

ARTICLES OF ASSOCIATION
OF SCG PACKAGING PUBLIC COMPANY LIMITED

GENERAL PROVISIONS

- Clause 1 Unless otherwise indicated by the context of these Articles of Association, the word “Company” shall mean SCG Packaging Public Company Limited.
- Clause 2 Other statements aside from those specified in these Articles of Association shall be mutatis mutandis applied and abided by the law governing public limited companies and the law governing securities and exchange.

CAPITAL AND SHARES

- Clause 3 The Company’s shares shall be shares with name certificates.
- Clause 4 The Company may purchase the shares back and dispose of such shares. In case the Company does not dispose or cannot dispose all of the said shares within the prescribed time, the Company shall decrease its paid-up capital by means of cancelling the undisposed registered shares in accordance with the law governing public limited companies or other laws, as the case may be.
- Clause 5 The Company may purchase the shares back according to Clause 4 above, provided that approval from the general meeting of shareholders shall be required. The Board of Directors shall have the authority to approve the said purchase-back if the amount of such shares does not exceed 10 percent of the paid-up capital.
- Clause 6 The capital of the Company may be increased or decreased by a resolution of the general meeting of shareholders of not less than three quarters of all the votes of the shareholders present at the meeting and entitled to vote, and any additional capital shall be created by the issuance of new shares either at a price equivalent to, higher, or lower than the set par value, in accordance with the provisions of the law governing public limited companies. Such shares may be issued in one lot, or from time to time.
- The new shares may be offered for sale by the Company in one lot, or in part or from time to time, and may be 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 either in one lot, or in part in accordance with the resolution of the general meeting of shareholders.
- Clause 7 The Company’s Thai national shareholders shall hold no less than 70 percent of all issued shares of the Company in accordance with the report of the share registrar.

Companies or juristic partnerships with alien shareholders or partners holding fifty percent or more, or foundations with objectives particularly or mainly for the benefit of aliens, or individuals or juristic persons classified as aliens under the provisions of law, are considered to be aliens under these Articles of Association.

The Company shall not dispose of its shares to aliens that will result in the shareholding proportion of Thai national shareholders to be less than that specified in the first paragraph

The Company shall have the right to refuse the registration of share transfer if such share transfer causes the shareholding proportion of Thai national shareholders to be less than that specified in the first paragraph.

Clause 8 The Board of Directors may call at any time for payment from the subscribers in respect of moneys being due on their shares. In making the call for payment of shares, a fourteen-day notice at least shall be sent by registered post, or by direct delivery to the subscribers, or other methods in accordance with the law governing public limited companies and other relevant laws.

Clause 9 Each share certificate shall be signed by at least one Director and the Company Secretary, or any person authorized by the Board of Directors to sign or print his signature thereon on behalf of the Company Secretary, or by any other means as provided under the law governing securities and exchange.

The Board of Directors may authorize the Shares Registrar under the law governing securities and exchange to sign or print his signature, or to do by any other means provided under the law governing securities and exchange, on the share certificates on behalf of the Board of Directors and the Company Secretary. The Board of Directors may appoint the Shares Registrar under the law governing securities and exchange to act as Shares Registrar. Practices regarding the Company's share registration shall be as stipulated by the Share Registrar under the law governing securities and exchange.

Clause 10 The Company may issue a share certificate, or several certificates to each shareholder for the shares held. The certificate must contain the name of the Company; the registration number of the Company; the date on which the Registrar registered the Company; the type, par value, and serial number of the shares (if any); the share certification number; the number of shares; the name of the shareholder; the signatures of the Director and/or the persons mentioned in Clause 9 and the date, month and year on which the share certificate was issued.

Clause 11 The Company must issue the share certificates to the purchasers within two months from the date of receipt of payment for the shares in full unless otherwise indicated by the law governing securities and exchange.

Clause 12 If two persons or more subscribe for or hold one share or several shares jointly, those persons shall be jointly liable for the payment of shares and any amount in excess of the par value of such shares, and shall appoint only one among themselves to exercise the rights as a subscriber or shareholder.

Clause 13 In case a shareholder requests a copy of the shareholder register, in whole or in part, together with a certification of its accuracy by the Company and has duly paid to the Company the highest rate of fee fixed by the law governing public limited companies, the Company shall comply with the request within fourteen days from the date of receipt of such request.

In case a share certificate is torn, damaged, or materially defaced, when the shareholder has duly paid to the Company the highest rate of fee fixed by the law governing public limited companies and has returned such share certificate to the Company, the Company shall issue a new share certificate in substitution to the shareholder within fourteen days from the date of receipt of such request together with the complete evidence. The torn, damaged, or materially defaced share certificate for which a new share certificate has been issued in substitution shall be deemed to be cancelled.

Clause 14 In case a share certificate is lost, or destroyed, the shareholder may apply to the Company for the issuance of a new share certificate in substitution. The Company shall, upon the shareholder's presentation of the evidence of complaint given to the Inquiry Official, or other relevant evidence satisfactory to the Company, issue a new share certificate in substitution. If the shareholder is unable to present the said evidence, the Company may demand a letter of indemnity from the shareholder or any other trustworthy person. In such case, when the shareholder has duly paid to the Company the highest rate of fee fixed by the law governing public limited companies, the Company shall issue a new share certificate in substitution to the shareholder within fourteen days from the date of receipt of such request together with the complete evidence. The lost or destroyed share certificate for which a new share certificate has been issued in substitution shall be deemed to be cancelled.

Clause 15 A share transfer shall 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.

The transfer of shares shall be effective against the Company upon the Company having received a request to register the transfer of the shares, but it shall be effective against a third party only after the Company has registered the transfer of shares in the shareholder register. In such case, if the Company considers such transfer to be legal, and not in violation of Clause 7 of the Company's Articles of Association, the Company shall register the transfer of the shares within fourteen days from the date of receipt of the request. But if the Company believes that such transfer is incorrect or invalid, it shall inform the person making the request within seven days after the date of receipt of the request.

If a share transferee wishes to acquire a new share certificate, he shall submit to the Company a written request bearing the signatures of the share transferee and of at least one witness

in certification thereof and simultaneously return the old share certificate or other relevant evidence to the Company. In this regard, if the Company believes that such transfer is legal and is not in violation of Clause 7 of the Company's Articles of Association, the Company shall register the transfer of the shares within seven days from the date of receipt of the request, and the Company shall issue a new share certificate within one month from the date of receipt of the request.

In the case that the Company's shares are listed securities in The Stock Exchange of Thailand, shares transferring shall be carried out as stipulated by the law governing securities and exchange.

Clause 16 The Company shall suspend transfer of shares during the twenty-one days preceding a general meeting of shareholders by notifying the shareholders in advance at the head office and the every branch office of the Company not less than fourteen days prior to the commencement date of cessation of the registration of share transfer.

Clause 17 In the event of the death of a shareholder, the Company shall regard the legal executor of the estate of the deceased as having the power to deal with the shares, including transfer of the shares.

If no executor is appointed, the Company shall recognize a person presenting the complete legal evidence required by the Company's rules as having the power of an executor of the estate, or as an heir to the estate.

The Company shall register and issue new share certificates within one month from the date of receipt of the complete evidence.

Clause 18 If the guardian of a shareholder who is a minor, or an incompetent person; or the curator of a shareholder; or a person who acquired the right of ownership to shares through inheritance, or who obtained shares through bankruptcy of a shareholder; presents to the Company the complete legal evidence required by the Company's rules in order to get permission to transfer the shares, the Company will, upon consideration that the evidence presented are true and complete, permit the transfer of such shares.

Clause 19 When a shareholder becomes a debtor to the Company, the Company has the right of retention over all dividends and other benefits accrued on his shares, so as to enable the Company to receive settlement of his debt.

Clause 20 The Company may issue any kind of securities under the provisions of the law governing securities and exchange, or other laws.

The issuance and the transfer of the securities as mentioned in the first paragraph shall be made in accordance with the provisions of the law governing securities and exchange, or other laws, as the case may be.

GENERAL MEETING OF SHAREHOLDERS

Clause 21 The Board of Directors shall call a shareholders' meeting which is an annual ordinary general meeting of shareholders within four months of the last day of the fiscal year of the Company, unless otherwise stipulated by the law. The general meetings of shareholders other than the one referred above shall be called extraordinary general meetings.

The Board of Directors may call and carry out a shareholders' meeting via electronic means or in conjunction with electronic means in accordance with the criteria stipulated by laws or relevant notifications.

Clause 22 The Board of Directors may call an extraordinary general meeting of shareholders any time the Board considers it expedient to do so.

One or more shareholders holding shares amounting to no less than ten percent of the total number of shares sold may submit a written request to the Board of Directors to call an extraordinary general meeting at any time, but the subjects and reasons for calling such a meeting shall be clearly stated in the request. In this regard, the Board of Directors shall proceed to call a meeting of shareholders to be held within forty-five days from the date of receipt of such a request from the shareholders.

In case the Board of Directors does not hold the meeting within the period as prescribed under paragraph two, the shareholders who subscribe their names or other shareholders holding the number of shares as required may call such a meeting within forty-five days from the completion of the period as prescribed under paragraph two. In this regard, the meeting shall be considered as the shareholders' meeting called by the Board of Directors. The Company shall be responsible for necessary expenses arising from such a meeting and reasonably provide facilitation.

In case the quorum of the shareholders' meeting called by the shareholders as prescribed under paragraph three is not formed according to Clause 23, the shareholders as prescribed under paragraph three shall be collectively responsible to the Company for expenses arising from such a meeting.

Clause 23 In order to constitute a quorum, there shall be shareholders and proxies (if any) attending at a general meeting of shareholders amounting to not less than twenty-five persons, or not less than one half of the total number of shareholders, and in either case such shareholders shall hold shares amounting to not less than one-third of the total number of shares sold, unless otherwise stipulated by the law governing public limited companies

Clause 24 The Chairman of the Board of Directors shall preside at every general meeting of shareholders.

If the Chairman of the Board is not present at a meeting, or cannot perform his duty, and if there is a Vice-Chairman, the Vice-Chairman present at the meeting shall be the chairman of the meeting. If there is no Vice-Chairman, or if the Vice-Chairman cannot perform his duty, the shareholders present at the meeting shall elect one shareholder to be the chairman of the meeting.

Clause 25 At a general meeting of shareholders, a shareholder may appoint a person who is sui juris as his proxy to attend the meeting and vote on his behalf. The appointment shall be made in writing and signed by the principal, or other forms in accordance with the criteria stipulated by laws, including but not limited to made via electronic method. It shall be submitted to the Chairman of the Board or the person designated by the Chairman of the Board, at the place of the meeting, before the proxy attends the meeting. The proxy form shall be as specified by the Registrar under the law governing public limited companies.

In voting, it shall be deemed that the proxy has votes equal to the total number of votes of the shareholders who appointed the proxy, unless the proxy has declared to the meeting prior to the vote that he will vote on behalf of only certain of those principals, indicating the names of those principals and the number of shares held by each of them.

Clause 26 Unless otherwise stipulated by these Articles of Association or the law governing public limited companies, or other relevant laws, any resolution at a general meeting of shareholders shall be passed by a simple majority of the shareholders present at the meeting with the right to vote. In the event of a tie vote, the chairman of the meeting shall have a casting vote.

In voting, no matter by an open or secret vote, the shareholders shall have votes equal to the number of shares held by them and proxies represented. One share is entitled to one vote.

Voting shall be made openly, unless at least five shareholders request a secret vote and the meeting resolves accordingly. The method for the secret vote shall be as specified by the chairman of the meeting.

Clause 27 The resolutions of the general meeting of shareholders in the following cases require no less than three quarters of the total number of votes of shareholders who attend the meeting with the right to vote:

- (a) sale or transfer of the whole or important parts of the business of the Company;
- (b) purchase or acceptance of transfer of the business of other companies or private companies by the Company;
- (c) entering into, amending, or terminating contracts with respect to the granting of a lease of the whole or important parts of the business of the Company, or the amalgamation of the business with other persons with the purpose of profit and loss sharing;
- (d) amendment of the Company's Memorandum of Agreement or Articles of Association;
- (e) increasing or decreasing the Company's capital

- (f) dissolution of the Company;
- (g) merger of the Company.

Clause 28 A shareholder who has any special interest in a resolution cannot vote on such resolution, except for voting on the election of Directors.

Clause 29 In calling a general meeting of shareholders, the Board of Directors shall prepare a written notice calling for the meeting that states the place, date, time, agenda of the meeting and the matters to be proposed to the meeting with reasonable detail by indicating clearly whether it is the matter proposed for information, for approval, or for consideration, as the case may be, including the opinions of the Board of Directors in the said matters, and the said notice shall be delivered to the shareholders and the Registrar for their information at least seven days prior to the date of the meeting. The notice calling for the meeting shall also be published in accordance with the law governing public limited companies and other relevant laws.

The notice calling for the meeting shall be directly delivered to the recipient, or his representative, or sent by registered mail, or other methods in accordance with the criteria stipulated by laws.

The Board of Directors shall determine the place where the meeting mentioned in the first paragraph shall take place.

Clause 30 At any general meeting of shareholders, if one hour has passed from the time specified for the meeting and the number of shareholders and the aggregate number of shares held by the shareholders attending the meeting is still inadequate for a quorum, and if such meeting was called as a result of a request by the shareholders according to the Clause 22, such meeting shall be cancelled. If such meeting was called by the Board of Directors, the meeting shall be called once again and the notice calling such meeting shall be delivered to the shareholders not less than seven days prior to the date of the meeting. In the subsequent meeting a quorum is not required.

Clause 31 The chairman of the general meeting of shareholders has the duty to conduct the meeting in compliance with the Company's Articles of Association relating to meetings and follow the sequence of the agenda specified in the notice calling for the meeting unless the meeting may pass a resolution allowing a change in the sequence of the agenda with a vote of not less than two-thirds of the number of the shareholders present at the meeting.

If the consideration of the matters referred to in the first paragraph is finished, the shareholders holding shares amounting to not less than one-third of the total number of shares sold may request the meeting to consider matters other than those indicated in the notice calling for the meeting.

If the meeting has not concluded the consideration of the matters according to the sequence of the agenda as referred to in the first paragraph, or the matters raised by the shareholders under the second paragraph, as the case may be, and it is necessary to postpone the consideration of the meeting, the meeting shall determine the place, date and time for the next meeting and the Board of Directors shall, not less than seven days prior to the date of the meeting, deliver to the shareholders the notice calling for the meeting, which indicates the place, date, time and agenda of the meeting. The notice calling for the meeting shall also be published in a newspaper in accordance with the law governing public limited companies and other relevant laws.

DIRECTORS

Clause 32 There shall be not less than five Directors, each of whom shall be appointed and removed by general meetings of shareholders and not less than half of the Directors shall be residents of the Kingdom.

The Directors must be natural persons with the following qualifications:

- (1) having become sui juris;
- (2) not being a bankrupt, incompetent or quasi-incompetent person;
- (3) never having been sentenced to imprisonment by final judgement of the court for an offence relating to property which was committed in bad faith;
- (4) never having been expelled or removed from government service or organizations or governmental agencies in punishment for dishonest performance of duties.

Clause 33 The election of Directors at a general meeting of shareholders shall be carried out in accordance with the following rules and procedures:

- (1) A shareholder shall have one vote for each share he holds or represents.
- (2) At the election of Directors, the shareholders shall vote for each individual candidate nominated for Directors, but not exceeding the number of Directors required for that election. The vote shall not be distributed.
- (3) 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 the votes cast for candidates in descending order are tied, which would otherwise cause the number of Directors to be exceeded, the remaining appointment shall be made by the chairman of the meeting who shall have a casting vote.

Clause 34 The Board of Directors shall elect one of their members to be Chairman and may elect another Director to be the Vice Chairman and to hold office for a period to be determined by the Board.

The Board of Directors shall elect and appoint one Director as the Chief Executive Officer or other titles as deemed appropriate. In case the Chief Executive Officer cannot perform his duty, the Board of Directors or the Chairman may appoint any person to act temporarily as the Chief Executive Officer.

The Chief Executive Director shall receive compensation for being an employee of the Company and carrying out his duty as the Chief Executive Director, in addition to what he receives as a Director.

Clause 35 Except for the cases stipulated in Clause 24 and Clause 38 of these Articles of Association:

- (a) in case the Chairman is unable to perform his duty, or in case the post of the Chairman becomes vacant, the Vice-Chairman shall perform the duty on behalf of the Chairman;
- (b) in case the Chairman and the Vice-Chairman are unable to perform their duties, or in case the post of the Chairman and the Vice-Chairman become vacant, the Board of Directors shall appoint a Director to perform the duty on behalf of the Chairman.

Clause 36 The Board of Directors shall hold a meeting at least once every three months at the place determined by the Board.

Clause 37 At a meeting of the Board of Directors at least half the number of the Directors must be present to constitute a quorum. If there are less than five subsisting Directors, they may act only for the purpose of increasing the number of Directors to reach the number stated in Clause 32, or of summoning a general meeting of shareholders of the Company, provided that the provisions of this paragraph shall be subject to the provisions of Clause 41.

If votes are asked for in passing a resolution, such resolution shall be passed by a simple majority. Each Director is entitled to one vote, but a Director who has an 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.

Clause 38 The Vice-Chairman shall preside at a meeting of the Board of Directors in the absence of the Chairman, when the Chairman is unable to perform his duty, or when the post of the Chairman becomes vacant.

The Board of Directors may appoint one of their members to preside at a meeting in the absence of both Chairman and Vice-Chairman, when both the Chairman and the Vice-Chairman are unable to perform their duties, or when the posts of Chairman and Vice-Chairman become vacant.

Clause 39 Meetings of the Board can be called and carried out via electronics means or in conjunction with electronic means. The meetings via electronic means or in conjunction with electronic means shall be carried out in accordance with the criteria stipulated by laws or relevant notifications.

Clause 40 At the annual general meeting of shareholders, one-third of the Directors, or if their number is not multiple of three, then the number nearest to one-third must retire from the office.
A retiring Director is eligible for re-election.

Clause 41 In case of vacancies in the Board of Directors resulting in the number of Directors being less than the member required for a quorum, the remaining Directors may perform any act in the name of the Board of Directors only in matters relating to the calling of a general meeting of shareholders to elect Directors to replace all the vacancies, and that such general meeting of shareholders shall be held within one month from the date that the number of Directors falls below the number required for a quorum.

Subject to the provision of the first paragraph, in case of a vacancy in the Board of Directors for reasons other than the expiration of the Director's term of office, the Board of Directors shall elect a person who has the qualifications and who possesses no prohibited characteristics under Clause 32 as the substitute Director at the next meeting of the Board of Directors, unless the remaining term of office of the said Director is less than two months. The resolution of the Board of Directors shall be made by a vote of not less than three quarters of the number of Directors remaining.

The substitute Director under the first and second paragraphs shall hold office only for the remaining term of office of the Director whom he replaces.

Clause 42 In calling a meeting of the Board of Directors, the Chairman or the person assigned by the Chairman shall send a written notice calling for such meeting to the Directors not less than three days prior to the date of the meeting. Where it is necessary or urgent to preserve the rights or benefits of the Company, the meeting may be called through other methods and an earlier meeting date may be chosen.

Clause 43 Apart from the vacancy upon the expiration under Clause 40, a Director shall vacate office when:

- (1) he is no longer qualified for the office as specified in Clause 32;
- (2) he gives notice of resignation to the Board of Directors, which shall be effective from the date on which the Company receives the resignation letter;
- (3) he has been absent from three consecutive regular meetings of the Board of Directors without leave of absence, and the Board has passed a resolution by a vote of not less than half of all the Directors that he retire from his office;

- (4) the shareholders pass a resolution removing him from office in accordance with the provisions of the law governing public limited companies;
- (5) the court so orders;
- (6) he dies.

Clause 44 The Board of directors may authorize a Director, the Executive Committee, the Sub-Committee, a person, or a juristic person to act jointly or separately for the purpose of performing any act in accordance with the Objectives and the Articles of Association of the Company, and entitle them to receive remuneration as determined by the Board. The Board of Directors shall have right to change or withdraw the power thus delegated, or dismiss any person so appointed and appoint in his place another person considered suitable.

The person or persons so appointed shall comply with rules, orders and policies imposed by the Board of Directors.

Clause 45 An act shall be legally binding upon the Company when it has been duly signed by two Directors.

Unless otherwise resolved by the general meeting of shareholders, the Board of Directors shall be empowered to designate the directors who may sign for and on behalf of the Company.

Clause 46 The Directors shall be paid remuneration and bonus, the amount of which shall be fixed by the general meeting of shareholders in accordance with the resolution of the general meeting of shareholders supported by a vote of not less than two-thirds of the total number of votes of the shareholders present at the meeting. The remuneration may be defined as the fixed number or as the specific criteria, and may be defined periodically, or may be effective until the Shareholder's Meeting resolves otherwise.

The remuneration and the bonus shall be distributed amongst the Directors in such manner as they may themselves determine.

Clause 47 The Board of Directors shall prepare the annual report containing at least the following particulars:

- (1) the name, location of the head office, category of business, all the numbers and types of shares of the Company already sold, the numbers and types of shares of affiliated companies held by the Company (if any),
- (2) the name, location of the head office, category of business, all the numbers and types of shares of the company already sold, the numbers and types of shares of any other company, or private company in which the Company holds ten percent or more of the number of shares of such other company, or private company sold (if any);

- (3) the particulars which a director is required to notify the Company without delay when the following events occur:
 - (a) he has a direct or indirect interest in any contract which is entered into by the Company during the fiscal year, by indicating the nature of the contract, names of the contracting parties and interest of the Director in the contract (if any),
 - (b) he holds shares or debentures of the Company, or an affiliated company, by indicating the total number of shares increasing or decreasing during the fiscal year (if any);
- (4) remuneration, shares, debentures, or other rights and benefits which the Directors receive from the Company and the names of Directors who receive the same;
- (5) other particulars as specified in the law governing public limited companies.

DIVIDEND

Clause 48 The Board of Directors is empowered to propose the profits in any year or the profits accumulated in the preceding years to be distributed as dividends in any year to shareholders, or to propose any other appropriation of profits.

The Board of Directors may pay interim dividends to the shareholders from time to time, if the Board believes that the profits of the Company justify such payment, and after the dividends have been paid, such dividend payment shall be reported to the shareholders at the following general meeting of shareholders.

Payment of dividends shall be made within one month from the date of the resolution of the general meeting of shareholders or 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 shall also be published in accordance with the law governing public limited companies and other relevant laws.

Clause 49 Where the shares of the increased capital of the Company have not yet been completely distributed as registered, the Company may pay dividends, in whole or in part, by issuing new ordinary shares to the shareholders, provided that it has the approval of the general meeting of shareholders.

Clause 50 The Company shall allocate not less than five percent of its annual profit minus the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than ten percent of the registered capital.

ACCOUNT, FINANCE AND AUDITING

Clause 51 The fiscal year of the Company shall be from the 1st day of January to the 31st day of December of that same year.

Clause 52 The Auditor has the power to examine during the office hours of the Company the accounts, documents and any other evidence relating to the revenues and expenditures, including the assets and liabilities of the Company. In this regard, the Auditor shall also have the power to question the Directors, staff members, employees, persons holding any position or having any duty in the Company, and representatives of the Company, including directing them to clarify any matter or to deliver documents or evidence in connection with the operation of the business of the Company.

The Auditor is empowered to employ at the Company's expenses any person, ordinary or juristic, to assist him in the examination of documents and accounts of the Company, subject to prior approval from the Board.

Clause 53 The Auditor has the right to present a written explanation to the general meeting of shareholders and has the duty to attend every general meeting of shareholder at which the balance sheet, the statement of profit and loss and the problems relating to the accounts of the Company are to be considered in order to explain to the shareholders the auditing of accounts. In this regard, the Company shall also deliver to the Auditor the reports and documents of the Company that are to be received by the shareholders at that general meeting of shareholders.

ISSUANCE OF DEBENTURES

Clause 54 The Company may issue debentures for sale to the public in accordance with the law governing securities and exchange.

The issuance of debentures requires a resolution of the general meeting of shareholders passed by a vote of not less than three quarters of the total number of votes of the shareholders attending the meeting and having the right to vote.

ISSUANCE OF PREFERENCE SHARES

Clause 55 The Company may issue preference shares and designate the preferential rights only after the general meeting of shareholders has passed a resolution by a vote of not less than three quarters of the total number of votes of the shareholders attending the meeting and having the right to vote.

Clause 56 Subject to the provisions of Clause 57, the preferential rights accruing to shares already issued may not be changed.

CONVERSION OF PREFERENCE SHARES INTO ORDINARY SHARES

Clause 57 The conversion of preference shares into ordinary shares, whether in whole or in part, may be done in accordance with the conditions and procedure fixed by the general meeting of shareholders through a resolution passed by a vote of not less than three quarters of the total number of votes of the shareholders attending the meeting and having the right to vote.

The conversion of preference shares into ordinary shares may be done when the shareholder submits the request for the conversion of shares to the Company together with returning the share certificate.

The conversion of shares under the second paragraph shall be effective from the date of submission of the request by the shareholders.

In performing the duty under this Clause, the Company shall issue a new share certificate to the person requesting the conversion within fourteen days from the date of receipt of the request.

GOVERNANCE AND MANAGEMENT OF SUBSIDIARIES AND AFFILIATES

Clause 58 The objectives of this Chapter of Articles of Association is to determine measures and mechanisms for governing and managing the Company's subsidiaries both directly and indirectly.

In this chapter, "subsidiary" means a subsidiary that operates a core business as defined by the notification of the Securities and Exchange Commission and relevant notifications of the Capital Market Supervisory Board.

In the case that this chapter of Articles of Association specified that any transaction or action which is of significance or will affect the subsidiary's financial position or operating results need approval from the Board of Directors or the shareholders meetings, as the case may be. The Board of Directors is responsible for having the Board of Directors meetings and/or the shareholders meeting held, as the case may be, to consider and approve such a matter before the subsidiary holds its own board of directors meeting and/or shareholders meeting to consider and approve before proceeding with said matter or transaction. The Company shall mutatis mutandis disclose the information and comply with the criteria, conditions, procedures and methods regarding the matters which needs approval as stipulated by the law governing public listed companies and the law governing securities and exchange as well as notifications, Articles of Association, criteria of the Capital Market Supervisory Board, the Securities and Exchange Commission, and The Stock Exchange of Thailand, without violating them and with precision and accuracy.

Clause 59 Any action in the following cases must be approved by the Company's Board of Directors.

- (1) An appointment or nomination of the subsidiary's directors and executives at least pro rata to the Company's shareholding in the subsidiary.

Unless otherwise specified in these Articles of Association, the directors and executives so appointed or nominated shall have the discretion to vote at the subsidiary's Board of Directors meetings on matters regarding its general management and business operation as these directors and executives deem appropriate for utmost benefits of the Company and the subsidiary, except for matters in which these directors and executives have special interests.

Directors appointed under the previous paragraphs must be the persons whose names are included in the Whitelist and possess the qualifications, duties, roles, and responsibilities prescribed by relevant laws, including the characteristics of trustworthiness in accordance with the Notification of the Securities and Exchange Commission on the determination of untrustworthy characteristics of a company's directors and executives.

- (2) A capital increase by issuance of the subsidiary's newly issued shares, the allocation of shares or the reduction of the subsidiary's registered and/or paid-up capital that is not pro rata to the existing shareholding of the shareholders, or any other action that will result in more than 10 percent decrease in the proportion of the Company's voting rights, direct or indirect, in any tier, of the total votes at the subsidiary's shareholders meeting, or in the subsidiary's paid-up capital, as the case may be, unless this is in the subsidiary's business plan or annual budget that has been approved by the board of directors of the Company.
- (3) The payment of the subsidiary's annual dividends and interim dividends (if any).
- (4) An amendment to the subsidiary's Articles of Association, except for amendments to the Articles of Association on significant matters in accordance with Clause 60 (1), which must be approved at the subsidiary's shareholders meeting.
- (5) Consideration and approval of the subsidiary's annual budget.
- (6) An appointment of the subsidiary's auditor, provided that the auditor is not registered under the audit firm that is a Full Member in the same network as the Company's auditor, which is inconsistent with the Company's auditor appointment policy that requires the subsidiary's auditor to be in the same network of the Company's auditor.

Items from (7) to (10) are deemed as significant transactions, and participation in any of them would significantly affect the subsidiary's financial position and operating results.

Therefore, approval from the Company's board of directors is required. This is however provided that the size of a transaction to be entered into by the subsidiary, when compared to the size of the Company (the criteria prescribed in the Notifications of the Capital Market Supervisory Board and of the Board of Governors of the Stock Exchange of Thailand regarding the Acquisition or Disposition of Assets or Connected Transactions, or amended notifications, as the case may be, shall be applied mutatis mutandis), meets the threshold for consideration and approval from the Company's board of directors. These transactions are listed below.

- (7) The subsidiary's agreement to enter into a transaction with a connected person of the Company, or a transaction regarding the acquisition or disposition of the subsidiary's assets, including but not limited to the following:
 - (a) the transfer or waiver of rights and privileges, including the waiver of claims against any person causing damages to the subsidiary;
 - (b) the sale or transfer of the subsidiary's business, in whole or in material part, to another party that is not an affiliate of the Company;
 - (c) the subsidiary's purchase or acceptance of the transfer of the business of another company that is not an affiliate of the Company; or
 - (d) the entering into, or the amendment or termination of a lease agreement of the subsidiary's business, in whole or in material part, including the assignment of another party to manage the subsidiary's business; or the merger of the subsidiary's business with another party that is not an affiliate of the Company.
- (8) Borrowing money, lending money, giving credits, giving guarantees, taking a juristic act to bind itself to additional financial obligations, or providing any other financial assistance to another party in a significant amount which is not part of its normal business, except for the loans between the Company and the subsidiary, or between companies within the Company's group.
- (9) Dissolution of the subsidiary.
- (10) Other transactions that are not the subsidiary's normal business transactions, and that will significantly affect the Company.

Clause 60 Prior to the subsidiary entering into the following transactions, it must obtain an approval at the Company's shareholders meeting with at least three quarters of the total votes by shareholders present and having the right to vote.

- (1) An amendment to the subsidiary's Articles of Association with respect to matters that may significantly affect its financial position and operating results, including but not limited to

an amendment to any of the Articles of Association that may affect the Company's right to nominate or appoint directors or executives of the subsidiary pro rata to the Company's shareholding in the subsidiary, to vote at the subsidiary's board of directors meeting and/or shareholders meeting, or to pay dividends.

For items from (2) to (5), only when the size of a transaction to be entered into by the subsidiary, when compared to the size of the Company (the criteria of transaction calculation prescribed in applicable notifications of the Capital Market Supervisory Board and the Board of Governors of the Stock Exchange of Thailand shall be applied *mutatis mutandis*), meets the threshold for consideration and approval from the Company's shareholders meeting.

- (2) The subsidiary's agreement to enter into a transaction with a connected person of the Company, or a transaction relating to the acquisition or disposition of the subsidiary's assets.
- (3) A capital increase by issuance of the subsidiary's newly issued shares, the allocation of shares, or the reduction of the subsidiary's registered and/or paid-up capital that is not pro rata to the existing shareholding of the shareholders, or any other action that will result in a decrease in the proportion of the Company's shareholding and/or voting rights, direct or indirect, in any tier, of the total votes at the subsidiary's shareholders meeting, to a level lower than that prescribed in the laws applicable to the subsidiary, consequently depriving the Company's power to control the subsidiary.
- (4) Dissolution of the subsidiary.
- (5) Other transactions that are not the subsidiary's normal business transactions, and that will significantly affect the Company.

Clause 61 The Board of Directors must ensure that the subsidiary has an internal control system, a risk management system and an anti-corruption system that is appropriate, efficient, and circumspect enough to assure that its operations will truly and continuously comply with the Company's policies and this chapter of Articles of Association; laws and notifications regarding the good governance of a listed company, including the relevant notifications, regulations, and rules of the Capital Market Supervisory Board, the Office of Securities and Exchange Commission, and the Stock Exchange of Thailand. They must also follow up on the subsidiary's disclosure of its information regarding the financial position, operating results, connected transactions, the acquisition and disposition of assets, transactions that may cause conflicts of interest, and/or other transactions significant to the subsidiary, and must ensure that such matters are completely and accurately proceeded in compliance with the criteria for governing and managing subsidiaries and associated companies as prescribed in this chapter of Articles of Association