



บริษัท แปซิฟิคไพพ์ จำกัด (มหาชน)
Pacific Pipe Public Company Limited



ทะเบียนเลขที่ 0107547000206

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Enclosure no. 1

- Translate -

The Minutes of 2016 Annual General Meeting of Shareholders
Pacific Pipe Public Company Limited
Wednesday, April 20th, 2016

The Meeting was held at Crown Room 1-3, 21st Floor, Crowne Plaza Hotel, No. 952, Rama IV Road, Bangkok 10500. The Meeting started at 02.00 p.m.

Pol.Gen.Wichean Potephosri is a Chairman of meeting.

The Chairman introduced directors who attended in the meeting as follows:

1. Pol.Gen.Wichean Potephosree Chairman
2. Mr.Somchai Lekapojpanich Vice chairman and Chief Executive Officer
3. Dr.Vicharn Aramvareekul Independent Director and Chairman of Audit Committee
4. Dr.Somchai Harnhiran Independent Director, Audit Committee Director and Chairman of Remuneration Nomination and Corporation Committee
5. Dr.Chaiyong Satjipanon Independent Director and Chairman of Risk Management Committee Director
6. Mr.Charin Hansuebsai Independent Director and Remuneration Nomination and Corporation Committee Director
7. Mr.Kriengkrai Rukkulchon Independent director and Remuneration Nomination and Corporation Committee Director
8. Miss Piyanus Chaikajornwat Independent Director and Audit Committee
9. Miss Viriya Ampornnapakul Director, Risk management Committee Director, Managing Director and Company Secretary
10. Miss Thitima Vattanasakdakul Director, Risk management Committee Director and Chief Operating Officer
11. Miss Sunisa Kwanbunbumpen Director and Business Relations Director
12. Miss Pojwaree Choowong Audit Manager from EY Office Company Limited

The absent directors

- None -

For consensual understanding about voting in each agenda, the chairman informed the shareholders the voting methods stated as follows;

1. Each shareholder was entitled to vote equaling to the number of shares held.

2. In casting vote, chairman asked for votes whether there were disapproved or abstained. Shareholders who wished to vote as said should raise their hands and gave the ballot paper to the company's officer so that votes would then be deducted from the total number of votes cast by shareholders presenting at the meeting and having voting rights. The remained votes after the deducting would be included as agreed.
3. For continuity of the meeting, the chairman was proposed the shareholder to consider next agenda and then back to inform the result of the previous agenda while authority was gathering a score for each agenda.
4. Shareholders could ask questions related to items on the agenda. If questions were not related to any agenda, please ask in agenda of other matters. Shareholders shall inform their names before asking any question.

To comply with the good corporate governance policy of the Company, the Chairman invited 2 representatives from the shareholders as independent inspectors to monitor the vote counting in each agenda. Miss Patcharin Juanchainat, a minor shareholder, and Miss Siree Koowuttayakorn, a minor shareholder volunteered as the inspectors.

In this annual general meeting of shareholders, there were a total of 147 shareholders which accounted for 525,592,103 shares or 79.64% of 660,000,000 total ordinary shares, achieving the quorum according to the Company's articles. The meeting proceeded according to following agendas:

Agenda 1 **To consider and certify the Minutes of 2015 Annual General Meeting of Shareholders**

Pol.Gen. Wichean Potephosree, Chairman informed to shareholders that the Company sent a copy of the minute of 2015 Annual General Meeting of Shareholders which held on April 23rd, 2015 to shareholders in advance. Then, Pol.Gen. Wichean asked the meeting to consider and certify the report.

There were no questions; the Chairman asked the shareholders to consider and vote.

Resolution

The meeting considered and resolved unanimously to certify the Minutes of 2015 Annual General Meeting of Shareholders as follows:

Vote	Share (s)	Percentage (%)
Approved	525,592,103	100.00
Disapproved	0	0
Abstained	0	0

Agenda 2 To acknowledge the Board of Directors' report about the Company results of the Operations of the year 2015.

For agenda 2, there were 7 more shareholders and proxies attended the meeting. Then, a total amount of the shareholders and proxies who attended the meeting were 154 persons. The total numbers of shares were 525,614,814 shares or 79.64% of paid up capital of 660,000,000 shares.

Pol.Gen. Wichean Potephosree, Chairman, invited Mr. Pert Leevilaikulrat, Accounting Assistant Director to report to the meeting.

Mr. Pert Leevilaikulrat, Accounting Assistant Director reported the details of financial statement of 2015 and those of the 3 previous years. The main details were described as follows:

	(Million Baht)	
	2015	
Revenues	Consolidated	Separated
Total Income	6,615.59	6,572.61
Net (Loss) Profit	(42.99)	(76.48)
Financial Position		
Total Asset	3,317.83	3,040.62
Total Debt	1,307.22	1,294.57
Shareholder's Equity	2,010.61	1,746.05
Financial Ratio		
Return on Asset (%)	-1.30	-2.52
Return on Shareholder's Equity (%)	-2.14	-4.38
Debt per Shareholder's Equity (times)	0.65	0.74

Mr. Thanin Ngamvittayaphong, a minor shareholder, asked how much steel quantity sold in 2015 decreased from 2014. Miss Thitima Vattanasakdakul, Director and Chief Operating Officer clarified that steel quantity sold in 2558 increased approximately 18% from the previous year. However, in 2015, steel raw material price shrunk 30% comparing to the previous year leading to the decrease of revenue. Mr. Thanin, a minor shareholder, also asked whether the Company's loss was caused by the inventory management. Miss Thitima, Director and Chief Operating Officer clarified that the 2 main factors influencing the Company operating result are 1) inventory management, and 2) steel price condition. In 2015, the Company diminished the inventory quantity from 1,500 million Baht to 900 million Baht, approximately. However, domestic and global steel price had descended in the previous year, leading to the loss in the operating result in 2015. Nevertheless, steel price tended to rise presently since China had decreased its steel production capacity.

Mr. Chatchai Mongkonpan, a minor shareholder, asked whether the Company would plan to enhance the production capacity since currently, the Company's production capacity

utilization rate was 70% of the whole production capacity. Miss Thitima Vattanasakdakul, Director and Chief Operating Officer clarified that in 2014, the Company's Mahachai Plant 3 project (PM3) enhanced the Company's production capacity from 350,000 tons to 450,000 tons. In 2015, the production capacity utilization rate was 55% of the whole production capacity which was a proper rate.

Mr. Peter Dennis, a minor shareholder, asked why the Company did not import hot rolled coil, the main raw material, from China which had lower cost than the domestic one. Miss Thitima Vattanasakdakul, Director and Chief Operating Officer clarified that since presently, the government had enforced Anti-Dumping measurement and safeguard measurement, the Company had to pay extra duty, approximately 60% of the imported material, when importing hot rolled coil from China which cost more than purchasing domestic material. Mr. Peter, a minor shareholder also asked whether current steel price increasing would affect the Company operating result in the first quarter of 2016 to rise. Miss Thitima, Director and Chief Operating Officer clarified that due to the increasing of steel price, it was believed that the Company's operating result in the first quarter of 2016 tend to improve comparing to the previous year.

The meeting acknowledged the Board of Director's report about the Company results of the Operations of the year 2015.

Agenda 3

To consider and approve of balance sheets and statement of income of the Company and subsidiaries for the year ended December 31st, 2015

For agenda 3, there was 1 more shareholders and proxies attended the meeting. Then, a total amount of the shareholders and proxies who attained the meeting were 155 persons. The total numbers of shares were 525,614,914 shares or 79.64% of paid up capital of 660,000,000 shares.

Pol.Gen. Wichean Potephosree, Chairman invited Mr. Pert Leevilaikulrat, Accounting Assistant Director to report to the meeting.

Mr. Pert Leevilaikulrat, Accounting Assistant Director informed to the meeting that the balance sheets and statement of income of the Company ended December 31th, 2015 is audited by Miss Chonlaros Suntiassavaraporn, auditor from EY Office Company Limited. The auditor gave the opinion that the financial performance of Company and subsidiaries for the year 2015 presented fairly, in accordance with Financial Reporting Standards. Today, a representative from EY Office Company Limited, Miss Pojwaree Choowang, Audit Manager, attended the meeting to explain inquiries on the financial statements. Mr. Pert Leevilaikulrat summarized significance issues of the balance sheets and statement of income which had the details are as follows;

Unit: Million Baht

Total Asset	3,317.83
Total Debt	1,307.22
Shareholder's Equity	2,010.60
Total Income	6,615.59
Total Expense	6,578.16
Profit Before Tax	(13.10)
Net Profit	(42.99)
Basic Earnings per Share	(0.07)

There were no questions; the Chairman asked the shareholders to consider and vote.

Resolution

The meeting considered and resolved by majority votes to approve the balance sheets and statement of income for the year ended December 31st, 2015 as follows:

Vote	Share (s)	Percentage (%)
Approved	525,614,914	100
Disapproved	0	0
Abstained	0	0

Agenda 4

To consider and approve the dividend payment omission

Pol.Gen. Wichan Potephosree, Chairman invited Miss Viriya Ampornapakul, director and Managing Director to report to the meeting.

Miss Viriya Ampornapakul, director and Managing Director informed to the meeting that the Company's operation of 2015 ended December 31st 2015. The Company had net loss of 76.48 million baht (from the separate financial statement). According to the fact, the Board of Director proposed the dividend payment omission from the Company's operation of 2015 ended December 31st 2015 to the shareholders' consideration.

Mr. Thanin Ngamvittayaphong, a minor shareholder, asked whether, according to the Managing Director had stated in an interview, the Company could consider on paying dividend from the accumulated earnings despite of the loss was factual. Miss Viriya Ampornapakul, Director and Managing Director, clarified that according to the principles, the Company was able to deliver the dividend payment. However, due to the extreme steel price fluctuation in the previous year, the Board of Director had considered that it was necessary for the Company to spare the cost to operate the business and proposed to the shareholder the dividend payment omission.

In the fourth agenda, Mr. Sathaporn Phangniran, a minor shareholder, left the following questions relating to the agenda before the meeting started:

1. An admiration to the Company for arranging 2016 Annual General Meeting on April 20th which was earlier than the previous year where the meeting was on April 23th, 2015.
2. A question about a reason for the dividend payment omission.

The Chairman informed the meeting that the reason for dividend payment omission was explained earlier by Miss Viriya Ampornnapakul, Director and Managing Director.

There were no further questions; the Chairman asked the shareholders to consider and vote.

Resolution

The meeting considered and resolved with majority votes to approve the dividend payment omission as stated follows;

Vote	Share (s)	Percentage (%)
Approved	524,645,314	99.81
Disapproved	1,000,200	0.19
Abstained	0	0

Agenda 5

Consideration for approval the election of directors to replace the retiring directors by rotation

For agenda 5, there was 1 more shareholder and proxies attended the meeting. Then, a total amount of the shareholders and proxies who attended the meeting were 158 persons. The total numbers of shares were 525,645,704 shares or 79.64% of paid up capital of 660,000,000 shares.

Pol.Gen. Wichean Potephosree, Dr. Chaiyong Satjipanon and Miss Thitima Vattanasakdakul abstained from voting and temporarily left the meeting since they were interested persons in this agenda. Mr. Somchai Lekapojpanich, Vice Chairman, was entitled as a chairman in the 5th agenda.

Mr. Somchai Lekapojpanich, Chairman, invited Dr. Somchai Harnhiran, Chairman of Remuneration Nomination and Corporation Committee, to report to the meeting.

Dr. Somchai Harnhiran, Chairman of Remuneration Nomination and Corporation Committee, informed the meeting that according to the Company's Articles no.13 "One third of directors are requested to resign at every Annual Shareholder's Meeting. In the event that the number of directors cannot be clearly divided into one third, the closet number of directors to one third is required to resign. A draw will be held to identify directors required to resign from their positions in the first and second year after Pacific Pipe becoming a SET-listed company. After that, directors who have remained in the position for the longest will be required to resign. However, directors required to resign due to expiration of their term remain eligible for re-appointment". In this year, there are 3 directors who retired by rotation;

1. Pol.Gen. Wichean Potephosree
2. Dr. Chaiyong Satjipanon
3. Miss Thitima Vattanasakdakul

The Company had published on the company's website and through the system of Stock Exchange of Thailand, providing minor shareholders an opportunity to propose any qualified person as a company director including proposing any agendas since November 4th, 2015 to December 30th, 2015. However, no shareholders proposed any nominee or agenda.

The Board of Director considered the nominees by qualification, knowledge, abilities and experiences. Then, recommended the meeting to re-elect Pol.Gen. Wichean Potephosree, Dr. Chaiyong Satjipanon and Miss Thitima Vattanasakdakul as directors for another term. Also, The Company had attached the curricula vitae of the nominees with the invitation to shareholders consideration in advance.

There was no question from shareholders, the Chairman asked the shareholders to consider and vote to elect director individually.

Resolution

The meeting considered and resolved unanimously to appoint the directors as follows;

- 1) The meeting approved the re-appointment of Pol.Gen. Wichean Potephosree as director for another term. The resolution was stated as follows:

Vote	Share (s)	Percentage (%)
Approved	525,645,704	100.00
Disapproved	0	0
Abstained	0	0

- 2) The meeting approved the re-appointment of Dr. Chaiyong Satjipanon as director for another term. The resolution was stated as follows:

Vote	Share (s)	Percentage (%)
Approved	525,645,704	100.00
Disapproved	0	0
Abstained	0	0

- 3) The meeting approved the re-appointment of Miss Thitima Vattanasakdakul as director for another term. The resolution was stated as follows:

Vote	Share (s)	Percentage (%)
Approved	525,645,704	100.00
Disapproved	0	0
Abstained	0	0

Agenda 6 To consider the directors' remuneration for year 2016

Pol.Gen. Wichean Potephosree, Dr. Chaiyong Satjipanon and Miss Thitima Vattanasakdakul returned to the meeting.

Pol.Gen. Wichean Potephosree, Chairman invited Dr. Somchai Harnhiran, Chairman of Remuneration Nomination and Corporation Committee, to report to the meeting.

Dr. Somchai Harnhiran, Chairman of Remuneration Nomination and Corporation Committee, informed the meeting that the compensation divided into 2 categories as follows;

1. Monetary compensation:

- Allowance and Pension

(The Executive Directors will receive pension only.)

2. Other:

- Medical treatment fee
- Pension for the independent director who retire by rotation according to the corporate governance policy of the Company

The Company had attached the details of the directors' remuneration for year 2016 and the previous year with the 2016 Annual General Meeting invitation (page 21) sent to the shareholders in advance.

Considering the director compensation rate comparing to those of companies in the familiar industry, the Company's operating result and the director's responsibility appropriateness, the Board of Director proposed the compensation of director within the amount 8,000,000 baht to the shareholders' consideration.

There was no question from shareholders, the Chairman asked the shareholders to consider and vote.

Resolution

The meeting considered and resolved with majority votes to approve the directors' compensation of year 2016 in the amount not exceeding 8,000,000 baht. The resolution was stated as follows:

Vote	Share (s)	Percentage (%)
Approved	525,303,304	99.94
Disapproved	106,600	0.02
Abstained	235,800	0.04

Agenda 7 To consider the appointment of auditors and the auditor's fee for year 2016.

Pol.Gen. Wichean Potephosree, Chairman invited Dr. Vicharn Aramvareekul, Chairman of Audit Committee to report to the meeting.

Dr. Vicharn Aramvareekul, Chairman of Audit Committee inform the meeting that the Board of Director agreed that EY Office Company Limited had high professional standards with expertise and good experienced in auditing including the independent that appropriate for being as company and subsidiaries auditor. The Board of Director proposed the meeting appointed EY Office Company Limited as an auditor of the Company for year 2015. The lists of EY Office Company Limited auditors' names are:

1. Mrs. Cholrot Santiatsawalaporn Registration No. 4523
(Who was a signatory on financial statement of the Company for 4 years since 2012)
2. Mr. Supachai Panyawattano Registration No. 3930
(Never signed on financial statement of the Company)
3. Miss Sirirat Sricharoensap Registration No. 5419
(Never signed on financial statement of the Company)

Any of the above auditors had the authority to certify the auditors' report. In the case that auditors as in the above list cannot work, EY Office Company Limited had a power to appoint auditors of EY Office Company Limited as an auditor who can authorize to certify the auditors' report instead.

Also, The Board of Director proposed the Company auditor's fee for year 2016 for the meeting's approval. The details of 2014-2015 compensation are described as follows:

	2014	2015	2016
Company audit fee	1,040,000	1,040,000	1,040,000
Subsidiaries audit fee	500,000	500,000	500,000
Others	-	-	-
Total	1,540,000	1,540,000	1,540,000

In addition, should there be other task beyond quarterly and yearly financial statement audit, the Board of director is entitled to consider specific compensation for each cases.

There was no question from shareholders, the Chairman asked the shareholders to consider and vote.

Resolution

The meeting considered and resolved with majority votes to appoint the auditors from EY Office Company Limited and approved the auditor's fee of 2016 in the amount of 1,540,000 baht as follows;

Vote	Share (s)	Percentage (%)
Approved	525,409,904	99.96
Disapproved	0	0
Abstained	235,800	0.04

Agenda 8 Consider any other issues (if any)

- None -

Questions from shareholders:

- 1) Mr. Thanin Ngamvittayaphong, a minor shareholder, asked how the Company reducing its inventory from 1,500 million Baht to 900 million Baht when steel price rising would affect the Company, positively or negatively.

Miss Thitima Vattanasakdakul, Director and Chief Operating Officer, clarified that due to the continual declination of steel price in the previous year, the Company reduced the inventory. In addition, the Company inventory can be categorized into 2 types: 1) raw materials inventory and 2) raw material ordered in advance. Thus, when steel price increased, the Company might benefit from the raw material ordered in advance.

- 2) Mr. Chatchai Mongkonpan, a minor shareholder, asked whether Mahachai Plant 3 ("PM3") operated as plan.

Miss Thitima Vattanasakdakul, Director and Chief Operating Officer, clarified that currently, Mahachai Plant 3 ("PM3") had an advanced progress than it was planed. In 2015, PM3 had approximately 50% of its whole capacity utilization and it was anticipated to reach 65% in 2016.

Mr. Chatchai, a minor shareholder, questioned how Sahaviriya Steel Industry Public Company Limited ("SSI"), the main supplier of the Company, encountering financial issues would affect the Company. Miss Thitima, Director and Chief Operating Officer explained that at the moment, the Company had not been affected from material delivery from SSI. However, The Company's Risk Management Committee had considered such uncertainty and reported to the Board of Director for consideration to decrease raw material orders from SSI to lower the risk.

- 3) Mr. Supakorn Shinnaphonpaiboon, a minor shareholder, asked what policies the Company used to manage its inventory

Miss Thitima Vattanasakdakul, Director and Chief Operating Officer clarified that the Company managed its inventory considering the following factors:

- | | |
|---------------------------------|----------------------------------------------|
| 1) Sales volume per day | 3) Production length |
| 2) Raw material delivery length | 4) Varity and quantity of delivering product |

The factors were taken into account to specify the inventory quantity due to the change of steel price. However, the inventory quantity must comply with the Company's regulation.

- 4) Mr. Peter Dennis, a minor shareholder, asked about the Company's export inclination in 2016.

Miss Viriya Ampornapakul, director and Managing Director, clarified that the Company's export decreased due to domestic steel price decreasing and Anti-Dumping measurement (AD) in various nations. However, in the previous year, the Company managed to receive an import tax exception from the AD for certain products in the United States of America (USA). As a result, the customer in USA did not need to pay extra import duties when they import the Company's product. This could be inclined that the export to USA might increase. Still, in 2016, the Company focused on exporting product to the neighboring countries such as Lao and Burma since, for steel manufacture industry, exporting process is a major difficulty. Trading with neighboring country, thus, might benefit the Company more.

- 5) Mr. Chatchai Mongkonpan, a minor shareholder, asked about business strategy used to enhance the Company's growth rate over the growth rate of the overall market.

Mr. Somchai Lekapojpanich, Vice Chairman and Chief Executive Officer, clarified that the Company operated by focusing on 3 major issues: 1) continual personnel development, 2) investment expansion to enhance production capacity and customer base, and 3) brand establishment to gain acknowledgement, influencing domestic market acceptance toward the Company's products. Moreover, the Company complied with corporate governance such as being a listed company in The Stock Exchange of Thailand (SET), producing quality goods and having assorted qualified directors. As a result, the Company and the product were reliable. The Management also believed that to develop the business, the key factor was not only to expand production capacity, but also to take sales capability, profitability and added value into account. However, all these years of business, the Company had continuously managed risks and aligned the quality of its product with both national and international standards, making the Company to gain customer's trust. The Company believed that these factors would influence the Company to grow sustainably.

Mr. Chatchai, a minor shareholder, asked about current situation of steel pipe imported from China aiming to avoid Anti-Dumping measurement (AD) and its consequence to the Company. Mr. Somchai, Vice Chairman and Chief Executive Officer, explained that early in 2015, steel pipes imported from China are approximately 20% cheaper than domestic steel pipes. At the time, the Company had imported a few amounts of China steel pipes to study the cost and worthiness. It appeared that even though the imported steel pipes cost less than the domestic ones, their quality did not meet the standard. Thus, the Company, a quality steel pipe manufacturer, was not affected much by China steel pipes import.

- 6) Mr. Boonyong Thitiwattanakul, a minor shareholder, asked about the direction of steel industry in 2016 and how it would affect the Company.

Mr. Somchai Lekapojpanich, Vice Chairman and Chief Executive Officer, clarified that in 2015, steel pipe price in China had been dropping for all year long until China lowered its steel production capacity, causing its steel price increase in February, 2016. The Management could not predict how long the situation would last in China. However, the Management had managed to control any risks and closely monitored domestic and global steel price in order to efficiently operate during economic fluctuation. The Company focused mainly on domestic market expansion. For the export, the Management believed it could guarantee the Company's product quality and gain international customer's creditability to the product.

- 7) A minor shareholder (anonymous) asked about the Company's technology or product that distinct from other companies in the same industry.

Mr. Somchai Lekapojpanich, Vice Chairman and Chief Executive Officer, clarified that to invest on technology and machine, the Company did not only consider about production capacity but also took market's demand and sales capability into account. Currently, the largest product the Company could produce was 16-inch round pipe. The Management, noticing that domestic demand for such size was not quite high, had decided not to invest on high-technology machine. However, the Company had chosen high-technology machine for Mahachai Plant 3 Project since the investment aimed to enhance production capacity for goods that had high demand from domestic market. Another matter the Company valued was personnel's efficiency development.

- 8) Mr. Peter Dennis, a minor shareholder, asked about the reason the company did not enhance the production capacity, which currently stayed at 55%.

Mr. Somchai Lekapojpanich, Vice Chairman and Chief Executive Officer, clarified that the Management believed that the production capacity enhancement needed be gradually conduct. Averagely, the Company's production capacity grew 50,000 tons per year and it was expected to reach 320,000 tons in 2016. However, should the Company enhanced the production capacity too fast, it might cause an intense price competition due to the oversupply which might damage the market condition.

- 9) Mr. Chatchai Mongkonpan, a minor shareholder, asked why the Company separated Pacific Pipe brand from Tamose brand and how the sales proportion of the two brands was.

Mr. Somchai Lekapojpanich, Vice Chairman and Chief Executive Officer, clarified that domestic and international standard grade steel pipes were labeled and sold under Pacific Pipe brand while commercial grade steel pipes were labeled and sold under Tamose brand. Currently, the sales proportion of the two product types was similar.

- 10) Mr. Chao Boonyaman, a representative from Thai Investors Association, asked how the Company planned to engage in Collective Action Coalition (CAC).

Dr. Vicharn Aramvareekul, Chairman of Audit Committee, clarified that the Board of Director agreed that the main principle for anti-corruption act should begin with an organization's internal management. Presently, the Company had been transparently operating and disclosing information with responsible executives and verifiable operate regulations. Therefore, even though the Company had not engaged in CAC, it could be ensured that the Company would rigidly operate with honest and under good corporate governance.

No addition question was raised, Pol.Gen.Wichean Potephosree, Chairman of the meeting thanked all shareholders for attention and adjourned the meeting at 03.30 pm.

Signed _____ - *Signed by* - _____ Chairman
(Pol.Gen.Wichean Potephosree)

Signed _____ - *Signed by* - _____ Company Secretary /
(Miss Viriya Ampornapakul) Minute Taker