

## **Chapter 5**

### **Board of Directors**

**Article 15**     The Company shall have a Board of Directors comprising not less than five (5) directors and not less than half of whom shall have residence in the Kingdom of Thailand.

The director of the Company need not to be shareholder of the company.

**Article 16**     The directors shall be elected at the shareholder meeting in accordance with the following rules and procedures:

- 1)     A shareholder shall have one (1) vote for one share
- 2)     Each shareholder must exercise all of the votes he or she has under paragraph 1) above to elect one or several persons to be a director or directors and must not allot his or her vote to any person in any number.
- 3)     The persons having the highest number of votes to the lower number of votes in order shall be elected as the directors equal to the number of directors to be elected by the shareholder meeting in such election. In case where the number of votes for the candidates in descending order are equal which would otherwise cause the number of directors to be elected by the shareholder meeting to be exceeded in such election, the Chairman shall have a casting vote.

**Article 17**     At every annual general meeting, one-third (1/3) of the directors shall retire from office. If the number of directors cannot be divided into three (3) parts, the nearest to such one-third (1/3) of the directors shall retire from office.

the directors who has held office the longest shall retire. A director who retires from office may be re-elected.

The retirement of directors in the first and second years after registration of the Company shall be effected by drawing lots. In the subsequent years, the directors who has held office the longest shall be retired.

.....

.....

.....

- Article 22** Apart from vacation by rotation, a director shall vacate office upon
- 1) Death;
  - 2) Resignation;
  - 3) Lack of qualifications or possession of characteristics prohibited by law or Securities and Exchange laws
  - 4) Removal by resolution of the shareholder meeting in accordance with Article 20;
  - 5) removal by the court order.
- Article 19** Any director wishing to resign from office shall submit a resignation letter to the Company. The resignation shall take effect upon the date on which such resignation letter reaches the Company.
- The Director who resigns under paragraph 1) above may also notify the Registrar under the law on the public limited companies of the resignation.
- Article 20** The shareholder meeting may pass a resolution removing any director from office prior to retirement by the votes of not less than three-fourth (3/4) of the number of shareholders present at the meeting and entitled to vote and representing the total shares of not less than half (1/2) of the number of shares held by the shareholders present at the meeting and entitled to vote.
- Article 21** In case of vacancy in Directors for reasons other than by rotation. The Board of Directors shall elect a person who has qualifications and does not possess the characteristics prohibited by public company law and Securities and Exchange law to be a substitute director at the next meeting of the Board of Directors unless the remaining term of office of such a director is less than two (2) months. Such a substitute director shall remain in office only for the term left for the director whom he or she replaces.
- The resolution of the Board of Directors under paragraph one shall consist of the votes not less than three-fourth (3/4) of the remaining number of directors.
- Article 22** The Directors shall have the right to receive remuneration from the Company in form of reward, meeting allowances, gratuity, bonus, or fringe benefit in accordance with the consideration of the shareholders' meeting and resolution which the votes of not less than three-fourth (3/4) of the number of shareholders

present at the meeting. Such remuneration may specifically determine the amount or determine the rules either from time to time or to be in full force and effect until the change. In addition, it shall not prejudice the right of Director to receive remuneration or other benefits under these Article of Association of the Company.

The provision of the preceding paragraph shall not prejudice the rights of the staffs and employees of the Company whom be elected as a director to receive remuneration, and benefits as an officer or employee of the Company.

## **Chapter 6**

### **Shareholder Meetings**

**Article 31**     The Board of Directors shall arrange an annual general meeting of shareholders within the period of four months following the end of the Company's fiscal year.

Except for the above-stated meeting of shareholders, other meetings of shareholders shall be recognized as extraordinary general meeting of shareholders.

A shareholder or the convening of shareholders who holding the company shares an aggregate number of shares not less than ten percent of all shares sold, may at any time subscribe their names in a letter requesting the Board of Directors to call an Extraordinary Meeting, provided that they must clearly give the agenda and reasons for such request in the said letter. In this case, the board of director shall arrange the shareholder meeting within forty-five days from the receiving of such request form the shareholders.

In case the board of director does not arrange the meeting within forty-five days from the receiving of such request from the shareholders, one or more shareholders may call shareholder meeting within forty-five days from the due date which the board of director must arrange the shareholder meeting. In this case, such shareholder meeting shall be considered as the meeting arranged by the board of director which the company is responsible for all necessary expense in relation to the arrangement of shareholder meeting and facilitating as deem appropriate.

In the event that the shareholder meeting as a result of shareholder calling in accordance with paragraph 4 above, if the number of shareholders who attend the meeting is not constitute a quorum as specified in Section 33. The shareholders under paragraph 4 must jointly be responsible for reimbursement of expenses incurred from arranging the meeting to the company.

**Article 32**     In summoning a shareholder meeting, the Board of Directors shall prepare a written notice summoning the meeting stating the place, date, time, agenda of the meeting and the matters to be proposed to the meeting with reasonable details by indicating clearly whether such matters are proposed for information, for approval or for consideration as the case may be including opinions of the Board of Directors with respect to the said matters and the said notice shall be served on the shareholders for their information not less than seven (7) days prior to the date of the meeting and shall also be published in a newspaper for three (3) consecutive days and not less than three (3) days prior to the date of the meeting.

A place of the meeting under paragraph one shall be in the locality in which the head or branch office of the Company is located or any other place as the Board of Directors may designate.

**Article 33** At a shareholder meeting, there must be not less than twenty-five (25) shareholders and proxies (if any) present or not less than one half (1/2) of the total number of shareholders holding shares amounting to not less than one-third (1/3) of the total number of shares sold in order to form a quorum.

At any shareholder meeting, when one (1) hour has passed since the time specified for the meeting, the number of shareholders present at the meeting remains inadequate to form a quorum as specified in the preceding paragraph and if such shareholders meeting was called at the request of the shareholders, such meeting shall be canceled. If such meeting was not called at the request of the shareholders, the meeting shall be summoned once again and the notice summoning such meeting shall be served on the shareholders not less than seven (7) days prior to the date of the meeting. In the subsequent meeting, a quorum is not required.

**Article 34** The Chairman of the Board of Directors shall be the Chairman of the shareholder meeting. In case where the Chairman is not present at a meeting or cannot perform his or her duties, if there is a Vice-Chairman, the Vice-Chairman shall be the Chairman. If there is no such Vice-Chairman or if there is but such ViceChairman cannot perform his or her duties, the shareholders present at the meeting shall elect one shareholder to be the Chairman of the meeting.

**Article 35** In casting a vote, one (1) share is equal to one (1) vote. Any shareholder having special interests in any matter to be resolved by the meeting shall not be entitled to vote on such matter, except for the votes on the election of the directors. A resolution of the shareholder meeting shall consist of the following votes.

- 1) In an ordinary event, the majority vote of the shareholders present at the meeting and entitled to vote is required. If there is a tie vote, the Chairman of the meeting shall have a casting vote.
- 2) In the following events, a vote of not less than three-fourth (3/4) of the total number of votes of the shareholders present at the meeting and entitled to vote is required:
  - a. the sale or transfer of the whole or material parts of the business of the Company to other persons;

- b. the purchase or acceptance of transfer of the business of other companies or private companies by the Company;
- c. the conclusion, amendment or termination of contracts with respect to the lease of the whole or material parts of the business of the Company, the assignment of the management of the business of the Company to other persons or the amalgamation of the business with other persons with the purpose of profit and loss sharing;
- d. the amendment of the Memorandum or Articles of Association of the Company;
- e. the increase and reduction of a capital or issuance of debentures of the Company;
- f. the amalgamation or dissolution of the Company;
- g. issuance of debentures;
- h. Merger and Acquisition.

**Article 36.** The agendas to be carried out by the annual general meeting are as follows:

- 1) To consider annual report of the Board of Directors relating to the business of the Company in the previous year;
- 2) To approval of the balance sheet and the statement of profit and loss in the previous year;
- 3) To approval of allocation of profits, legal reserve, and dividend payment;
- 4) To approval of appointment of directors replacing directors retired by rotation;
- 5) To approval of director's remuneration;
- 6) To approval of the appointment of auditor and auditor's remuneration;
- 7) Other matters.

## **Chapter 9**

### **Dividend Payment and Legal Reserve**

**Article 50.** No dividend shall be distributed other than out of the profits. In case where the Company still has an accumulated loss, no dividend shall be distributed.

Dividends shall be distributed according to the number of shares at an equal amount each, except in case of the Company issues preference share and indicate that such share shall receive the dividend different from ordinary share. In this case, the distribution of dividend shall be in accordance with the determination and such distribution must be obtained the approval of shareholder meetings.

The Board of Directors may distribute the interim dividends to the shareholders from time to time if the Board regards that the profits of the Company justify such distribution. Such distribution of the dividends shall be reported to the shareholders at the next shareholder meeting.

Distribution of the dividends shall be made within one (1) month as from the date of resolution of shareholder meeting or the meeting of the Board of Directors as the case may be provided that notice thereof in writing shall be served on the shareholders and such notice shall also be published in a newspaper for three (3) consecutive days.

**Article 51.** The Company shall allot at least five (5) percent of its annual net profits less accumulated loss brought forward (if any) to a reserve fund until such reserve fund attains the amount of no less than ten(10) percent of the registered capital of the Company.