

Articles of Association of President Bakery PLC

Chapter 3: Board of Director

● Article 18

The Board of Directors of the Company shall consist of not less than five(5) members, and not less than one-half of the directors shall reside within the Kingdom of Thailand.

The Board of Directors shall appoint one of its members to be the Chairman and, if deemed appropriate, shall appoint one or more of its members to be the Vice Chairman to perform duty as assigned by the Chairman.

Two signatures of Directors together with affixed Seal of the Company are required to cause legal bidding to the Company. The aforesaid Director must not be Independent Director. The Board may specify such authorized signature which can cause legal binding to the Company.

● Article 19

The Director of the Company must be the ordinary person and

- (1) Become sui juris
- (2) Not in bankrupt, incompetency or quasi-incompetent
- (3) Never been subjected to the sentence by the final judgment of the court to punish with the imprisonment in the offence relating to the property by non good faith
- (4) Never been punished to terminate or leave from the government body or government authorities by non good faith to its duties

● Article 20

Directors of the Company shall be elected by the shareholders' meeting under the following terms and conditions:

- (1) Each shareholder shall have one share for one vote
- (2) Each shareholder may exercise all the votes he or she has under (1) to elect one or several persons as directors or directors, but the shareholder cannot be divided his or her votes to any person in any number
- (3) Persons who receive the highest votes arranged in order from higher to lower in a number equal to that of the number of directors to be appointed are elected to be the Directors of the Company. In the event of a tie at a lower place, which would make the number of Directors greater than that required, the Chairman of the meeting should have a casting vote.

● Article 21

Directors of the Company shall be elected by the shareholders' meeting under the At every annual general shareholder's meeting, one-third (1/3) of the Directors, or, if the number of Directors cannot be divided exactly into three parts, the number of Directors nearest to one-third (1/3) shall vacate office. A vacating Director may be eligible for re-election. The Directors to vacate office in the first and second years following the registration of the Company shall be drawn by lots. In subsequent years, the Directors who have remained in office for the longest time shall vacate office.

● Article 22 Other than vacancy by rotation under Article 21, the Director shall vacant as follows:

- (1) death
- (2) resignation
- (3) disqualified or prohibited as prescribed by the laws or by this Articles of Association
- (4) the resolution of the shareholders' meeting
- (5) the court's order to vacant.

- **Article 23**

The Director who wishes to resign shall send resignation letter to the Company. The resignation will be effective from the date of such letter reached the Company. The resigning Director under the first paragraph may inform his/her resignation to the legitimate registrar as prescribed by Public Company Act

- **Article 24**

In case of Any vacancy among members of the Board of Directors occurring otherwise than by rotation, the Board of Directors may elect any person having qualifications and not prohibited as prescribed by the law to be the Director to fill the vacancy in the next meeting, unless the remaining term in office of vacating Director's is less than two months.

The person so appointed shall retain his/her office during such time equal to the remaining term of the vacating Director.

The resolution of the Board of Directors under the first paragraph shall be supported by a vote of not less than three-fourths(3/4) of the number of remaining Directors.

- **Article 25**

The shareholders' meeting may pass a resolution to remove any Director from office prior to retirement by rotation, by a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote and the shares held by them shall, in aggregate, be not less than one half of the number of shares held by the shareholders attending the meeting and having the right to vote.

- **Article 26**

In case the number of Directors is reduced to less than a quorum, the remaining Directors may continue to perform their duties, on behalf of the Board of Directors, only if to convene a meeting of shareholders to elect new directors to fill the vacancies.

The meeting under the first paragraph shall be held within one month from the date on which the number of directors is reduced to less than a quorum. The elected person shall retain his/her office during such time equal to the remaining term of the vacating Director.

- **Article 27**

The board of Directors' meeting shall consist of one-half of total of Directors present at the meeting to constitute the quorum. If at any time the Chairman is absent or is unable to perform the duty and there is Vice Chairman, the Vice Chairman shall act as Chairman of the meeting. If there is no Vice Chairman or is unable to perform the duty, the meeting shall elect one of the Directors presented at the meeting to act as Chairman of the meeting.

The resolutions of the Board of Directors' meeting shall be passed by the affirmative vote of a majority of the Directors.

One director shall have one vote but any Director who has the interest in any matter shall have no right to vote for such matter. In case of a tie vote, the Chairman has a casting vote.

- **Article 28**

To call for the Board of Directors' Meetings, the Chairman or person designated by the Chairman shall send a notice to summon the meeting to the Directors not less than seven(7) days prior to the meeting date. However, in the case that there arises the necessity and urgency to safeguard the rights and interest of the Company, a meeting may be convened by other means and the date of the meeting may be scheduled sooner.

The meeting place according to the first paragraph shall be the room located at the Head Office or Branch or any other places as determined by the Board

- **Article 29**

The Board of Directors shall be responsible to conduct business of the Company in accordance with the objectives, Articles of Association and resolutions of the shareholders' meeting. The Board of Directors may appoint one or more Directors as the Executive Directors to handle one or more specific assignments or may empower one or more Directors or other person to conduct Company's business on behalf of the Board

- **Article 30**

No Director shall carry on any business of the same nature as or in competition with that of the Company, nor shall be a partner in any ordinary partnership, or an unlimited partner in any limited partnership, or a director of private company or another company carrying on business of the same nature and competitive to the business of the Company, whether for its own benefit or others, unless he has informed to the shareholders' meeting prior to being elected.

- **Article 31**

The Director shall inform the Company immediately when occurring following events,

- (1) Holding direct or indirect stake from any contracts which the Company has entered during the fiscal year. The related Director must report terms, condition, counterparty's name, and any stake which may arise from such contract
- (2) Holding common share or debenture of the Company and Subsidiaries. The related Director must report any increase or decrease in the number of share which change during the fiscal year(if any)

- **Article 32**

The Directors shall be eligible to receive remuneration from the Company in the form of reward, meeting allowances, gratuity, bonus, or other fringe benefit in accordance with the regulations of the Company, or with the consideration of the Shareholders' Meeting which may specifically determine the amount or determine the rules either from time to time or to be in full force and effect until further revision. The aforementioned remuneration shall not prejudice the rights of the Director to receive his/her own remuneration or welfare as an ordinary officer or employee of the Company.

Chapter 4: Shareholders' Meeting

- **Article 33**

The Board of Directors shall summon a shareholder meeting as an annual general meeting of shareholders within four (4) months as from the last day of the fiscal year of the Company.

The shareholder meetings other than the said meeting shall be called extraordinary meetings.

The Board of Directors may summon an extraordinary meeting of shareholders any time as it deems appropriate.

One or more shareholders holding the aggregate number of shares of not less than ten (10) percent of the total number of shares sold may subscribe their names in a written request directing the Board of Directors to summon an extraordinary meeting at any time but the reasons for summoning such meeting must be clearly stated in such a request. In this event, the Board of Directors must summon a shareholder meeting within forty-five (45) days as from the date of receipt of the request from the shareholders.

In case the Board of Directors fails to arrange for the meeting within such period under paragraph four, the shareholders who have subscribed their names or other shareholders holding the required aggregate number of shares may themselves call the meeting within forty-five (45) days as from the date of expiration of the period under paragraph four, In such case, the meeting is deemed to be Shareholders' meeting called by the Board of Directors and the Company shall be responsible for necessary expenses as may be incurred in the course of convening such meeting and the Company shall reasonably provide facilitation.

In the case where, at the meeting called by the shareholders under paragraph five, the number of the shareholders presented does not constitute quorum as specified in Article 36 and Article 37, the shareholders under paragraph five shall jointly compensate the Company for the expenses incurred in arrangements for holding that meeting.

- **Article 34**

To call for the Shareholders' Meeting, the Board of Directors shall prepare a written notice specifying the place, date, time, agenda of the meeting and the matters to be proposed to the meeting in appropriate detail by clearly indicating whether it is a matter proposed for acknowledgement or for consideration, as the case may be, including the opinion of the Board of Directors on the said matters, and the said notice shall be distributed to the shareholders and

the registrar not less than seven (7) days prior to the meeting date. In addition, the said notice shall be published in the newspaper for not less than three (3) consecutive days and not less than three (3) days prior to the meeting date. The place of the meeting shall be in the province in which the head office of the Company is situated or at any other place as prescribed by the Board of Directors.

- **Article 35**

The Board of Directors shall send the supporting documents as required by the law to the shareholders together with the notice calling for such annual shareholders' meeting.

- **Article 36**

At a general meeting of shareholders, not less than twenty-five shareholders or proxy-holders (if any) or not less than half of the total number of shareholders shall be present holding not less than one-thirds of the total number of the Company's shares to constitute the quorum, unless otherwise specified under the law.

- **Article 37**

In case that no quorum as prescribed by Article 36 is formed after one hour has lapsed, if it is an meeting summoned upon the request of shareholders, it shall be dissolved; but if it is an meeting not summoned upon the request of shareholders, another meeting shall be summoned. Notices of such a new meeting shall be sent to the shareholders at least seven (7) days in advance and the quorum for the next meeting is not required.

- **Article 38**

The Chairman of the Board of Directors shall act as the Chairman of shareholders' meeting. In the case that he is absent or is unable to perform the duty and if there is the Vice-Chairman, the Vice-Chairman shall act as the Chairman. If there is no Vice Chairman or he is unable to perform duty, the meeting shall elect one representative to act as the Chairman of the meeting.

- **Article 39**

The Chairman of Shareholders' Meeting is responsible to control the meeting according to the Articles of Association of the Company. The meeting shall proceed according to the agendas respectively as specified in the notice unless the shareholders' meeting resolved to change the agenda by the affirmative votes of the shareholders holding not less than two-thirds (2/3) of the shareholders attending the meeting.

After all agendas specified under the first paragraph have been considered, shareholders holding not less than one-third (1/3) of the total number of distributed shares may request the meeting to consider other matters not specified in such notice.

If the meeting is unable to consider all agenda as prescribed in the first paragraph or unable to finish consideration as requested in the second paragraph as the case may be and the meeting is necessary to be postponed, the Shareholders' Meeting shall determine the place, date, and time for next meeting. The Board

shall send the written notice specifying the place, date, time, and agenda to the shareholders not less than seven (7) days prior to the meeting date. In addition, the said notice shall be published in the newspaper for not less than three (3) consecutive days and not less than three (3) days prior to the meeting date.

- **Article 40**

All shareholder are eligible to attend the Shareholders' Meeting no matter such meeting is hold at when or for any type of shareholder.

- **Article 41**

The shareholder may appoint in writing any person as his proxy-holder to attend and vote on his behalf at such meeting. The proxy-holder shall submit the proxy form to the Chairman of the Board of Directors or the person designated by the Chairman of the Board of Directors at the meeting place before the proxy-holder attends the meeting. The proxy form must be in the form as determined by the legitimate Registrar in compliance with the Public Company Act.

- **Article 42**

The shareholder who has a special interest in any matters shall not be entitled to vote, except for the voting on the election of Directors. In case of a tie vote, the Chairman shall has a casting vote.

- **Article 43**

In casting votes in the Shareholders' Meeting, each shareholder shall be entitled to one (1) vote per one (1) share. The resolution of the Shareholders' Meeting shall require:

- (1) 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 a casting vote.
- (2) In the following events, 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:
 - a) the sale or transfer of the whole or the substantial part of the Company's business to any other person
 - b) the purchase or acceptance of transfer of the business of other companies or other private companies by the Company
 - c) the making, amending or terminating of any agreement with respect to the granting of a lease of the whole or substantial parts of the Company's business, the assignment of the management of the business of the Company to any person, or the amalgamation of the business with other persons for the purpose of profit and loss sharing
 - d) the amendment of the Memorandum of Associations or Articles of Association of the Company
 - e) the increasing or reducing the Company's capital
 - f) the amalgamation of business of the Company with other companies or the dissolution of the Company

- **Article 44**

The agenda to be considered in the General Meeting of Shareholders should be as follows:

- (1) to consider report of the Board of Directors concerning the Company's business in the past year period
- (2) to consider and approve the balance sheet, the statement of profit and loss for the past year period
- (3) to consider and approve of profit allocation
- (4) to consider and elect new directors in place of those who retire by rotation
- (5) to consider and appoint auditor and determine the remuneration of the auditor.
- (6) other business

Chapter 5: Accounting, Finance and Auditing

● Article 45

The fiscal year of the Company shall commence on the 1st day of January and end on the 31st day of December of every year

● Article 46

The Company shall cause account to be made and kept together with the examination under the laws concerned. The Board shall make the balance sheets and profit and loss accounts at least once in 12 month which is equivalent to the fiscal year of the Company

● Article 47

The Board of Directors shall prepare the balance sheet and the statement of profit and loss as of the last day of the fiscal year of the Company for submission to the annual ordinary general meeting of shareholders for consideration and approval, and the Board of Directors shall have the balance sheet and the statement of profit and loss examined by the auditor prior to submission to the shareholders' meeting

● Article 48

The Board of Directors shall provide certified copies of balance sheets and profit and loss accounts together with report of the auditor and the Annual Report to be sent to the shareholders together with the notice of the Annual General Shareholders' Meeting

● Article 49

The auditor of the Company must not be the Director, staff, employee or person who retain position in the Company

● Article 50

The auditor of the Company shall be appointed every year by the Annual General Shareholders' Meeting. The retiring auditor may be re-elected.

● Article 51

The remuneration to the auditor of the Company shall be determined by the Annual General Shareholders' Meeting

● Article 52

The Board of Director shall call for an extraordinary shareholders' meeting to appoint new auditor to replace the vacating auditor.

● Article 53

The auditor of the Company shall be able to access the books, accounts and documents relating to income, expense including assets or liabilities of the Company during the office hour of the Company, and may enquire any director, officer, employee or person under any position of the Company and the representative of the Company for the purpose of clarifying the facts or send information in relation to the business operation of the Company.

● Article 54

The auditor of the Company shall attend every shareholder's meeting in which the balance sheet, profit and loss account and problem relating to the account of the Company are considered in order to clarify the audit to the shareholders. The Company shall send to the auditor report and document of the Company which the shareholders may receive in the shareholders' meeting.

● Article 55

No dividend shall be paid otherwise than out of profits. If the Company has incurred losses, no dividend may be paid.

- **Article 56**

Dividends shall be distributed according to the number of shares, with each share receiving an equal amount.

The dividend payment shall be made within one (1) month of the date of the resolution of the shareholders' meeting or of the Board of Directors' meeting, as the case may be. The shareholders shall be notified in writing of such dividend payment and a notice of the dividend payment shall also be published in a newspaper for at least three (3) days.

- **Article 57**

The Board of Directors may pay an interim dividend to the shareholders from time to time if the Board of Directors considers that the Company has adequate profits for so doing. After an interim dividend has been paid, such dividend payment shall be reported to the shareholders for information at next Shareholders' Meeting.

- **Article 58**

The Company shall arrange part of the net profit as a reserve fund at least one-twentieth (1/20) of the net annual profits less accumulated loss (if any) until the reserve fund reaches one-tenths (1/10) of the registered capital

When approved by the Shareholders' Meeting, the Company may transfer such reserve fund, reserve as required by the law, or any excessive reserve respectively to compensate retaining loss of the Company.