues under concession arrangement	83.19	(78.20)	4.99	6.00%
Revenues from operating power plant	675.00	(154.13)	520.87	77.17%
<b>Total</b>	<b>21,523.70</b>	<b>(19,916.43)</b>	<b>1,607.27</b>	<b>7.47%</b>

Nevertheless, the comparison and breakdown of costs show that the gross margin slightly declined from 7.47% to 7.40%. This is due to the decrease of Revenue from operating power plant from 77% to 63% due to reasons mentioned above.

EPC's gross margin was slightly improved from 5.2% to 5.6% contributed by higher margin projects won in 2015, for example, Rock Salt Exploitation and Processing Plant Project in Lao People's Democratic Republic, Desalination Phase 2 Project in Qatar and PTTGC's LLDPE Expansion and Hexene-1 Project in Thailand.

## Administrative Expenses



In 2016, Administrative expenses was recorded at 848 million Baht and accounted for 4% of Total revenues, representing a decline in 3% from the previous year. The main reason for the decline was from the reduction in BNE’s impairment costs when compared to last year at 55 million Baht.

## Income and Other Expenses

	2014	2015	2016	% Δ 2015-2016
Other Income	218.75	184.69	272.95	47.79%
Gain(Loss) from Exchange rate , net	(36.13)	286.00	44.64	(84.39%)
Share of profit / (Loss) of associate	48.32	25.44	15.25	(40.06%)
Share of profit / (Loss) of joint venture	(28.21)	(155.25)	0.81	100.52%

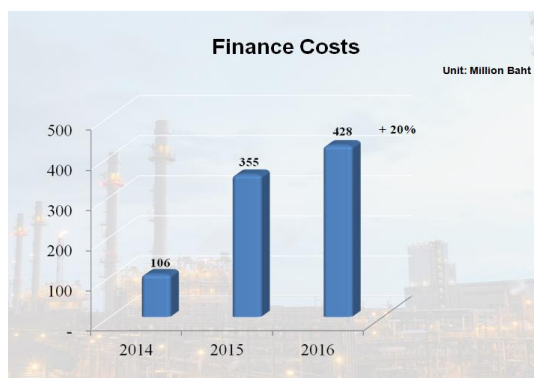
In 2016, Company’s other income soared to 50%, amounting to 273 million Baht, consisting of interest income at 133 million Baht and TTPMC’s insurance claimed at 88 million Baht.

On the other hand, the Gain (losses) from exchange rate declined by 84% and recorded at 45 million Baht because of the appreciation of the Thai Baht during the period.

The company realized Share of Profit of Associate from investment in Siam Solar Power Co., Ltd (SSP), the owner of 8MW Solar Farm Power Plant in Ang Thong province at Baht 15 million, a drop of 40% from last year. The reason for the decline in operating performance was the higher administrative expenses incurred as SSP is on process for listing in the stock exchange in 2017.

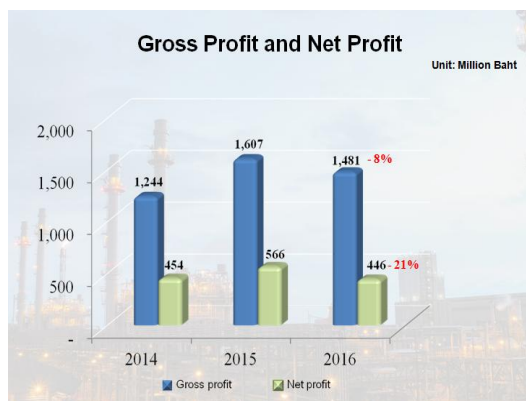
Share of profit of Joint Venture was booked at 0.8 million baht from Siam GNE Solar Energy Co. Ltd., the owner of 0.7 MW Solar Roof-Top in Rayong province , a significant improvement from last year that incurred loss from the Vietnam joint venture (OBF).

## Financial Costs



In 2016, the Finance cost for the year increased to 428 million Baht, reflecting the fund raising activities to support company’s investment and working capital in both Power Plant and EPC businesses.

## Gross Profit and Net Profit



From the above mentioned reasons, the Company's Gross profit and Net profit for the year 2016 decreased by 1,481 million Baht and 446 million Baht or 8% and 21% respectively.

## Financial Ratios

Financial Ratios	2014	2015	2016
Gross profit margin	6.35%	7.47%	7.40%
Net profit margin	2.32%	2.63%	2.22%
Return on total assets	2.00%	2.19%	1.73%
Return on total equity	7.07%	9.00%	7.03%
Net Book Value	11.46	11.23	11.32
Earnings per share	0.84	0.75	0.71
Current ratio	1.35	1.38	1.31
Debt/ Equity ratio	2.53	3.12	3.07
Times Interest Earned ratio	5.83	3.04	2.26

The Gross profit margin, Net profit margin, Return on total assets and Return on total equity decreased because of the reasons mentioned above.

As a result, Net book value and Earnings per share were 11.32 Baht and 0.71 Baht per share respectively.

The Current ratio and Debt to equity ratio were slightly changed, the times interest earned ratio improved to 2.26 times because of the decline in interest bearing debt from previous year 2015.

## Cash Flow

Cash Flow		
Unit: Million Baht	31 December 2015	31 December 2016
Net cash generated (used in) from operating activities	(953.79)	2,079.68
Net cash generated (used in) from investing activities	(841.60)	(196.50)
Net cash receipts (used in) from financing activities	1,680.41	(1,231.30)
Net increase (decrease) in cash and cash equivalents	(114.98)	651.88
Beginning balance	1,611.31	1,571.59
Exchange rate gains (loss) on cash and cash equivalent	75.26	(15.12)
Ending balance	1,571.59	2,208.35



For the year ended 2016, ending balance of cash and cash equivalents increased by 637 million Baht due to:

- 1) Net cash generated from operating activities were 2,080 million Baht, consisted of Unbilled construction revenue, Accrued construction costs and Trade receivables.
- 2) Net cash used in investing activities were 197 million Baht, consisted of cash receipts from Interest income and Advance payment for shares.
- 3) Net cash used in financing activities were 1,231 million Baht, consisted of the issuance of debenture and cash payment for Short-term loans from financial institutions.

From the reasons mentioned above, the Company's cash and cash equivalents increased by 652 million Baht, and when included with cash at the beginning of the period of 1,571 million Baht and Loss on exchange of cash of 15 million Baht, resulting the ending balance of cash & equivalent at year ended 2016 were 2,208 million Baht.

Mr. Gobchai summarized operating result which was reflected the Financial Statement such as Balance Sheet or Profit & Loss Statement between years 2015 – 2016 came from 2 factors EPC Business and Power Plant Business. I would like to inform in part of EPC Business, there are 5 projects which significant with Financial Statement consist of 1) Steam Cracker Complex Rapid in Malaysia 2) Desalination Plant in Qatar which was second project of the Company 3) domestic projects, PTTGC LLDPE Expansion & Hexene 1 4) project in Lao People's Democratic Republic, Rock Salt Exploitation & Processing Plant and the last five projects that generated revenue more than 75% was IRPC Power Plant Project 2 projects. The factor resulted to the operating for year 2016 was from the operation of Combine Cycle Power Plant and postponed of Rock Salt Project. The reason of delay was not from construction, the owner wish to change design and detail by themselves. It led to our revenue has not achieved as we expected. We believe that the construction will be resumed in the 2nd half year 2017. Second factor was the shutdown of Ahlone Power Plant in 1st half 2016, its machine damaged and didn't operate in full capacity but then normalized in 2<sup>nd</sup> half 2016 onward. Shareholders may consider about the cash flow of year 2016. The Company has positive cash flow of 2,000 million baht from operating which will be used to repayment loan of Export – Import Bank of Thailand (“EXIM”) and invest in power business continually i.e. Solar Farm in Japan. Firstly, for this year, we shall start backlog remaining at amount 15,000 million baht which was carried from previous year 2016, we expect to recognize about 60% revenue in this year. Secondly, the current tender book has a value of 180,000 million baht. Thirdly, the expectation and target for the new project is around 700 – 800 million US Dollars and the last one is continued the operating for investment in power business. There are 4 main factors will drive our business in year 2017. I have just summarized the annual report 2016.

## **SHAREHOLDERS' COMMENTS AND QUESTIONS:**

**Questioned by : Mr. Boonprasit Rojanapruek, Proxy of Mrs. Priwan Khempila**

**Answered by : Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relations**

- Question
- 1) On page 199 of Annual Report note 8, Trade account receivable - related parties overdue up 3 months amount 647 Million Baht occurred in the this year. Could you please explain in the details?
  - 2) On page 200, Trade account receivable - third parties overdue from 6-12 months has increased from 37 million baht to 100 Million Bath, and over 12months was increased from 180 Million Baht to 398 Million Bath. Please explain in the details.

- Answer
- 1) Trade account receivable overdue up 3 months amount 647 Million Baht came from 1 project which jointly construction with Toyo Engineering in Malaysia. This project has high progress, therefore it shown in Trade account receivable.
  - 2) It occurred from oversea Project amount 100 Million and domestic project amount 400 Million Baht due to those are entering the final period of construction, a few items are still in negotiation. In term of final construction, the final payment will have condition such as warranty period and certificate; therefore it's still pending for collection.

**Questioned by : Khun Somkiat Chalermisarachai, Shareholder**

**Answered by : Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relations  
Ms. Suratana Trinratana, Chief Operation Officer**

- Question
- 1) On page 70, please clarify why GNE's Revenue dropped from 2,520 Million Baht to 0 Baht in comparing previous year? Do we have plan to restructure company?
  - 2) About Ahlone Power Plant Project in Myanmar, it was shut down partly in the 1st half year 2016, when compared with the revenues from operating of year 2015 and 2016 was 674 Million Baht and 635 Million Baht. Suppose that there was no shut down what is the revenue approximately?
  - 3) On page 146, Khun Gobchai said that Siam Solar Power is on process for listing in Stock Exchange. How many percent TTCL hold in Siam Solar Power? Is it 40%? TTCL hold directly or through GNE or Joint venture with who? Will SSP list in Stock Exchange with 8MW or has more than that?

- Answer
- 1) The revenues of GNE in 2015 and 2016 came from structure of contract agreement that GNE worked as Procurement Sector, so that their business is trading only. The reason GNE didn't has income in 2016 due to all contracts had been done 2015 and income recognized in same year. Additional, GNE didn't have new contract in 2016.
  - 2) If we look back 1st half year 2015, Ahlone Power Plant was operated as simple cycle by two gas turbines. Hence, in year 2015 the Simple Cycle system was upgraded into Combine Cycle in July 2015 and fully generated electricity in 2nd half of year. So 1st half year, the revenue from Simple Cycle was lower than revenue from Combine Cycle. On the other hand, in 2016 the machine was damaged. Management coordinated with related persons to solve the problem and was then normalized in 2<sup>nd</sup> half of last year. If we compared the revenue 2015 and 2016, it seems to be equal but the reason was different. As per question for revenue, suppose that the Power Plant is normal operation, the revenue recognizes in USD currency or equivalent approximately 1,000 Million THB per year which base on minimum guarantee as per Power Purchase Agreement with Myanmar Government.
  - 3) Corrected. 8MW Power Plant is seem small project and has doubt that it can be list in the Stock Exchange or not? I would like to explain that Siam Solar Power hold 40% through Subsidiary company in Singapore, TTCL Solar Power. The reason is preparing for listing in the Stock Exchange for investment in Power Business. We are a minor share and the partner who has long relation with us contribute 60%. Siam Solar Power has other

projects related to Power Business as well to increase their portfolio. Additional they are coordinating with Financial Advisor too.

**Question** Continue the matter of Power Plant, may I ask what caused it damage? Problem was from technical problem or Machine Problem? I heard that you were claiming insurance; it was covered in machine damage or Business interruption? Did the insurance enough to cover expenses? Do you think we can get it? How much? Thank you.

**Answer** There was not caused by itself, the problem was found from outside which effected to machine. Due to Myanmar generation has not met the demand at the peak time, the technical frequency impacted to our machine. We also give the specialist and Gas Turbine Seller to analyze the problems. Insurance covered both Machine Damage and Business Interruption. We already claimed and collected partly. It is enough to cover the incurring expenses. We can't answer exactly the amount due to we are still under negotiation period with Insurance Company.

**Questioned by : Mr. Sitthichok Boonyavanid, Shareholder**

**Answered by : Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relations**

**Question**

- 1) What is the percentage we require for first advance payment after we got proposal? Do we check rating of the Owner/Grantee? Percentage of final payment after completed project? Could you please explain for the process of Bidding?
- 2) Cash flow remaining at ending year was over 2 million, what kind of deposit do we keep for higher return than bank deposit? Do you have any plan to operate those cash?
- 3) When you get new overseas projects such as Malaysia or Japan, we will receive by local currency MYR / JYP or USD? How much exchange rate will effect to the company each year?

**Answer**

- 1) During bidding procedures, firstly we must pass Pre-qualification. We have to do P-qualification with Owner. In huge projects, they will consider to select us if we achieved their requirements. After we passed PQ, they will issue ITB to us. In ITB terms, they require us about technical and commercial. For commercial part, it will indicate about Down payment and criteria of commercial term which have to follow the requirements of each project. We also can offer the Down payment 10 or 15 percentage but Owner will accept or not, it depends on them, maybe we fall the auction. Therefore we should comply with ITB as close as possible and support documents as same as they requested.
- 2) Cash flow at year end, company does not have policy to invest in financial instrument. We keep in our bank account, due to we have to reserve the cash to support operation. If we invest in fixed - term instrument, we may face some trouble in cash flow.
- 3) About bidding in overseas such as Japan or Malaysia, Currently TTCL has project in Malaysia, Stream Cracker Complex for Rapid project. For Foreign Exchange Risk Management, we use method "Natural Hedge" which means cost structure and revenue structure should be in the same currency. It will help reducing the foreign exchange risk. I would like to explain that the problem of Financial Statement is present in THB. Whatever we do to prevent foreign exchange risk such as Forward Contract and Option, but

Financial Statement is still in THB, we cannot avoid exchange differences on translating financial statement. Therefore, shareholders may need to understand that gain/loss on exchange came from translating financial statement or realized exchange gain/loss. As we know, there are two companies BANPU and PTTEP which do not use THB functional currency.

- Question
- 1) In the morning I attended at MCS's meeting, they got same problem with receiving currency JPY. Therefore their finance statement must be presented in 3 books THB, JPY and USD. Is it the same case if TTCL collect fund in USD? Do we need to present our book like MCS?
  - 2) I would like to know what your strong point is used to compete with your competitors. How many competitors do we have at each auction?

- Answer
- 1) It's difficult to answer. If we are not better, we won't be here now. For question that how we are more outstanding performance than our competitors, I think it's hard to compare.
  - 2) By Accounting Standard, if a construction contract contains foreign currency more than THB currency. By standard, it requires to change. It cannot present financial statement in THB only; it's possible that we have to present Financial Statement by 3 books. At the present, we are still presenting in THB currency. For changing Functional currency in USD Dollar in the future, it depends on business condition. Meanwhile we are under studying and preparing.

**Questioned by : Mr. Anu Wongsarakit, Shareholder**

**Answered by : Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relations**

- Question
- 1) When the delay projects will return back to work as normally? Do you expect that Power Plant can spin off this year or not?
  - 2) Refer to trade accounts receivable over 6-12 months in the amount of approximately 1,600 Million THB, Do you think that it has the potential for cash collection? When? Or consider as doubtful debt?
  - 3) I heard that you sold investment partly and booked as Loan to relate parties, may I know more detail?
  - 4) You returned some of Loans and used Debenture to replace? Did you used all yet? Does it have any penalty for delay work? Please clarify more.

- Answer
- 1) Rock Salt project will be returned to construct as normal around 2nd half of this year. Spin off is still in plan.
  - 2) The company is confident and discretionary. Including the documentary and negotiation with the owner, we think it's not necessary to write-offs.
  - 3) It occurred from subsidiary company TTUS in USA, first project was about Chlor – alkaline plant. Due to the owner is going to expand business, not only in America but also in Canada, Russia and China. Therefore, TTUS needed a huge of capital if we would like to follow the owner. While TTCL has a plan to expand power business in Myanmar, Japan and Thailand, so we decided to dilute TTUS's share from 90% to 4%. Thus, the company converted previous transaction which presented in current asset to Loan Relate party. TTUS has returned loans on time plus interest as normally.
  - 4) Last year, Shareholders have approved the increase in the aggregate amount of debenture issuance from 4,000 Million Baht to 6,000 Million Baht. At this moment, the company has not issued new Debenture 2,000 Million Baht as per approved. This amount is reserved for expansion in Power Business. If

the investment plan has more progress and clearness, it is possible that we will issue new debenture in the amount of 2,000 million in this year.

There was no any query from shareholders, the Chairman asked the meeting to consider and approve the Statement of Financial Positions and the Statement of Comprehensive Income for the year ended December 31, 2016, which was reviewed by the Company's Audit Committee and certified by the Company's Auditor.

**Resolutions** : The Meeting approved the Statement of Financial Position and Statement of Comprehensive Income of the Company for the fiscal Year Ended on 31 December 2016 which was reviewed by the Company's Audit Committee and certified by an the Company's Auditor by unanimous votes as follows;

In this agenda there were additional shareholders that attended the meeting representing 13,489,818 shares.

Total Votes	333,772,221	Shares			
- Approved	333,770,221	Shares	representing	100.0000	Percent
- Disapproved	-	Shares	representing	0.0000	Percent
- Abstained	2,000	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	-	Percent

**Agenda 4 To Consider and Approve the appropriation of profit from the operating result of 2015 in the form of dividend payment.**

The Chairman stated that the company has a policy to distribute dividend according to the company's performance in the rate over 50 percent of the net profit after deducted taxes and on the condition that the distribution of dividend is based on the investment plan. The company may consider the conditions of the necessity or some situations in the future for distribution as well.

Dividend Payment Information	Company Operation		
	Consolidated Company	Single Company	Single Company
	Year 2016	Year 2015	Year 2014
Net Profit (Million Baht)	445.50	580.56	429.68
No. of Common Share Outstanding (Million Share)	560	560	560
Dividend : Share	<b>THB 0.42 : Share</b>	<b>THB 0.53 : Share</b>	<b>THB 0.60 : Share</b>
Total Dividend Amount (Million Baht)	235.20	296.80	336.00
Dividend to Net Profit Ratio	<b>52.81%</b>	<b>51.18%</b>	<b>78.14%</b>

In the year 2016, the company has net profit on its account totals to THB 445.50 million. The company has reserved its capital in compliance with law, therefore, the company considers allocating the profit to the shareholders at the rate of THB 0.22 per share with approximately total THB 123.20 million was determined from the year 2016 performance and combined with the interim dividend paid during second half of the year 2016 at THB 0.20 per share or THB 112 million would totally be THB 0.42 per share or THB 235.20 million equivalent to 52.81 percent of the net profit of the year 2016 according to the consolidated financial statement. The payment of dividend to shareholders shall be made on Thursday 4<sup>th</sup> May 2017 and the book closing date for the right to receive dividend payment was set on Monday 24<sup>th</sup> April, 2017.



**Resolutions** : The Meeting approved the allocation of net profit of 2016 dividend distribution to the shareholders as proposed by unanimous votes as follows;

In this agenda there were additional shareholders that attended the meeting representing 29,350 shares.

Total Votes	333,801,571	Shares			
- Approved	333,799,571	Shares	representing	100.0000	Percent
- Disapproved	-	Shares	representing	0.0000	Percent
- Abstained	2,00	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	-	Percent

**Agenda 5** **To consider and fix the Board of Director, Audit Committee, Board of Management and management member’s remuneration for the year 2017.**

According to the Public Limited Companies ACT Section 90 and Company Article of Association Clause 35, the directors are entitled to remuneration from the company in form of salary, award, meeting fee, reward bonus or any benefits in accordance with the Article of Association or as approved by a meeting of shareholders.

As of 23<sup>rd</sup> November 2010, the Board of Directors resolved to resume the office of all Nomination & Remuneration Committee. There are 3 committee members being directors and most of them are an independent Director. None of them are the Chairman or Chief Executive Officer.

At present, the Company’s Nomination & Remuneration Committee includes:

- |                 |                |   |
|-----------------|----------------|---|
| 1. Mr. Ryuzo    | Nagaoka        | The Chairman of Nomination and Remuneration Committee |
| 2. Mr. Gumthorn | Utarnwuthipong | Member of Nomination and Remuneration Committee       |
| 3. Mr. Tiwa     | Jaruke         | Member of Nomination and Remuneration Committee       |

The Chairman invites Mr. Tiwa Jaruke, as the Nomination & Remuneration Committee to explain the remuneration for the Year 2017.

The Nomination & Remuneration Committee Meeting’s resolution dated February 24, 2017 to consider and fix the Board of Director, Audit Committee, Board of Management and Management’s remuneration of year 2017 to appropriate with Company Policy same as previous year. The allocating Net Profit is considered according to the Company Financial Statement of year 2016 as follows;

- 52.81 percent of Net Profit for dividend payout to Shareholders
- 44.21 percent for Company business operation
- 2.98 percent for the 2017 Remuneration for Board of Director, Audit Committee and Board of Management

Nomination & Remuneration Committee propose the meeting for the payment of remuneration of directors for year 2017 as follows;

1. The remuneration for Board of Director, Audit Committee, Board of Management and management members for the year 2017 as follows:

Position	Remuneration / Year (THB)			IOD Median
	2017	2016	2015	
<b>Board of Directors</b>				
- Chairman of the Board of Directors	600,000	600,000	600,000	
- Directors	4,000,000	4,000,000	4,000,000	
<b>Total</b>	<b>4,600,000</b>	<b>4,600,000</b>	<b>4,600,000</b>	<b>5,970,000</b>
<b>Audit Committee</b>				
- Chairman of Audit Committee	200,000	200,000	200,000	360,000
- Committee members	200,000	200,000	200,000	480,000
<b>Total</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>840,000</b>
<b>Risk Management Committee</b>				
- Chairman of the Board of Directors	-	-	-	300,000
- 4 Committee members	-	-	-	1,200,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,500,000</b>
<b>Nomination and Remuneration Committee</b>				
- Chairman of the Board of Directors	-	-	-	140,004
- 2 Committee members	-	-	-	120,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>260,004</b>
<b>Corporate Governance Committee</b>				
- Chairman of the Board of Directors	-	-	-	80,004
- 6 Committee members	-	-	-	480,024
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>560,028</b>
<b>Total of Remuneration</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>9,130,032</b>
<b>Board of Management (BOM)</b>				
- President & CEO	700,000	700,000	700,000	N/A
- BOM members	5,400,000	5,400,000	5,400,000	N/A
- Management	1,670,000	1,700,000	1,600,000	N/A
<b>Total</b>	<b>7,770,000</b>	<b>7,800,000</b>	<b>7,700,000</b>	<b>-</b>

- Board of Directors	Baht	4,600,000	per year
- Audit Committee	Baht	400,000	per year
- Risk Management Committee		No Remuneration	
- Nomination and Remuneration Committee		No Remuneration	
- Corporate Governance Committee		No Remuneration	
- Board of Management and Management members	Baht	7,770,000	per year
<b>Total</b>	Baht	<u>12,770,000</u>	per year

The fixing of the remuneration for the year 2017 has been considered by The Nomination & Remuneration Committee taken into account of the facts of suitable type, size, and performance of the Company in accordance with their duties and responsibilities. Furthermore, the company considered the 2017 remuneration by comparing with the Thai Directors Compensation Survey 2016 from Thai Institute of Director (IOD), the Company remuneration is lower than other companies in the same industries.

It is deemed appropriate to propose only the fixed Remuneration to Board of Directors, Audit Committee, Board of Management and management members for the year 2017 and no consider for special bonus.

**Resolutions** : The Meeting resolved with not less than two-thirds of the total number of votes cast by the shareholders attend the meeting and approve the Board of Directors, Audit Committee, Board of Management and Management members' remuneration for the year 2017 by majority votes as follows;

Total Votes	333,801,571	Shares			
- Approved	333,266,971	Shares	representing	99.8547	Percent
- Disapproved	484,800	Shares	representing	0.1453	Percent
- Abstained	49,800	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	-	Percent

**Agenda 6**     **To consider and approve name list of persons who will be proposed to occupy the post of directors superseding the retiring directors.**

The Chairman informed that according to the Company's Articles of Association Clause 22 provided that the directors shall be retired by rotation in the Annual General Meeting of Shareholders in the rate 1/3 of the total directors and the directors who are retired in this Annual General Meeting are 3 persons namely;

- |    |                             |          |                      |
|----|-----------------------------|----------|----------------------|
| 1. | Mrs. Nijaporn Charanachitta | Position | Director             |
| 2. | Mr. Gumthorn Utarnwuthipong | Position | Independent Director |
| 3. | Mr. Ryuzo Nagaoka           | Position | Independent Director |

Mrs. Nijaporn Charanachitta, Director was unable to attend the meeting due to the urgent business trip.

The Company provided an opportunity for shareholders to propose names of qualified candidates for the directorship via SET Community Portal and on the Company's website from 22 September – 30 December 2016. However, no minority shareholders nominated a candidate for directorship.

**The Nomination and Remuneration Committee**, with the excepting of the members with conflicts of interest, has considered the Directors' qualifications, education, knowledge, competency, experience, morality and ethics, express opinions independently in accordance with the Public Limited Companies Act B.E. 2535 and performance of each director due to retire by rotation.

According to the recommendation of the Nomination & Remuneration Committee and has been endorsed by the Board of Directors to re-elect 3 retiring directors that Mrs. Nijaporn Charanachitta, Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka be re-appointed as a director for another term.

Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka have already served as Independent Director for 9 full years, their had the qualifications in accordance with the definition of The Capital Market Supervisory Board independent directors, qualifications and performance are outstanding and they are well-respected. They also possessed expertise, experience, and understanding of the Company's business.

**The persons are nominated to be the director**

Mrs. Nijaporn Charanachitta



Mr. Gumthorn Utarnwuthipong



Mr. Ryuzo Nagaoka



For appropriation and good corporate governance of the company, Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka have to leave the meeting until the voting process finished. The Chairman then asked the shareholders meeting to consider the 3 Directors' educational background, works experiences, etc. before voting.

The details of nominated independent directors are shown as Document to support Agenda no. 6



**Name - Surname** : Mrs. Nijaporn Charanachitta  
**Type of Nominated Position** : Director (Authorized to Bind the Company)  
**Current Position** : Director (Authorized to Bind the Company)  
**Years of Age** : 66 years  
**Nationality** : Thai  
**Education** : Master's Degree Faculty of Business Administration (Finance)  
 University of Wisconsin, U.S.A.  
 : Bachelor's Degree Faculty of Arts, Chulalongkorn University

**Director Training**  
 2-22 March 2005 : Director Certification Program (DCP)  
 by Thai Institute of Directors Association (IOD)

**Years of being Board of Directors** : 9 years (2008 – Present)

**Working Experience**  
 2007 - Present : Director TTCL Public Company Limited  
 : Chairman of the Board of Directors OHTL Public Company Limited  
 : Chairman of the Board of Directors Amari Public Company Limited  
 : Chairman of the Board of Directors  
 Amari Hotel and Resort Co., Ltd.  
 : Director, Nomination and Remuneration Committee  
 Charoong Thai Wire & Cable Public Company Limited  
 1994 - Present : Director, Senior Executive Vice President

1983 - 1994 : Italian-Thai Development Public Company Limited  
: Vice President  
Italian-Thai Development Public Company Limited  
1979 - 1983 : Manager of Finance  
Italian-Thai Development Public Company Limited

**Positions in other listed companies** : 4  
**Positions in non-listed companies** : 1  
**Positions in competing /Involving Business Person** : 1  
**No. of Shareholding in TTCL** : 5,297,207 shares equivalent to 0.95% of total shares  
**Legal dispute in criminal cases (other than criminal case with petty offences)** : None  
**Restrict Qualification by the Public** : None  
**Act. B.E. 2535**  
**Meeting Attendance in 2016**  
The Board of Directors' Meeting : 6 meeting from total of 6 meeting (100%)  
The Annual General Shareholders' Meeting : Did not attend the meeting due to business trip in overseas.

### Criteria and Recruitment

The Company considered based on the recommendation of the Nomination and Remuneration Committee that Mrs. Nijaporn Charanachitta has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and he Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business and has appropriate for Director.



**Name - Surname** : Mr. Gumthorn Utarnwuthipong  
**Type of Nominated Position** : Independent Director, Audit Committee, Nomination and Remuneration Committee, Chairman of Risk Management Committee, Chairman of Corporate Governance Committee  
**Current Position** : Independent Director, Audit Committee, Nomination and Remuneration Committee, Chairman of Risk Management Committee, Chairman of Corporate Governance Committee  
**Years of Age** : 76 years  
**Nationality** : Thai  
**Education** : Master's Degree Faculty of Engineering (Plant Engineering) Darmstadt Institute for Hesse, Germany  
: Bachelor's Degree Faculty of Science (Chemical Engineering) Chulalongkorn University  
**Director Training**  
2,9,16,23 Nov. 2016 : Advanced Audit Committee Program (AACP)  
20 June 2016 : Ethical Leadership Program (ELP)  
27-28 April 2016 : Driving Company Success with IT Governance (ITG)  
8-9 March 2016 : Boards that Make a Difference (BMD)  
27 November 2015 : Ethical Leadership Program (ELP)  
17, 24 September 2015 : Risk Management Program for Corporate Leaders (RCL)  
17-18 March 2015 : Director Certification Program Update (DCPU)  
29 October 2014 : Anti-Corruption for Executive Program (ACEP)  
13 Jan.-10 Mar. 2014 : Directors Certification Program (DCP)  
13-14 June 2013 : Role of the Compensation Committee (RCC)  
25 June 2009 : Monitoring of the Quality of Financial Reporting (MFR)  
21 November 2008 : Monitoring the Internal Audit Function (MIA)  
27 October 2008 : Monitoring the System of Internal Control and Risk Management (MIR)  
26 September 2008 : Director Accreditation Program (DAP)  
21-22 August 2008 : Audit Committee Program (ACP) by Thai Institute of Directors Association (IOD)  
**Years of being Board of Directors** : 9 years (2008 – Present)  
**Working Experience**



2010 - Present : Nomination and Remuneration Committee,  
Chairman of Risk Management Committee,  
Chairman of Corporate Governance Committee  
TTCL Public Company Limited

2008 - Present : Independent Director, Audit Committee  
TTCL Public Company Limited

**Positions in other listed companies** : None

**Positions in non-listed companies** : None

**Positions in competing** : None

**/Involving Business Person**

**No. of Shareholding in TTCL** : 114,700 shares equivalent to 0.02% of total shares

**Legal dispute in criminal cases** : None

**(other than criminal case with petty offences)**

**Restrict Qualification by the Public** : None

**Act. B.E. 2535**

#### **Meeting Attendance in 2016**

The Board of Directors' Meeting : 6 meeting from total of 6 meeting (100%)  
The Audit Committee Meeting : 6 meeting from total of 6 meeting (100%)  
The Nomination and Remuneration Committee Meeting : 3 meeting from total of 3 meeting (100%)  
The Risk Management Committee Meeting : 4 meeting from total of 4 meeting (100%)  
The Corporate Governance Committee Meeting : 6 meeting from total of 6 meeting (100%)  
The Annual General Shareholders' Meeting : 1 meeting from total of 1 meeting (100%)

#### **Criteria and Recruitment**

The Company considered based on the recommendation of the Nomination and Remuneration Committee that Mr. Gumthorn Utarnwuthipong has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and he Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business and has appropriate for Independent Director, Audit Committee, Nomination and Remuneration Committee, Chairman of Risk Management Committee and Chairman of Corporate Governance Committee.



**Name - Surname** : Mr. Ryuzo Nagaoka  
**Type of Nominated Position** : Independent Director, Audit Committee,  
Chairman of Nomination and Remuneration Committee  
**Current Position** : Independent Director, Audit Committee,  
Chairman of Nomination and Remuneration Committee  
**Years of Age** : 81 years  
**Nationality** : Japanese  
**Education** : Doctorate's Degree Faculty of Engineering (Civil Engineering)  
University of Tokyo, Japan  
: Master's Degree Faculty of Engineering (Mechanical Engineering)  
University of Wisconsin, U.S.A.  
: Bachelor's Degree Faculty of Engineering (Mechanical Engineering)  
Keio University, Japan

**Director Training**  
5-6 July 2016 : Boards that Make a Difference (BMD)  
1-7 November 2015 : Director Certification Program (DCP)  
20 August 2008 : Director Accreditation Program (DAP)  
by Thai Institute of Directors Association (IOD)

**Years of being Board of Directors** : 9 years (2008 – Present)

**Working Experience**  
2010 - Present : Chairman of Nomination and Remuneration Committee  
TTCL Public Company Limited  
2008 - Present : Independent Director, Audit Committee  
TTCL Public Company Limited  
2004 - Present : Managing Director Nagaoka & Associates Inc.

**Positions in other listed companies** : None

**Positions in non-listed companies** : 1  
**Positions in competing** : None  
**/Involving Business Person**  
**No. of Shareholding in TTCL** : 100,000 shares equivalent to 0.02% of total shares  
**Legal dispute in criminal cases** : None  
**(other than criminal case with petty offences)**  
**Restrict Qualification by the Public** : None  
**Act. B.E. 2535**

**Meeting Attendance in 2016**

The Board of Directors' Meeting : 6 meeting from total of 6 meeting (100%)  
 The Audit Committee Meeting : 6 meeting from total of 6 meeting (100%)  
 The Nomination and Remuneration Committee Meeting : 3 meeting from total of 3 meeting (100%)  
 The Annual General Shareholders' Meeting : 1 meeting from total of 1 meeting (100%)

**Criteria and Recruitment**

The Company considered based on the recommendation of the Nomination and Remuneration Committee that Mr. Ryuzo Nagaoka has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and he Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business and has appropriate for Independent Director, Audit Committee, Chairman of Nomination and Remuneration Committee.

Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka are Independent Director, The Company defines the Company's independent director which is in line with the requirement of the SEC or the Stock Exchange of Thailand inspect of shareholding in the Company, namely, the Company's independent directors shall hold not more than 1 percent of the total number of shares with voting rights including. The details Nature of Relationship of Independent Directors are shown as Document to support Agenda no. 6.

**Nature of Relationship of Independent Directors**

1. Holding shares of not exceeding one percent of the number of voting shares of the Company, its parent company, subsidiaries, associated companies or legal entities which may have conflict of interest, including shares held by related persons.
2. Having no involvement in the management, and not being employee, staff, advisor receiving regular salary or controller of the Company, its parent company, subsidiaries, associated companies, subsidiaries at the same level or legal entities which may have conflict of interest at present and during the past two years prior to appointment.
3. Having neither relationship by blood or by legal registration in the capacity as parent, spouse, sibling and offspring, including spouse of the offspring, with any executive, major shareholder, controller or person to be nominated as executive or controller of the Company or its subsidiaries.
4. Having neither business relationship with the Company, its parent company, subsidiaries, associated companies, or legal entities which may have conflict of interest at present and during the past two years prior to appointment in the following manners :
  - (1) Provision of professional services, i.e. auditor, other professional service provider receiving fee more than Baht 2 Million per year, such as, legal advisor, financial advisor, property appraiser, etc.
  - (2) Trading/business with a transaction value of Baht 20 Million or more or at least 3 percent of the Company's net tangible asset value, whichever is lower, and in considering the transaction value, and transactions executed during the past six months prior to the date of this transaction execution shall be included.
5. Not being appointed as representative of the Company's director, major shareholder or shareholder who is a related person of the Company's major shareholder.
6. Not having any other characteristics preventing provision of independent opinions.

The Chairman informed that the three retiring directors are considered to be very useful for the benefit of the company. The Board of Directors considered to re-elect of 3 retiring directors to resume their office for another term.

## **SHAREHOLDERS' COMMENTS AND QUESTIONS:**

**Questioned by : Sitthichok Boonyavanid, Shareholder**

**Answered by : Mr. Piriya Wongphayabal, Vice Chairman**

Question The company director has health check-up before take position of director or not in order to make sure that they can work hard, I worry that they might be facing with the strain toward work. Simply test for the selection by running competition from G floor to 27<sup>th</sup> floor then we have the first, second, and third to take place the position of director, As a matter of ease, we may test annually especially for the elderly directors.

Answer Our company has nomination committee, if the committee consider that the company directors are not be able to work then they won't be selected. And I think we focus on their brain and experiences.

**Questioned by : Mr. Thongtod Pheanglad, Volunteer of shareholder's right from Thai Investors Association**

**Answered by : Mr. Piriya Wongphayabal, Vice Chairman**

Question The chairman did not ask for disagree or abstained, but ask for total votes immediately. I think this skip the practice step.

Answer Yes, I am sorry but we better not to get back to that point again.

There was no any query from shareholders, the Chairman asked the meeting to consider and approve to re-elect Mrs. Nijaporn Charanachitta, Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka to retain the office for another term.

**Resolutions** : The Meeting approved to re-elect Mrs. Nijaporn Charanachitta, Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka to retain the office for another term by majority votes as follows;

1. Mrs. Nijaporn Charanachitta : Director

Total Votes	333,801,571	Shares			
- Approved	333,750,871	Shares	representing	99.9865	Percent
- Disapproved	44,900	Shares	representing	0.0135	Percent
- Abstained	5,800	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	-	Percent

2. Mr. Gumthorn Utarnwuthipong : Independent Director

Total Votes	333,801,571	Shares			
- Approved	327,243,871	Shares	representing	98.0383	Percent
- Disapproved	6,547,900	Shares	representing	1.9617	Percent
- Abstained	9,800	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	-	Percent




3. Mr. Ryuzo Nagaoka : Independent Director

Total Votes	333,801,571	Shares			
- Approved	326,796,471	Shares	representing	97.9031	Percent
- Disapproved	6,999,300	Shares	representing	2.0969	Percent
- Abstained	5,800	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	-	Percent

**Agenda 7 To consider and appoint the Company's auditor and the audit fee for the year 2017**

The Chairman asks Mr. Sivaraks Phinicharomna, Independent Director and Chairman of Audit Committee, to explain the details of appointment of Auditor and Audit Fee for the Year 2017.

Mr. Sivaraks Phinicharomna, Independent Director and Chairman of Audit Committee advises the shareholders meeting that the Audit Committee and Board of Directors Meeting's Resolution dated 24<sup>th</sup> February and 28<sup>th</sup> February 2017 have considered the selection of the Auditor for the Company and proposed the shareholders to appoint Mr. Vichien Kingmontri, CPA. No. 3977 or Mr. Somchai Chinnawat, CPA. No. 3271 or Ms. Amornrat Pearmpoonvatanasuk C.P.A. No. 4599, of PricewaterhouseCoopers ABAS Limited to be the auditor of the Company for another year (4<sup>th</sup> year) and one of those shall be made auditing and giving suggestion to the financial statements of the Company for the fiscal year ended 31<sup>th</sup> December 2017. In case those cannot perform the duty, the PricewaterhouseCoopers ABAS Limited is to provide the other qualified CPA from its office to perform its duties.

<b>The persons are nominated to be the auditor of year 2017</b>	
<p>Mr. Vichien Khingmontri CPA. No. 3977</p>	
<p>Mr. Somchai Chinnawat CPA. No. 3271</p>	
<p>Ms. Amornrat Pearmpoonvatanasuk C.P.A. No. 4599</p>	

Audit Fee	The Remuneration (Baht : Year)		
	2017	2016	2015
PricewaterhouseCoopers ABAS Ltd.			
· Audit Fee	4,000,000.00	3,200,000.00	2,750,000.00
· Non - Audit Fee	3,000,000.00 (Estimated)	2,232,105.00	2,399,756.00
<b>Total</b>	<b>7,000,000.00</b>	<b>5,432,105.00</b>	<b>5,149,756.00</b>

The audit fee shall be fixed at 4,000,000 baht up 25% or 800,000 baht from 2016 as a result of business expansion in both the Company and subsidiaries.

Mr. Sivarak Phinitjcharomna advises the additional information to shareholders to consider in appointment of Auditor and Fix the Audit Fee for the year 2017 by dividing into 3 sections as follows:

1. Auditor's name list to be appointed as Company's Auditor for the year 2017 there are 3 people: Mr. Vichien Kingmontri, Mr. Somchai Chinnawat and Ms. Amornrat Pearmpoonvatanasuk, those shall be made auditing and giving suggestion to the financial statements of TTCL Public Company Limited for many years.
2. Appointment of Auditor according to Audit Committee and Board of Directors Meeting's Resolution dated 24<sup>th</sup> February and 28<sup>th</sup> February 2017 have considered the selection of the Auditor for the Company and proposed the shareholder to appoint Mr. Vichien Kingmontri, CPA. No. 3977 or Mr. Somchai Chinnawat, CPA. No. 3271 or Ms. Amornrat Pearmpoonvatanasuk CPA. No. 4599, of PricewaterhouseCoopers ABAS Limited to be auditor of the Company for another year (4th year). In case those cannot perform the duty, the PricewaterhouseCoopers ABAS Limited is to provide the other qualified CPA from its office to perform its duties.
3. The comparison of audit fees, is consist of 2 major points;

#### 3.1 Audit fee

The comparison of the audit fee among the years 2015, 2016 and 2017 is shown that the company's annual audit fee is increased by 16 percent in 2016 and increased by 25 percent in 2017 respectively.

The Audit Committee has considered appropriateness of the audit fee in details as follows:

- Considering the increased audit fees. The company's work that is concerned with audit accounting altogether Subsidiaries and Associated companies, they have both domestic and international, not in the same country, where in different country with different laws and tax rates. In the past, the company was still in its start up time, including investment was early. In the year 2017, some items began to be in the Full Cycle, so the transaction will be increased. It is caused the auditor work, working hours is also increased. In terms of compensation, it is considered in terms of increased working hours, but it was a significant increased.

- Company investment, The Company has invested in the other countries, not the same countries but it is a new country such as Laos, where tax laws and other laws including accounting standards are also different. In addition, the company has also compared the auditor fee with the other company's auditor fee. The comparison in term of work is not much different.

### 3.2 Other Service Fees or Non-Audit Service Fee

The Audit Committee has considered this issue. Because it is about the independence of the auditor. If the company uses the auditing firm from the same company to work both audit accounting and other non-audit accounting, shareholders may be concerned that auditors will lose their independence or not, it is explainable because that was what we estimated. Other fees of 3 million baht, we also considered in terms of skills, expertise or experience of the auditor in each area. That does not mean we have to use the auditors from the PricewaterhouseCoopers ABAS Limited only. Like in Vietnam, We also use auditors from Ernst & Young, where we consider the suitability of the quality and success of the work.


In conclusion, all three auditors are expert with experienced and skilled in the field of EPC, which it is a company's core business, as well as the power business. The auditor's profile will appears in attachment to agenda 7 as follows.

## History of Auditor


<b>Name</b>	: Mr. Vichien Khingmontri	
<b>Position</b>	: Audit Partner PricewaterhouseCoopers ABAS Limited	
<b>Age</b>	: 51 years old	
<b>Nationality</b>	: Thai	
<b>Education</b>	: Bachelor's degree in accounting Chulalongkorn University	
<b>Work Experience</b>	: 1988- Present Auditor : TTCL Public Company Limited Audit Partner : PricewaterhouseCoopers ABAS Limited Auditor in various business for both domestic and multinational companies located in Thailand. Auditor in the listed companies in Stock Exchange of Thailand.	



## History of Auditor

<b>Name</b>	: Mr. Somchai Jinnovart	
<b>Position</b>	: Audit Partner PricewaterhouseCoopers ABAS Limited	
<b>Age</b>	: 56 years old	
<b>Nationality</b>	: Thai	
<b>Education</b>	: 1990 Sasin Graduate Institute of Business Administration of Chulalongkorn University 1980 Bachelor of Accounting, Chulalongkorn University	
<b>Work Experience</b>	: 1993- Present	Audit Partner : PricewaterhouseCoopers ABAS Limited Auditor in Audit services to a variety of public and private sector clients primarily in the energy, utilities and mining industries Academic lecturer on audit Department of Business Development, Ministry of Commerce Association of Accountants and Auditors of Thailand and Chulalongkorn University.
	: 1989	Director, Deloitte Haas Elkin Sales Co., Ltd.
	: 1982	Participated meeting Singapore, Hong Kong, Malaysia, Taiwan and Japan
	: 1980	Certified Public Accountant SGV Na Thalang Company Limited

## History of Auditor

<b>Name</b>	: Ms. Amornrat Pearmpoonvatanasuk	
<b>Position</b>	: Assurance Partner PricewaterhouseCoopers ABAS Limited	
<b>Age</b>	: 45 years old	
<b>Nationality</b>	: Thai	
<b>Education</b>	: Master of Accountancy from Chulalongkorn University, Thailand Bachelor of Accountancy from Chulalongkorn University, Thailand	
<b>Work Experience</b>	: 1993 - Present	Assistance auditor to Assurance Partner of PricewaterhouseCoopers ABAS Limited (Thailand). Auditing Manager : PricewaterhouseCoopers ABAS Limited (Australia) Accounting advisor in preparing financial statements for public and private sectors in hospitality business in Australia. Accounting advisor in preparing financial statements of state enterprises in according to Thai Financial Reporting Standards. Advisor in providing accounting advices for the listed companies, in conversion of their financial statements prepared under International Financial Reporting Standards.

## **SHAREHOLDERS' COMMENTS AND QUESTIONS:**

**Questioned by : Sitthichok Boonyavanid, Shareholder**

**Answered by : Mr. Sivaraks Pinicharomna, Independent Director and  
Chairman of Audit Committee**

**Question** To compare with the same company structure having overseas income, the maximum rate for audit fee is Baht 4 million, but our company explain at Baht 7 million, more than almost twice. Therefore, I would like to ask about.

1. Whether or not, the auditor has been audited for 5 consecutive years.
2. When the auditor has been worked for 5 years completely, we can continue hiring the same company but the auditor's sign has to be rotated among those three, yes or no?

The auditor from a professional company has been working for almost 4 years, their work supposed to be easy because they know the procedure in this company already so it supposed to be easy to sign then baht 7 million is too expensive, around baht 5 million sound reasonable. For the coming year if there is no special case coming up during the year the audit fee are not supposed to be higher. Due to high inflation rate in Thailand, if company's income is not that high therefore, that year dividend may be less but audit fee keep increasing so we should have noted to auditor whether they provide good service or not why low dividend but audit get higher return. I want to target at Baht 5 million, thank you.

**Answer**

1. Not yet completed 5 years, it has been 4 consecutive years include 2017.
2. There will be the evaluation about the independent of auditor using the evaluation form of SET. Audit committee, CFO, and internal auditor should evaluate the independent of auditor. If completed work for 5 years and consider independent, company can select the previous auditor. In our practices, we normally change the auditor. The company evaluate the independent of auditor by using the evaluation form of SET every year.

There was no any query, the Chairman asked the Meeting to approve the appointment of the Company's Auditor and Fix the Audit Fee for the year 2017.

**Resolution** : The Meeting approved the appointment of PricewaterhouseCoopers ABAS Limited with:

- |    |              |                    |             |    |
|----|--------------|--------------------|-------------|----|
| 1. | Mr. Vichien  | Kingmontri,        | CPA.No.3977 | or |
| 2. | Mr. Somchai  | Chinnawat,         | CPA.No.3271 | or |
| 3. | Ms. Amornrat | Pearmpoonvatanasuk | CPA.No.4599 |    |

as Company's auditors in 2017, any one of them being authorized to conduct the audit and express an opinion on the financial statement of the Company. The audit fee of Baht 4,000,000.00 (excluding other expenses relating to auditing) was approved for the fiscal year ended December 31, 2017 by unanimous votes as follows;

Total Votes	333,801,571	Shares			
- Approved	333,751,771	Shares	representing	100.0000	Percent
- Disapproved	-	Shares	representing	-	Percent
- Abstained	49,800	Shares	representing	-	Percent
- Incomplete	-	Shares	representing	0.0000	Percent

## **Agenda 8 Other Business (if any)**

The Chairman invited questions / recommendations from shareholders.

### **SHAREHOLDERS COMMENTS AND QUESTIONS:**

**Questioned by : Mr. Boonprasit Rojanapruek, Proxy of Mrs. Praiswan Khempila**

**Answer by : Ms. Suratana Trinratana, Chief Operation Officer**

- Question
- 1) In reference to the news reported to the SET on April 05, 2017 about the MOU Feasibility Study and Detailed Project Report in Myanmar on the Ultra Super Critical (USC) coal plant about, please kindly explain more to the shareholders in detail. What does the 30-month period informed to the SET refer to? Does the 30-month period refer to the feasibility study period or does it include anything else?
  - 2) I want to know about the progress of the 1,280 MW. In the event that this project is given the greenlight would it affect the demand for electricity with this new project?
  - 3) From Ahlone's problem, how do we assess the risk of operating a 1,000 megawatt or more power plant?

- Answer:
- 1) The MOU that was reported to the SET last 5th April is a memorandum of understanding of a 1,280 MW power plant project at Kayin State for a 30-month study of coal power plant with the local government. We need to study about the technicalities such as transportation means, electricity generation etc. Although the study period is for 30 months, we need to submit the feasibility report. Our estimation ranges from 8-12 months.
  - 2) The previous 1,280 MW project is being considered by the new government with the energy development plan of Myanmar that was developed by ADB Japan or World Bank and completed in 2012, which was scheduled to be implemented in 2015. The aftermath of the change in government saw no new MOUs granted or any new power plant projects prospects in the previous year. At present, the new government is having an internal shuffling of work processes with new personnel introduced. After that, they will review our original agreement to see if it is aligned with the original Regulation or not. Of course, the 1,280 MW project in Mon State is being reviewed but Myanmar has implemented new EIA laws in 2016. Nevertheless, we have anticipated the change in law in the beginning of 2016 and have consulted with environmentalists regarding the EIA process in Myanmar. Therefore, we are not concerned about this issue but the procedures and length of the study period is dependent on the operator who will be reviewing our documents or if that person requires any further documents to be sent to his/her. And that is the progress of the project Mon State.

- 3) Ahlone's problem isn't from operations but a transmission system problem. Obviously, Myanmar is in the process of improving their transmission systems. There is no problem with the current 1,280 MW. As for the new 1,280 MW, we need to partner with parties who have similar capabilities for O & M. Therefore, in terms of Technology Transfer, we would require the partner with Operation & Maintenance experience. As Khun Gobchai once said, "Those who wish to become joint venture partners with us must have experience in Operation."

**Questioned by : Mr. Sitthichok Boonyavanid, Shareholder**

**Answer by : Mr. Piriya Wongphayabal, Vice Chairman**

- Question
- 1) What do business risk issues such as the problem of labor attribute to? Does the scarcity of labor stem from the problems of workers shifting to other companies once they have gained more expertise, or the lack of interested people in the company, or the lack of unqualified workers? And how does the company solve the problem of labor?
  - 2) Which type of projects when we go for bidding generates the highest margin? Is it the public or private sector in the PTT Group or other state-owned enterprises? Do we have the bargaining power to choose the job or must they always choose us? For example the locomotive at Makkasan, do we have the opportunity to bid for the construction of their new factory? Do we have the opportunity to go partner with other companies? And will we be one of the first choices to build the Japan's high-speed rail system should Japan be rewarded the route from Bangkok to Chiang Mai?

Answer

The labor issue has always been a problem. But our company is an Engineer Base, so we will not have this problem. And about the train station or the train tracks, we must answer that it is not related to our business. If you have been our shareholders for a considerable amount of time, you will know that we have never operated in this business.

**Questioned by : Mr. Anu Wongsarakit, Shareholder**

**Answer by : Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relations**

Question

Can you give an overview of the outlook of this industry? The past 2-3 years the industry seems to be quite laggard but recent increase in oil prices could signal some improvement this year. Can you tell us about the potential bidding proposals and the details of the projects that have high winning chance?

Answer

Our industry is related to the petroleum industry. In summary, the price of crude oil in the first half of 2016 fell to as low as 30 US dollars per barrels, but the situation was reversed in the second half. Consequently, many domestic and international petrochemical operators have announced continuous investment in the petrochemical industry in the second half of last year along with clarity in their expansion plans. This is a sign that the industry have picked up. We must refrain from mentioning the firms' names but there aren't many players in this industry. It is visible from the 5-10 year investment plan that the industry is on the road to recovery and that the project owners are more confident in their investments. In addition, the current tender book has a value of 180,000 million baht, an increase of approximately 100,000 million baht from last year derived from local projects. Both domestic and overseas proposals are in equal proportion and the projected new contracts this year is about US \$ 700-800 million baht. In summary, the petrochemical industry outlook will be better than

the first half of last year. Furthermore, TTCL's business is also related to power plants. The operation of the power plant is a basic infrastructure. No matter what the economic situation, I believe the demand for electricity will always be there, particularly the management's decision to invest in power plants in this region. For example, Myanmar now has very limited electrification because the production does not provide enough for the electricity needs. The two industries have their differences but the current conditions are favorable to the company.

**Questioned by : Mr. Somkiat Chalermisarachai, Shareholder**

**Answer by : Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relations**

**Question** Following the approval by the local government for the new project, I would like to go back to the first 1,280 MW project that was approved by the federal government. I'm not sure about the differences in Myanmar's politics. What is the difference between a federal and local government approval, is it Top Down or Bottom Up? We do not understand the process and the political risks. For example, if we get approval from Kayin State, would we need to get the federal approval? Vice versa for the first project, if we get federal approval, would we still need to get approval from the local government?

**Answer** The approval process for projects is dependent on the type of schemes. The scheme for the first project with the federal government is called Union. Normally Myanmar is under both local and federal government control. For this case, it is a study of the private sector submitted to the government after which the government will have a share of a certain proportion. Meanwhile, the case of the local government is like a cooperation. For example, the local government would help us to allocate land to build a factory. Last but not least, it will be the responsibility of the local government to send the report instead of the investor. On the contrary, for the first project it is the duty of the investor to send the report directly to the federal government. Therefore, the answer to the question whether the first project needs approval from the local government is no because it is a federal's government project.

**Questioned by : Mr. Pongsathorn Sonthiprasat, Shareholder**

**Answer : Mr. Gobchai Tanasugarn, Chief Finance Officer and Investor Relations**

**Question** In reference to recent news reported in Thai newspapers regarding the possible change of listing of the Singapore subsidiary TTCL Power Holdings from Singapore Stock Exchange to the Thai SET instead. It has been reported that the move could occur due to delays in the Myanmar coal power plant that would lead to the combination of the 120 MW Turbine Gas Turbine , the existing Solar Farm, the construction of another 20 MW in Japan, together with M & A for the listing. I would like to inquire if this information is true. Would this make the capacity of TTCL Power Holdings appear too low to generate sufficient interest in fundraising and as a result receive less funds from this capital raising?

**Answer** 1) Some of the information mentioned above is correct. I would like to clarify that the power plant business requires high investment and it is inevitable not to raise capital on the stock exchange. The original plan to list in the Singapore Stock Exchange was from the confidence and availability of information in 2013. At present, there are new information as well as new rules and regulations of the stock market such as 'Foreign Listing' rule in 2016 that allows foreign-listed companies to raise funds in the Thai stock market. When information changes, assumptions and decisions may too.

That said, the decision on where to raise funds would depend on the valuation which is not known at the moment.

- 2) Regarding the question on the uncertainty of the coal power plant that we would go to M & A to bring in the existing Solar Farm and power plants for the listing. Actually that was the plan from the beginning. Indeed, the plan was for TTCL Power Holdings to incorporate its first investment in Myanmar's 120 MW power plant in Ahlone in its portfolio. The second investment was in its first 8 MW solar power plant in Ang Thong, with a 40% ownership stake. The second solar power plant was a Solar Roof Top joint venture with SCG group whereas the third power plant investment was announced last year. This is a two-year construction project called the Togo project of 25 MW in Japan together with the Ebino solar power plant of approximately 25 MW that is currently in the process of due diligence, totaling 175 MW. We would like to draw comparison to the new TPIPP IPO yesterday on its first day of listing in SET with a capacity of 150 MW. This is to explain that with our current portfolio we are capable of listing in the stock market but the question remains if it is the most beneficial timing to enter now. That is because many factors are not yet stable. Therefore I believe that it is not necessary to list in the stock market at present unless we get new projects. Also, suppose we decide to list without the two coal power plant projects, investor would give them Brown Field valuation with little value. Even if we list without obtaining the PPA of Coal we may still do a PO once we have obtained the PPA because the power plant is a long term business. If there is a need to increase production capacity then I think that investors will support because the investment has the ability to carry on business. Whatever that provides the best value for the company must be done.

**Questioned by : Mr. Jiaranai Lertratchkul, Shareholder**

**Answer by : Mr. Gobchai Tanasugarn, Chief Finance Office and Investor Relations**

- Question
- 1) Please correct me if my understanding is right. We are currently able to win two large projects of 1,280 MW. One is the old project with the federal government and the other is a new project just announced on 5th April at 1,280 MW with the local government.
  - 2) If my understanding is correct, does this mean that TTCL is also a major shareholder in both projects?

- Answer
- 1) In our announcement, we used the term to sign a Memorandum of Understanding with the Ministry of Electricity and Industry as a representative of local government. Therefore, what you mentioned doesn't include the only signatories between the TTCL and the local government but also an agreement signed by the Ministry of electricity and industry.
  - 2) For the second plant, we just announced the MOU and there are still many factors to consider. For now we would like to stick with the original plan at Mon State. At present, shareholders are aware that TTCL holds a 70% stake in TTCL Power Holdings. If the listing process occurs, I think the minimum acceptable proportion of TTCL's left after dilution is at 30% with limited information. Obviously we do not want to dilute our shares but due to the huge capital investment needed that would require us to issue a huge number of new shares, which will result in the decrease in proportion of TTCL's holding. As for the new project, we have enough information and do not have to count new centers. As for the second coal power plant, I think it would be too difficult to provide information regarding TTCL's proportion

at this time. The MOU framework is for 30 months, and there is some information needed to be kept confidential that could have a significant impact on the shareholding structure.

**Questioned by : Mr. Chaipong Karawawattana, Shareholder**

**Answer : Ms. Suratana Trinratana, Chief Operation Officer**

Question 1) In conclusion, we have not obtained the PPA for the first coal power plant right?  
2) From what I've heard, we need to pass another round of EIA to know when we can start construction.

Answer 1) PPA has not been obtained and is under review as mentioned previously.  
2) The new EIA law came out in 2016. Last January, our EIA process passed and left the final report. So, when the new law came in, he came to review whether the process was legal or not. Now we talk to the government. This group of work to sit and watch. I think that this year all year must sit Review document of 1,280 MW in the Mon last quarter; it seems that the EIA process is complete. And we are confident that we have made a new EIA legal process. The review team's work period is also a step in the work. And when to build it will depend on how much we signed the PPA when the construction process took place.

There was no other questions, Mr. Piriya Wongphayabal, Vice Chairman who preside over the meeting invited Mr. Hironobu Iriya, Chairman of the Board and President & CEO to close the meeting.

Mr. Hironobu Iriya, thanked all shareholders for attending the meeting and their providing beneficial recommendations to the Company.

The meeting adjourned at 16.35 hrs.

Signed.....The Chairman of the Meeting

(Mr. Hironobu Iriya)  
President & CEO