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Articles of Association
of
Gulf Development Public Company Limited

Chapter 1
General Provisions

- Article 1 These Articles of Association are called the Articles of Association of Gulf Development Public Company Limited.
- Article 2 Unless otherwise stipulated in these Articles of Association, the term “**Company**” means Gulf Development Public Company Limited.
- Article 3 Unless otherwise stipulated in these Articles of Association, the provisions of the law governing public limited company and the law governing securities and exchange, as well as other laws applicable to or in connection with the operation of the Company shall apply.

Chapter 2
Shares and Shareholders

- Article 4 The shares of the Company shall be the ordinary shares, each of which is equal in value and shall be issued specifying name of the shareholder.

All shares of the Company shall be fully paid up in money or otherwise than in money. No subscriber of shares or shareholder shall avail himself a set-off against the Company unless in the case where the Company restructures its debts by issuing new shares to pay off its creditors according to the debt-for-equity conversion plan approved by the meeting of shareholders with a vote of not less than three-fourths (3/4) of the total number of votes of shareholders attending the meeting and having the right to vote.

The issuance of new shares for debt repayment and the debt-for-equity conversion plan under the previous paragraph shall be in accordance with the criteria and procedures prescribed by the ministerial regulations.

Each share of the Company is indivisible. If a share is subscribed or held by two (2) or more persons in common, they must appoint one of them to exercise their rights as subscriber or shareholder, as the case may be.

The Company may issue and offer ordinary shares, preference shares, debentures, warrants or any other securities as permitted by the law governing securities and exchange. The Company may convert convertible debentures or preference shares into ordinary shares subject to the provisions of the relevant law.

- Article 5 The Company may offer shares at a price higher than their registered value. In such a case, the Company must require subscribers to pay the amount exceeding the registered share value along with the share price. The excess amount shall be allocated to a share premium reserve, separate from the legal reserve.

- Article 6 Each share certificate of the Company shall be a named certificate and shall be signed or printed with the signature of at least one (1) director and affixed with the Company’s seal. The Company or directors may authorize the share registrar pursuant to the law governing securities and exchange to sign or print thereon its signature on their behalf.

Article 7 The signature of director or share registrar may be affixed on a share certificate or any other securities certificates by himself or by using a machine, computer, or any other method pursuant to the criteria and procedures as prescribed by the law governing securities and exchange. The Company shall keep the register of shareholders and evidence related to registration entries in the register of shareholders at the principal place of business of the Company. However, the Company may authorize Thailand Securities Depository Company Limited to be the share registrar of the Company. In the event that the Company authorizes Thailand Securities Depository Company Limited to be the share registrar of the Company, the registration process shall be as prescribed by the share registrar.

Article 8 The Company will issue the share certificate to shareholders within two (2) months from the date on which the registrar accepts the registration of incorporation of the Company or the payment of shares has been made in full in the case the Company sells the remaining shares or issues new shares after the registration of incorporation of the Company.

Article 9 If any share certificate is defaced or materially damaged, the shareholder may request the Company to issue a new share certificate upon surrender of the original share certificate.

In the case where a share certificate is lost or destroyed, a shareholder shall present the evidence of a report thereof issued by the police official or other appropriate evidence to the Company.

In both cases, the Company will issue a new share certificate to the shareholder within the period of time prescribed by law. The Company may charge a fee for the issuance of the new share certificate to replace the original share certificate at the rate which shall not exceed those prescribed by law.

The lost, defaced, or damaged share certificate shall be terminated once it has been replaced by a new one.

Article 10 The Company shall not own its shares or take them in pledge except where:

- (a) the Company may repurchase its own shares from dissenting shareholders who vote against the resolution of a meeting of shareholders approving the amendment to the Articles of Association of the Company in respect of the voting rights and the right to receive dividends which, in their opinion, is considered unfair; or
- (b) the Company may repurchase its own shares for a purpose of financial management where the Company has retained earning and excess liquidity, provided that the share repurchase will not cause financial pressure to the Company.

The shares held by the Company shall not be counted toward the quorum of a meeting of shareholders and such shares shall have no right to vote and to dividend payment.

The Company shall dispose of the shares repurchased under the first paragraph within the period prescribed by relevant ministerial regulations. If it does not, or is unable to, dispose of all such shares within such period, the Company shall reduce its paid-up capital by canceling the remaining shares which cannot be disposed of.

The repurchase, disposition and cancellation of the repurchased shares shall be made in accordance with the criteria and procedures prescribed by the relevant ministerial regulations and law.

Article 11 The share repurchase shall be approved by a meeting of shareholders except where the amount of such shares to be repurchased does not exceed ten (10) percent of the total paid-up shares, the Board of Directors of the Company shall have the power to approve such share repurchase.

Where the amount of repurchased shares exceeds ten (10) percent of the total paid-up shares, the Company shall be required to obtain an approval of the meeting of shareholders and the share repurchase shall be made within one (1) year from the date on which the approval has been obtained from the meeting of shareholders.

**Chapter 3
Transfer of Shares**

Article 12 Transfer of shares of the Company shall be made without restrictions except where such transfer of shares will result in the Company's non-Thai shareholdings exceeding forty-nine (49) percent of the total number of issued and paid-up shares of the Company. The Company may reject any transfer of shares which will result in the Company's non-Thai shareholdings exceeding such limit.

Article 13 The transfer of shares will be valid upon the transferor's endorsement of the share certificate by stating the name of the transferee and having it signed by both the transferor and the transferee and upon delivery of the share certificate to the transferee, or by any other method as permitted by the applicable laws.

The transfer of shares will be effective against the Company upon the Company having received a request to register the transfer of the shares; but will be effective against a third party only after the Company has registered the transfer of shares in the share register book.

Upon determining that such transfer of shares is in accordance with the law, the Company shall register the transfer of shares within fourteen (14) days as from the date of receipt of the request. In case the Company determines that such transfer of shares is incorrect or invalid, it shall notify the person making the request within seven (7) days from the date on which the request is received.

In case the Company has been a listed company on the Stock Exchange of Thailand, transfer of shares of the Company shall be in accordance with the law governing securities and exchange.

Article 14 In case the share transferee wishes to have a new share certificate, the transferee shall submit to the Company a written application bearing the signature of the transferee and certified by at least one (1) witness and shall return the original share certificate or other evidence to the Company. If the share transfer is determined by the Company to duly and legally made, the Company shall register such transfer of shares within seven (7) days from the date of receipt of such application, and shall issue the new share certificate within one (1) month from the date of receipt of such application.

Article 15 In case of a shareholder dies or becomes bankrupt, and another person becomes entitled to a share, a change of name of shareholder shall be in accordance with the criteria and conditions prescribed by the law.

Article 16 In the course of twenty-one (21) days prior to each meeting of the shareholders, the Company may suspend the registration of share transfer and notify the shareholders in advance by placing the notice at the head office and all branch office not less than fourteen (14) days before the date commencing the suspension of share transfer registration or otherwise specified by the relevant notifications, criteria and laws.

**Chapter 4
Issuance, Offering and Transfer of Securities**

Article 17 Issuance, offering and transfer of securities to the public or any person shall be made in accordance with the law governing public limited company and the law governing securities and exchange.

Other than ordinary shares, transfer of securities having been listed as registered securities in the Stock Exchange of Thailand or other secondary market shall be made in accordance with the law governing securities and exchange.

The term "securities" means the securities as defined by the law governing securities and exchange.

**Chapter 5
Board of Directors**

Article 18 The Company shall have a board of directors to oversee the business operations of the Company. Such board shall comprise not less than five (5) directors, and not less than one-half (1/2) of whom shall reside in Thailand. Directors shall have the qualifications as prescribed by law.

Directors of the Company may or may not be the shareholder of the Company.

Article 19 Directors shall be elected at the meeting of shareholders in accordance with the following criteria and procedures:

- (a) Each shareholder shall have one (1) vote per one (1) share held.
- (b) Each shareholder may exercise all of its votes under (a) to elect one or several persons nominated to act as directors, but the shareholder shall not allot part of the votes it has to each person so nominated.
- (c) The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order, until all of the director positions are filled. Where there is an equality of votes cast for candidates in descending order causing the number of directors to be exceeded, the chairman of the meeting shall have a casting vote.

Article 20 At every annual general meeting, one-third (1/3) of the directors shall retire. If the number of directors is not a multiple of three, then the number nearest to one-third (1/3) shall retire.

A director who retires under the first paragraph may be re-elected.

The directors vacating from office in the first and second years after the registration of the Company shall be selected by drawing lots. In subsequent years, the director who then has held office the longest shall vacate.

Article 21 Other than retirement from office by rotation, a director shall retire upon:

- (a) Death;
- (b) Resignation;
- (c) Lack of qualifications or possession of characteristics prohibited by the law governing public limited company or the law governing securities and exchange;
- (d) Removal by the resolution of a meeting of shareholders under Article 23;
- (e) Removal by the court order.

Article 22 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 the Company receives such resignation letter.

The director who resigns under the first paragraph may also notify the registrar of his/her resignation.

Article 23 The meeting of shareholders may pass a resolution removing any director from the office prior to the retirement by rotation by the votes of not less than three-fourths (3/4) of the number of shareholders present at the meeting with voting rights and representing shares in aggregate of not less than one-half (1/2) of the number of shares held by the shareholders present at the meeting with voting rights.

Article 24 In case of vacancy in the board of directors for reasons other than retirement by rotation, the board of directors shall elect a person who has qualifications and does not possess the characteristics prohibited by the law governing public limited company and the law governing securities and exchange to be a substitute director at the next meeting of the board of directors, unless the remaining term of office of such director is less than two (2) months. Such a substitute director shall remain in office only for the remaining term of office of the director to whom he or she replaces.

The resolution of the board of directors under the first paragraph shall consist of the votes of not less than three-fourths (3/4) of the remaining number of directors.

Article 25 In case the whole board of directors retires from the office, the retiring board of directors shall continue to act as directors to oversee the business operations of the Company only to the extent necessary until the new board of directors assumes office, unless otherwise ordered by the court.

In case the board of directors retires from office under Article 21 (e), the retiring board of directors shall convene a meeting of shareholders to elect the new board of directors within one (1) month from the retirement date by sending a notice of meeting to the shareholders not less than fourteen (14) days prior to the date of the meeting.

Article 26 The director is entitled to receive the remuneration from the Company in the form of monthly remuneration, rewards, meeting allowances, gratuities, bonuses or benefits of any other nature as considered and resolved by the meeting of shareholders with the votes of not less than two-thirds (2/3) of the total votes of shareholders present at the meeting. Such remuneration may be a fixed amount or under predetermined conditions which will remain effective from time to time or until otherwise resolved by the meeting of shareholders. In addition, the director shall receive allowances and welfare benefits in accordance with the Company's regulations.

The provision in the first paragraph shall not affect any staff or employee who has been elected as director with regard to his/her right to receive remuneration and benefit as a staff member or employee of the Company.

Article 27 The board of directors shall elect one of the directors to be the chairman of the board.

In the case where the board of directors deems appropriate, it may elect one or several directors to be the vice chairman to perform the duties as stipulated in the Articles of Association in respect of the affairs assigned by the chairman of the board.

Article 28 At a meeting of the board of directors, not less than one-half (1/2) of the total number of directors must be present at the meeting in order to form a quorum. The chairman of the board shall be the chairman of the meeting. In the case where the chairman of the board is not present at the meeting or cannot perform his or her duties, if there is a vice chairman, the vice chairman shall be the chairman of the meeting. If there is no the vice chairman or the vice chairman is not present or cannot perform his or her duties, the directors present at the meeting shall elect one of the directors to be the chairman of the meeting.

The decisions at the meeting shall be made by a majority vote.

Each director shall have one (1) vote. Any director having interest in any matter shall not be entitled to vote on such matter. In the event of a tie vote, the chairman of the meeting shall have a casting vote.

Article 29 Meetings of the board of directors shall be summoned by the chairman. In absence of the chairman for whatever reason, meetings of the board of directors shall be summoned by the vice chairman. In absence of the vice chairman for whatever reason, meetings of the board of directors shall jointly be summoned by two (2) or more directors.

In any event deemed appropriate or in order to protect the rights and interests of the Company, two (2) or more directors may jointly request the chairman that a meeting of board of directors be summoned pursuant to the criteria and procedures set out in or permitted by the applicable law.

In summoning a meeting of the board of directors, the chairman or the person assigned by the chairman shall serve a notice of meeting to the directors at not less than 3 days before the meeting date. However, in case of necessity and urgency for the purpose of protecting the rights or interests of the Company, a notice of meeting can be served by electronic means or any other means pursuant to the criteria and procedures set out in or permitted by the applicable law and such meeting may be held at a shorter period of notice.

Article 30 In overseeing the business operations of the Company, the board of directors shall perform the duties in accordance with the laws, the objectives, the Articles of Association as well as the resolutions of the meeting of shareholders in good faith and with care to preserve interests of the Company.

Article 31 No director shall conduct any business of the same nature as and being in competition with the business of the Company; or become a partner of an ordinary partnership, a partner with unlimited liability of a limited partnership, or a director of any other limited company or public limited company which operates any business of the same nature as and being in competition with the business of the Company, whether for his/her own account or the account of other persons, unless the director notifies the meeting of shareholders prior to the resolution for appointment of such director.

Article 32 The director shall notify the Company without delay of the director's direct or indirect interest in any contract entered by the Company or any increase or decrease in number of the shares or debentures of the Company or its affiliated company held by such director.

Article 33 The board of directors shall hold a meeting at least once every three (3) months at the province in which the head office is located or the province nearby or any other place.

The meeting under the first paragraph may be held and arranged by an electronic means pursuant to the applicable provisions of law, notifications, regulations governing arrangement of meetings through electronic media.

Article 34 The board of directors may appoint any person to oversee the business operations of the Company under the board of directors' supervision or may authorize that person to have such power for such period of time as the board of directors deems appropriate. The board of directors retains the right to revoke, change or amend such power.

Article 35 The directors authorized to sign to bind the Company shall be two (2) directors jointly signing with the Company's seal affixed. The board of directors shall have the power to determine and amend the name of the directors authorized to sign to bind the Company.

Chapter 6 Meeting of Shareholders

Article 36 The board of directors shall call a meeting of shareholders which is an annual general meeting of shareholders within four (4) months from the end of each of the Company's fiscal years.

Any meeting of shareholders other than the one referred to in the first paragraph shall be called an extraordinary meeting of shareholders which may be called by the board of directors at any time as deemed appropriate.

A meeting of shareholders may be held and arranged by an electronic means pursuant to the applicable provisions of law governing arrangement of meetings through electronic media.

One or several shareholders holding shares representing not less than ten (10) per cent of the total paid-up shares of the Company may, by subscribing their names, make a written request to the board of directors to call an extraordinary meeting at any time, provided that the written request must clearly state the matters and reasons for calling such meeting. In this regard, the board of directors shall arrange to convene a meeting of shareholders within forty-five (45) days from the date of receipt of the request of the shareholders.

In the case where the board of directors fails to convene the meeting within the period set out under the fourth paragraph, the shareholders subscribing their names in the request or any other shareholders holding shares representing not less than such required amount may call the meeting by themselves within forty five (45) days from the expiration of the period under the fourth paragraph whereby the shareholders calling such meeting may disseminate a written notice to all shareholders through an electronic means pursuant to the criteria and procedures set out in or permitted by the applicable law. Such meeting shall be deemed as called by the directors and the Company shall be responsible for the necessary expenses incurred by such meeting and provide any arrangement to facilitate such meeting as appropriate.

In the case where any meeting of shareholders called by the shareholders pursuant to the fifth paragraph fails to form a quorum as prescribed by these Articles of Association, the shareholders under the fifth paragraph shall jointly reimburse for any and all expenses incurred to the Company from convening such meeting.

Article 37 In calling a meeting of shareholders, the board of directors shall prepare a written notice specifying the venue, date, time and agenda of the meeting and the matters to be proposed to the meeting in appropriate details by clearly indicating in each matter whether it is a matter proposed for acknowledgement, approval, or consideration, as the case may be, and including the opinion of the board of directors on each of the matters. The notice shall be disseminated to the shareholders and the registrar prior to the date of the meeting and publicized pursuant to the criteria, period and procedures set out in or permitted by the applicable law.

The venue of the meeting may be in the province in which the head office of the Company is located or any other place as the board of directors may determine.

Article 38 A quorum of a meeting of shareholders shall comprise not less than twenty five (25) shareholders present in person or by proxy (if any), or not less than one-half (1/2) of the total number of shareholders, provided that, in either case, the shares held by such shareholders shall not be less than one-third (1/3) of the total issued shares of the Company.

In the event that a quorum of any meeting of shareholders is not formed as required under the first paragraph after one (1) hour has passed from the time fixed for the meeting, such meeting shall be cancelled if the meeting is called by a request of shareholders; however, if the meeting is not called by a request of shareholders, a subsequent meeting shall be convened and a notice of the subsequent meeting shall be sent to the shareholders not less than seven (7) days prior to the date of the meeting. At the subsequent meeting, no quorum shall be required.

A shareholder may appoint a proxy of legal age to attend and cast votes in a meeting of shareholders on its behalf. The appointment of proxy must be evidenced in a designated written form and comply with the procedures pursuant to the law.

The appointment of proxy may be conducted through an electronic means provided that the method made available for this purpose must be safe and capable of establishing credibility that such appointment has been made by the appointing shareholder pursuant to the criteria set out in or permitted by the applicable law.

Article 39 The chairman of the board of directors shall be the chairman of the meeting of shareholders. In the case where the chairman is not present at a meeting or cannot perform duties, if there is a vice chairman, the vice chairman shall be the chairman of the meeting. If there is no such vice chairman or such vice chairman is not present or cannot perform his or her duties, the shareholders present at the meeting shall elect one shareholder to be the chairman of the meeting.

Article 40 In respect of voting at the meeting of shareholders, each shareholder shall have one (1) vote for one (1) share held by it. Any shareholder having special interest in any matter shall have no right to vote in such matter, except for a matter of an election of directors. A resolution of the meeting of shareholders shall be made by the following votes:

(a) In an ordinary event, the majority votes of the shareholders who attend the meeting and cast their votes. In case of a tie vote, the chairman of the meeting shall have one (1) additional vote as a casting vote.

- (b) In the following matters, a vote of not less than three-fourths (3/4) of the total number of votes of shareholders who attend the meeting and have the right to vote shall be required:
1. The sale or transfer of the whole or substantial part of the Company's business to other person(s);
 2. The acquisition or acceptance of business transfer of private companies or other public companies to be a part of the Company's business;
 3. The execution, amendment, or termination of any agreement with respect to leasing out of the whole or substantial parts of the Company's business, the assignment of other person(s) to manage the business of the Company, or the amalgamation of the business with other person(s) for the purpose of profit and loss sharing;
 4. Amendment to the Memorandum of Association or the Articles of Association of the Company;
 5. Increase or reduction of the registered capital of the Company;
 6. Dissolution of the Company;
 7. Issuance of debentures of the Company;
 8. Amalgamation with another company;
 9. Other matters as provided by law to require a vote of not less than three-fourths (3/4) of the total number of votes of shareholders who attend the meeting and have the right to vote.

Article 41 The businesses to be transacted at an annual general meeting of shareholders shall be as follows:

- (a) Acknowledgement of the board of director's report in relation to the Company's operations during the past fiscal year;
- (b) Consideration and approval of the balance sheet and the profit and loss statement;
- (c) Consideration in respect of the appropriation of profits and payment of dividend;
- (d) Election of new directors to replace directors who retire by rotation;
- (e) Fixing of the remuneration of directors;
- (f) Appointment of the auditor and fixing of the auditing fee; and
- (g) Other matters.

Chapter 7 Increase of Capital and Reduction of Capital

Article 42 The Company may increase the amount of its registered capital by issuing new shares which may be made after:

- (1) all the shares have been completely sold and paid-up in full, or, if the shares have not been completely sold, the remaining shares shall be the shares issued for the exercise of rights under convertible debentures or warrants to purchase shares;
- (2) the meeting of shareholders has passed a resolution by not less than three-fourths (3/4) of the total number of votes of shareholders who attend the meeting and have the right to vote; and
- (3) the said resolution has been submitted to the registrar for the registration of a change in the registered capital within fourteen (14) days from the date on which the meeting passes such resolution.

Article 43 The new shares issued for capital increase may be offered for sale by the Company in whole or in part, and may be either first offered for sale to the shareholders in proportion to the number of shares already held by each of them, or may be offered for sale to the public or other persons, whether in whole or in part, in accordance with the resolution of the meeting of shareholders.

Article 44 With respect to the allocation of the new shares issued for capital increase, the meeting of shareholders may authorize the board of directors to determine the price of share, the amount of shares to be offered for each offering, the date of offering and other relevant details in all respects.

Article 45 The Company may reduce the amount of its registered capital by either lowering the par value of each share or by reducing the number of shares upon a resolution passed at the meeting of shareholders by a vote of not less than three-fourths (3/4) of the total number of votes of shareholders who attend the meeting and have the right to vote.

The capital of the Company may not be reduced to less than one-fourth (1/4) of the total amount of capital, unless the Company has an accumulated loss and has already compensated for such accumulated loss as prescribed by law but the accumulated loss still remains, the Company may reduce its capital to the amount less than one-fourth (1/4) of the total amount of capital.

The reduction of capital to less than one-fourth (1/4) of the total amount of capital under the second paragraph shall be approved by a resolution passed at the meeting of shareholders by a vote of not less than three-fourths (3/4) of the total number of votes of the shareholders who attend the meeting and have the right to vote, provided the Company shall register such resolution within fourteen (14) days from the date on which the meeting passes such resolution.

Article 46 The meeting of shareholders may pass a resolution to reduce the Company's capital by canceling the number of registered shares which have not been sold or which have not been issued. After the meeting passes the resolution, the Company shall register the reduction of registered capital within fourteen (14) days from the date on which the meeting passes such resolution.

Article 47 In case the Company wishes to reduce its capital which is not the reduction of capital under Article 46, the Company shall give a written notice of capital reduction to its creditors within fourteen (14) days from the date on which the meeting passes such resolution, and provide a period of submission of objection within two (2) months from the date of receipt of such notice of resolution. In addition, the Company shall publish the said resolution in a newspaper within a period of fourteen (14) days, the publishing of which shall be made for three (3) consecutive days.

Chapter 8 Accounts, Finance and Audit

Article 48 The fiscal year of the Company shall commence on 1 January and end on 31 December of every year.

Article 49 The Company shall prepare and keep the books and accounts, including the auditing of the accounts as prescribed by relevant laws, and shall prepare the balance sheet together with the profit and loss statement at least once every twelve (12) months which forms the fiscal year of the Company.

Article 50 The board of directors shall arrange for the balance sheet and the profit and loss statement to be prepared as at the last date of the Company's fiscal year and be proposed to the annual general meeting of shareholders for approval. The board of directors shall arrange for the balance sheet and profit and loss statement to be audited by the auditor before submission of the same to the meeting of shareholders.

Article 51 The board of directors shall deliver the following documents to the shareholders together with the notice calling for an annual general meeting of shareholders:

- (1) Copies of the audited balance sheet and the profit and loss statement, together with the auditor's report; and

(2) Annual report of the board of directors together with any supporting documents thereof.

Article 52 No auditor shall be a director, staff member, employee or person holding any position or performing any duty in the Company.

Article 53 The auditor shall have the power to examine the accounts, documents, and any other evidence in relation to the revenues, expenditures as well as assets and liabilities of the Company during the office hours of the Company. In this regard, the auditor shall have the power to inquire the directors, staff members, employees, persons holding any position or performing any duty in the Company and agents of the Company, including requiring them to clarify the facts or submit any document or evidence in connection with the business operation of the Company.

Article 54 The auditor has the duty to attend every meeting of shareholders at which the balance sheet, the profit and loss statement, and the issues concerning the accounts of the Company are to be considered in order to explain the auditing to the shareholders. The Company shall also deliver to the auditor all reports and documents of the Company that are to be received by the shareholders at that meeting of shareholders.

Chapter 9 Dividend and Reserves

Article 55 No dividends shall be paid otherwise than out of profits. If the Company has the accumulated losses, no dividend shall be paid.

The dividends shall be distributed according to the number of shares, with each share receiving an equal amount, except where the Company issues preferential shares and provided that the preferential shares shall be entitled to dividend which differs from ordinary shares, then the dividend shall be distributed as provided accordingly, whereas such payment of dividend shall be approved by a meeting of shareholders.

In case where the Company has yet to issue the full number of shares as registered or the Company has registered its capital increase, the Company may pay the dividends in whole or in part by way of issuing new ordinary shares to shareholders upon approval by a meeting of shareholders.

The board of directors may pay interim dividends to the shareholders from time to time if it determines that the profits of the Company justify such payment. After the interim dividends have been paid, such interim dividend payment shall be reported to the shareholders at the next meeting of shareholders.

The payment of dividends shall be made within one (1) month from the date on which the resolution has passed at the meeting of shareholders or at the meeting of the board of directors, as the case may be. The shareholders shall be notified in writing of such payment of dividends, and the notice of such dividend payment shall also be published pursuant to the criteria and procedures set out in or permitted by the applicable law.

Article 56 The Company shall allocate at least five (5) per cent of its annual net profit less the accumulated losses brought forward (if any) to a reserve fund until such reserve fund attains the amount of not less than ten (10) per cent of the registered capital. Other than the stated reserve fund, the board of directors may propose to the meeting of shareholders to resolve to approve the allocation for other reserve funds as deemed appropriate for the business operation of the Company.

Upon approval of the meeting of shareholders, the Company may apply other reserve funds, legal reserve fund and share premium reserve fund, respectively, to compensate for the Company's accumulated loss.

Chapter 10
Supervision and Control of Management of Subsidiaries and
Associated Companies Operating Core Businesses

The purpose of the articles under this chapter is to determine the measures and mechanisms for direct and indirect supervision and control of the management of the subsidiaries and associated companies, as well as other measures to closely monitor the operations of the subsidiaries and associated companies operating core businesses.

For the purpose of construing the provisions under this chapter, the term ‘*subsidiary*’ and ‘*associated company*’ shall mean any subsidiary or associated company which undertakes the core business as prescribed in clause 24 and whose business size in aggregate falls under criteria of the provision of clause 23 (2) of the Notification of the Capital Market Supervisory Board No. TorChor. 39/2559 Re: Application for and Approval of Offer for Sale of Newly Issued Shares, as amended, with reference to the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities, as amended, as well as any amendment thereof in the future or other definition being prescribed to replace the same.

In case where this policy provides that entering into any transaction or arrangement, which is material to or affects the financial position and results of operation of the subsidiary and associated company, requires an approval of the board of directors or a meeting of shareholders, as the case may be, the directors shall have the duty to hold a meeting of the board of directors and/or meeting of shareholders of the Company, as the case may be, to consider and approve the matter before the subsidiary and associated company will hold its meeting of the board of directors and/or meeting of shareholders, as the case may be, to consider and approve the entry into the transaction or arrangement. In this regard, the Company shall disclose the information and duly and fully comply with the criteria, conditions, procedures and methods related to the matter to be approved as prescribed by the law governing public limited company, civil and commercial code, securities law and relevant laws, as well as the notifications, regulations, and criteria of the Capital Market Supervisory Board, the Securities and Exchange Commission, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand *mutatis mutandis* (to the extent no inconsistency arises).

Article 57 In respect of the following matters, the relevant subsidiary or associated company, as the case may be, is required to obtain approval of the board of directors of the Company:

- (a) Appointment or nomination of individuals to be a director and executive of the subsidiary or associated company (except where such individuals are in the name list approved by the resolution of the meeting of board of directors to be director of the subsidiary or associated company), whereas the director nominated or appointed by the Company shall have a discretion in considering and voting at a meeting of the board of directors of the subsidiary or associated company regarding the matters related to the management in general and operation under a normal course of business of the subsidiary or associated company as deemed appropriate by the directors of the subsidiary or associated company for the best interest of the Company, the subsidiary or associated company, as the case may be, unless otherwise provided in this chapter.

The director having been nominated or appointed under the first paragraph must be the individuals listed in the database of directors and executives of securities issuing company (White List) and shall have the qualifications, roles, duties and responsibilities as prescribed by the relevant laws, and shall not have any characteristics indicating untrustworthiness as specified in the Notification of the Securities and Exchange Commission Re: Determination of Untrustworthy Characteristics of Company’s Directors and Executives.

- (b) Consideration and approval of payment of annual dividend and interim dividend, if any, of the subsidiary, save where the payment of dividend by the subsidiary in aggregate for the whole year is not less than the rate fixed in the annual total budget of each subsidiary.
- (c) Amendment to the articles of association of a subsidiary except for the following cases:
 - 1. Amendment to the articles of association which relates to capital increase proportionately to the shareholding which has been provided in the annual total budget of each subsidiary;

2. Amendment or change of the name of the subsidiary; and/or
 3. Amendment to the articles of association regarding the material matters pursuant to Article 58 (e) which requires approval of a meeting of shareholders of the Company.
- (d) Consideration and approval of the annual total budget of the Company and all subsidiaries of the Company unless in respect of the case where the delegation of authority has been made to the relevant subsidiary.
- (e) Appointment of the auditor of a subsidiary only in case where the auditor to be appointed is from an audit firm which is not a full member of the same group of audit firm of the auditor of the Company, which is in contrary to the Company's policy of auditor appointment, which provides that the auditor of a subsidiary must be from an audit firm, which is a full member of the same group of audit firm of the auditor of the Company.
- (f) Capital increase by way of issuing new shares of a subsidiary and allocation of shares as well as reduction of registered capital and/or paid-up capital of a subsidiary which is not proportionate to the shareholding of the existing shareholders; or any other arrangements which may result in the shareholding proportion of the Company and/or the voting right of the Company, whether directly or indirectly, at a meeting of shareholders of the subsidiary, at any level, decreases by more than ten (10) per cent of the total paid-up capital or the total voting rights of the subsidiary, as the case may be, unless it is included in the business plan or annual budget of the subsidiary which has already been approved by the board of directors of the Company.

The transactions under paragraph (g) to (j) are considered material, and the entry of which may have material effects to the financial position and results of operation of a subsidiary, therefore, prior to a meeting of the board of directors of the subsidiary regarding the matter and prior to the voting by the director appointed by the Company on the matters below, such director must obtain a prior approval of the board of directors of the Company in relation to such matter, provided that it is the case where the size of the transaction to be entered by the subsidiary compared to the business size of the Company, upon application of the criteria regarding the calculation of a transaction size prescribed by the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand's Board of Governors, as the case may be, *mutatis mutandis*, is such that it requires an approval of the board of directors of the Company; such transactions include:

- (g) The case where a subsidiary enters into a transaction with a connected person of the Company, or a transaction related to the acquisition or the disposition of assets of a subsidiary which includes but without limitation to the following:
1. The transfer or waiver of rights including waiver of claims against parties causing damages to a subsidiary;
 2. The sale or transfer of the whole or substantial part of the business of a subsidiary to other person(s);
 3. The acquisition or acceptance of business transfer of other company to be a part of the subsidiary's business;
 4. The execution, amendment, or termination of any agreement with respect to leasing out of the whole or substantial parts of the subsidiary's business, the assignment to other person(s) to manage the business of the subsidiary, or the amalgamation of the business with other person(s) for the purpose of profit and loss sharing;
 5. The rent or lease out of the whole or substantial part of business or assets of the business of a subsidiary.
- (h) Lending money, borrowing money, granting of credit, giving of guarantee, execution of binding juristic act creating additional financial obligations to the subsidiary, or giving of financial assistance in any other manners to other person which is not under normal

course of business of the subsidiary, except for lending between the Company and a subsidiary or amongst subsidiaries within the group of the Company.

- (i) Dissolution of a subsidiary.
- (j) Any other transactions which are not under normal course of business, and which have material effect to the subsidiary.

Article 58 In respect of the following transactions, prior to their entry, the relevant subsidiary is required to obtain approval from a meeting of shareholders of the Company with favourable votes of not less than three-fourths (3/4) of the total number of votes of the shareholders attending the meeting and having the right to vote:

- (a) The case where a subsidiary enters into a transaction with a connected person of the Company, or a transaction related to acquisition or disposition of assets of a subsidiary, provided that the size of the transaction to be entered by the subsidiary compared to the business size of the Company, upon application of the criteria regarding the calculation of transaction size prescribed by the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand's Board of Governors, as the case may be, *mutatis mutandis*, is such that it requires an approval of a meeting of shareholders of the Company;
- (b) Capital increase by way of issuing new shares of a subsidiary and allocation of shares as well as reduction of registered capital and/or paid-up capital of a subsidiary which is not proportionate to the shareholding of the existing shareholders; any other similar arrangements which may result in the shareholding proportion of the Company and/or the right of the Company to vote, whether directly or indirectly, at a meeting of shareholders of the subsidiary, at any level, decreases to be less than the proportion prescribed by the law applicable to the subsidiary, and as a result the Company has no control over such subsidiary; provided that the size of the transaction as compared to the business size of the Company, upon application of the criteria regarding the calculation of a transaction size prescribed by the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand's Board of Governors, as the case may be, *mutatis mutandis*, is such that it requires an approval of a meeting of shareholders of the Company;
- (c) Dissolution of a subsidiary; provided that the size of the transaction as compared to the business size of the Company, upon application of the criteria regarding the calculation of a transaction size prescribed by the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand's Board of Governors, as the case may be, *mutatis mutandis*, is such that it requires an approval of a meeting of shareholders of the Company;
- (d) Any other transactions which are not under normal course of business of the subsidiary and which have material effect to the subsidiary; provided that the size of the transaction as compared to the business size of the Company, upon application of the criteria regarding the calculation of a transaction size prescribed by the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand's Board of Governors, as the case may be, *mutatis mutandis*, is such that it requires an approval of a meeting of shareholders of the Company; and
- (e) Amendment to the articles of association of the subsidiary regarding the matter which may have material effect to the financial position and results of operation of the subsidiary, including but without limitation to any amendment to the articles of association of the subsidiary which may affect the right of the Company to nominate or appoint a director or an executive in the subsidiary proportionately to the Company's shareholding in the subsidiary, the voting right of the director nominated and/or appointed by the Company at a meeting of the board of directors of the subsidiary, the voting right of the Company at a meeting of shareholders of the subsidiary and/or payment of dividend of the subsidiary, etc.

Article 59 The Company shall appoint individual(s) as director(s) of a subsidiary or associated company at least in proportion to the Company's shareholding in the subsidiary or associated company, unless the Company has restriction or limitation or necessary grounds rendering it being unable to appoint individual(s) as director(s) of the subsidiary or associated company in proportion to the Company's shareholding, provided that the Company is able to demonstrate that a mechanism is established which ensures that the Company is able to oversee the management or decision-making with respect to matters material to the operations and financial position of the subsidiary or associated company in proportion to the Company's shareholding.

In this regard, the Company shall monitor the performance of the director(s) and executive(s) appointed by the Company to hold directorship or management position in the subsidiary and associated company, *mutatis mutandis* to ensure that they perform their duties and responsibilities in accordance with the law, regulations and policies of the Company.

Article 60 The board of directors shall oversee that the subsidiary establish and maintain the internal control system and other necessary operational systems, including to determine the measures to monitor the results of operation of the subsidiary and associated company, all of which are appropriate, sufficient and effective to ensure that the all aspects of the operations of the subsidiary and associated company are in accordance with the business plan, budget and policy of the company, and duly and consistently comply with the law and notifications regarding the good corporate governance of a listed company, as well as any relevant notifications, regulations and criteria of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand; and the board of directors shall oversee and monitor to ensure that the subsidiary and associated company jointly disclose the information, financial position and results of operation and that any entry into connected transaction and transaction with potential conflict of interest, transaction related to acquisition or disposal of assets which are material, and any other transactions material to the Company and other arrangements are duly and fully in compliance with the criteria on oversight and control of the business operations of the subsidiary and associated company pursuant to the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand's Board of Governors, as amended, as the case may be.

Article 61 The Company shall procure that the director(s) appointed by the Company to represent in the board of directors of the subsidiary attend and vote as directed by the Company at every meeting of the board of directors of the subsidiary at which any agenda items material to the business operations of the subsidiary are considered.

Chapter 11 Additional Provisions

Article 62 The Company may issue any other securities pursuant to the law governing securities and exchange, as well as buy and sell securities, shares, or investment unit of any form which the Company is permitted to hold.

Article 63 The Company shall comply with the law on securities and stock exchange and in case the Company has listed securities in the Stock Exchange of Thailand, the Company shall comply with the regulations, notifications, instructions, or requirements of the Stock Exchange of Thailand, including compliance with the requirements relating to disclosure of information, entry into connection transactions and acquisition and disposition of material assets of the Company or subsidiaries.

Article 64 The official seal of the Company shall be as follows:

[seal]