

# **Regulations Of Thaifoods Group Public Company Limited**

## **Chapter 1 General Provision**

**Clause 1.** These regulations are called the regulations of Thaifoods Group Public Company Limited

**Clause 2.** The term “Company” shown in these regulations means Thaifoods Group Public Company Limited except for defined otherwise in these regulations.

**Clause 3.** Other statements not mentioned in these regulations shall be considered and enforced as per the provision of law on the public company limited and the law on securities and stock exchange including any other laws enforced or involved in the Company’s operations.

## **Chapter 2 Shares and shareholders**

**Clause 4.** The Company’s shares are the ordinary shares having the equal share value each and are the shares indicated with the shareholders.

All of the Company’s shares must be paid in full amount of share value with the amount or other non-monetary properties. The persons reserving or purchasing the shares cannot request for the debt deduction with the Company.

The Company’s shares cannot be divided. If more than two persons reserve for purchasing or holding the shares together, one of these persons must be nominated to exercise the right as the persons reserving or holding the shares as the case maybe.

The Company is entitled to issue and offer the sale of ordinary shares, preference shares, debentures, warrants, or any other securities as permitted by the law on securities and stock exchange.

**Clause 5.** All share warrants of the Company are identified with the shareholder’s names and have the signature of at least 1 (one) director signing or having the finger printed affixed with the Company’s seal. However, the Board of Directors can assign the Security Registrar to sign or have the finger printed on behalf in accordance with the law on securities and stock exchange.

**Clause 6.** To sign in the share warrants or any other security warrants of the directors or such Security Registrar, the directors or the Security

Registrar possibly sign manually or use the machine, computer, or seal by any other means in accordance with the criteria and methods as prescribed by the law on securities and stock exchange.

qThe Company must keep the registry of shareholders and evidences related to the entry in the mentioned registry of shareholders in the Company's Head Office. However, the Company possibly assigns Thailand Securities Depository Company Limited to be the Company's Security Registrar. If the Company assigns Thailand Securities Depository Company Limited to be the Company's Security Registrar, the methods of operation related to the Company's registration shall be as determined by the Security Registrar.

**Clause 7.** The Company will issue the share warrants to the shareholders within two (2) months from the date on which the Registrar has registered the Company or from the date on which the Company has been paid the share values in full amount in the case that the Company sells the remaining shares or distributing the newly-issued shares after the Company's registration.

**Clause 8.** In the case that any share warrant is impaired or faded in the significant matters, the shareholder possibly requests the Company to issue the new share warrant to the shareholder and the shareholder will return the previous share warrant.

In the case that any share warrant is lost or destroyed, the shareholders must bring the evidence of notification to the police officer or any other proper evidences to present to the Company.

In both case, the Company will issue the new share warrant to the shareholder within the period of time as prescribed by law. The Company possibly collects the fee in issuing the new share warrant in replacement of the previous share warrant from such shareholder. However, that must not exceed the rate as prescribed by law.

For the share warrant which is lost, faded, or impaired which has been substituted by the newly issued share warrant shall be considered cancelled.

**Clause 9.** The Company cannot own or be mortgaged with the Company's shares except for the following cases:

(1) The Company possibly purchases the shares back from the shareholders voting to disagree with the resolution of the Shareholder's Meeting which approves the amendment of the Company's regulations in terms of voting right and right of dividend payment as the shareholders voting disagreeing view that they are treated unfairly.

(2) The Company possibly repurchases the shares for the purpose of financial management in the case that the Company has the cumulative earnings and surplus liquidity and such share repurchase does not cause the Company to

encounter the financial problem.

The shares held by the Company will not constitute the quorum in the Shareholder's Meeting as well as not having right in voting and receiving the dividend.

The Company is supposed to sell the repurchased shares as in the previous paragraph within the period of time as prescribed by the Ministerial Regulation. In the case that the Company does not sell or sells partly within the defined period of time, the Company will reduce the issued capital by cutting the non-sold registered shares.

The share repurchase, share distribution, and cut of the repurchased shares shall follow the criteria and methods as prescribed by the Ministerial Regulation and relevant laws.

**Clause 10.** The repurchase of the Company's shares must be approved by the Shareholder's Meeting except for the case that the Company has the status as the company listed in the Stock Exchange of Thailand and such share repurchase is not over ten (10) percent of the issued capital. The Board of Directors shall have the power in approving such share repurchase.

### **Chapter 3**

#### **Share transfer**

**Clause 11.** The Company's shares can be transferred freely without any restriction and the shares held by the foreigner at any time must be in total amount for not over forty-nine (49) percent of the total sold shares of the Company. For any share transfer causing the ratio of the foreigner's shareholding of the Company to excess the aforementioned ratio, the Company is entitled to deny the right of such share transfer.

**Clause 12.** The share transfer shall be completely effective when the transferor has endorsed the share warrant by specifying the transferee's name signed with the names of the transferor and the transferee to be submitted such share warrant to the transferee.

The share transfer can be used to confirm the Company when the Company has received the petition to apply for the share transfer registration but it can be used to confirm the third party when the Company registers such share transfer in the share registration book only.

When the Company considers that such share transfer is lawfully correct, the Company shall register such share transfer within fourteen (14) days from the date of receiving the request. If the Company views that such share transfer is incomplete, the Company has to notify the applicant within seven (7) days from the date of receiving the request.

If the Company's shares have registered as the securities listed in the Stock Exchange of Thailand, the share transfer shall be in accordance with the law on securities and stock exchange.

**Clause 13.** In the case that the share transferee has the intention to receive the new share warrant, the request must be submitted to the Company in writing signed by the share transferee with one (1) witness signing to certify such signature together with expropriating the previous share warrant or other evidences to the Company. In this regard, if the Company views that such share transfer is lawfully correct, the Company shall register such share transfer within seven (7) days from the date of receiving the request and the new share warrant shall be issued within one (1) month from the date of receiving such request.

## **Chapter 4**

### **Issuance of securities, offer of sales, and transfer of securities**

**Clause 14.** The issuance of securities, offer of sales, and transfer of securities to people or any person shall follow the law on public company limited and the law on securities and stock exchange.

The transfer of other securities registered as the securities in the Stock Exchange of Thailand or any other secondary markets apart from the ordinary shares shall follow the law on securities and stock exchange.

The word "securities" shall mean the securities as defined by the law on securities and stock exchange.

## **Chapter 5**

### **Board of Directors**

**Clause 15.** The Company shall have the Board of Directors to perform the Company's operation consisting of at least five (5) directors. Not less than half (1/2) of the total directors must reside in Thailand.

The Board of Directors can be or not be the Company's shareholders.

**Clause 16.** The Shareholder's Meeting is supposed to elect the Board of Directors following the criteria and methods as below:

- (1) One shareholder has one (1) share per one (1) vote.
- (2) Each shareholder shall use the total votes as in (1) to elect one or several persons as directors. In the case that several persons are directors, the votes cannot be divided to any person more or less.
- (3) The persons being voted for the highest scores in hierarchy shall be elected as the directors in the number equal to the directors to have or to be elected at that time. In the case that the persons being elected in the lower



ranks have the equal votes for more than the number of directors to have or to be elected at that time, the Chairman of the meeting shall cast the final judgment.

**Clause 17.** In every Annual General Shareholder's Meeting, the directors shall leave the office for one third (1/3) of the number of directors at that time. If the number of directors cannot be divided into three parts, the directors shall leave the office in the number closest to one third (1/3).

The directors leaving the office are possibly elected to return to the office.

The directors to leave the office in the first year and the second year after the Company's registration shall be drawn lots. For the following years, the directors to be in the office for the longest time shall leave the office.

**Clause 18.** Apart from leaving the office following the terms, the directors shall leave the office when:

- (1) Death
- (2) Resignation
- (3) Being disqualified or having the attributes prohibited in accordance with the law on public company limited and the law on securities and stock exchange.
- (4) The Shareholder's Meeting has the resolution to leave the office as in Clause 20.
- (5) The Court orders the resignation.

**Clause 19.** Any director to leave the office shall submit the resignation form to the Company. Such resignation shall be effective from the date on which the resignation form reaches the Company.

The directors resigning following the statements as in the first paragraph possibly notify their resignation to the Registrar.

**Clause 20.** The Shareholder's Meeting possibly has the resolution for any director to leave the office prior to the term completion with the votes for not less than one third (3/4) of the number of shareholders attending the meeting and having the right to vote. The total shares must be counted for not less than half (1/2) of the number of shares held by the shareholders attending the meeting and having the right to vote.

**Clause 21.** In the case that the position of director vacates from other reasons apart from completing the term, the Board of Directors shall elect the qualified persons without the prohibited features in accordance with the law on public company limited and the law on securities and stock exchange to be the director in the following Board meeting except for the term of such director remains for less than two (2) months. The person substituting the director shall

be in the director position only for the remaining term of the substituted director.

The Board's resolution as in the first paragraph must consist of not less than three fourth (3/4) of the remaining numbers of directors.

**Clause 22.** The Company's directors are entitled to receive the remuneration of directors from the Company in the forms of rewards, meeting allowance, pension, bonuses, or benefits in other forms as considered and resolved by the Shareholder's Meeting with not less than two third (2/3) of the total votes of the shareholders attending the meeting. The remuneration of directors can be in fixed amount or defined in criteria and determined from time to time or be effective throughout the time until the Shareholder's Meeting has the resolution to change. Moreover, the Company's directors are entitled to receive the allowance and welfares as per the Company's regulations.

The statements in the first paragraph shall not affect the rights of the directors appointed from the employees or workers of the Company to be paid with the remuneration and benefits as the Company's employees or workers.

**Clause 23.** The Board of Directors shall elect one director as the Chairman of the Board.

In the case that it is deemed appropriate by the Board of Directors to elect one or several directors as the Vice Chairman of the Board, the Vice Chairman of the Board has the duties to follow the requirements of the operation as assigned by the Chairman of the Board.

**Clause 24.** In the Board's meeting, the directors must attend the meeting for not less than half (1/2) of the total number of directors to constitute the quorum. The Chairman of the Board shall perform the duties as the Chairman of the Board's meeting. In the case that the Chairman of the Board is absent from the meeting or cannot perform the duties, in case of having the Vice Chairman of the Board, the Vice Chairman of the Board shall be the Chairman of the meeting. However, if there is no Vice Chairman of the Board or the Vice Chairman of the Board is absent from the meeting or cannot perform the duties, the directors attending the meeting shall elect one director as the Chairman of the meeting. The final judgment of the Board's meeting shall consider the majority votes. One director has one (1) vote. The directors having stakes in any matter cannot vote in such matters. In addition, if the votes are equal, the Chairman of the meeting shall cast another one vote to make the final judgment.

**Clause 25.** In convening the Board's meeting, the Chairman of the Board or the assigned person shall send the meeting invitation letter to the directors for not less than seven (7) days prior to the meeting day. Except for the

emergency case to preserve the rights and benefits of the Company, the meeting appointment will be notified by other means and the meeting date can be scheduled earlier.

**Clause 26.** In the Company's business operation, the directors have to perform the duties in accordance with the laws, objectives, and Company's regulations as well as the resolution of the Shareholder's Meeting with honesty and carefulness in preserving the Company's benefits.

**Clause 27.** The directors are prohibited to operate the business in the same condition and to compete with the Company's operation or to be the partner in the ordinary partnership or to be the partner in the limited partnership or to be the director of the limited company or any other public limited companies operating the business in the same condition and to compete with the Company's operation whether for their own benefits or for the other's benefits except for notifying the Shareholder's meeting before having the resolutions to appoint such director.

**Clause 28.** The directors must notify the Company without delay in the case that the directors have stakes whether directly or indirectly in any contract made by the Company or in the case that the number of shares or debentures of the Company or the affiliate held by the directors increase or decrease.

**Clause 29.** The directors must hold the meeting for at least three (3) months per time in the province located the Company's Head Office or neighboring province or any other places by scheduling the date, time, and venue as per the discretion of the Chairman of the Board.

**Clause 30.** The directors having the signatory authorization binding the Company are two (2) directors signing together and sealing the Company's seal. The Board of Directors has the power to consider determining and changing the names of directors having the signatory authorization binding the Company.

## **Chapter 6**

### **Shareholder's Meeting**

**Clause 31.** The Board of Directors must hold the Shareholder's Meeting as the Annual General Meeting within four (4) months from the ending date of the accounting year round of the Company.

The Shareholder's Meeting in other times apart from the first paragraph shall be called the Extraordinary Meeting. The Board of Directors will convene the Shareholder's Meeting as the Extraordinary Meeting at any time as deemed appropriate.

The shareholders having the total shares for not less than one fifth (1/5) of the total sold shares or the number of shareholders for not less than twenty-five (25) shareholders having the total shares for not less than one tenth (1/10) of the total sold shares shall gather to send the request in writing to the Board of Directors to convene the Shareholder's Meeting as the Extraordinary Meeting at any time. However, the reasons for convening the meeting must be clearly specified in such letter. In this case, the Board of Directors must arrange the Shareholder's Meeting within one (1) month from the date of receiving such letter from the shareholders.

**Clause 32.** In convening the Shareholder's Meeting, the Board of Directors has to make the meeting appointment letter by indicating the venue, date, time, meeting agendas, and subjects to propose to the meeting together with the details as appropriate. It must be clearly specified whether it is the subject to propose for acknowledgment, approval, or consideration as the case maybe including the opinions of the Board of Directors in such matters. This shall be delivered to the shareholders and the Registrar for acknowledgment for not less than seven (7) days prior to the meeting date. It must be posted as the advertisement to appoint the meeting in the newspaper prior to the meeting date for not less than three (3) days for the consecutive three (3) days.

The place to be used as the meeting venue will be in the province located the Company's Head Office or any other places as determined by the Board.

**Clause 33.** In the Shareholder's Meeting, the shareholders and the attorneys of the shareholders(if any) must attend the meeting for not less than twenty-five (25) persons or not less than half of the total number of shareholders. The shares must be counted in total for not less than one third (1/3) of the total sold shares to constitute the quorum.

In the case that in any Shareholder's Meeting, when the time has passed for one (1) hour, the number of shareholders attending the meeting does not constitute the quorum as mentioned in the first paragraph, if the Shareholder's Meeting convenes the meeting because of the demand of the shareholders, the meeting shall be cancelled. If such Shareholder's Meeting is not only convening the meeting because the shareholders request for the new convening of meeting, in this case the meeting invitation letter shall be delivered to the shareholders for not less than seven (7) days prior to the meeting date. In the latter meeting, it is not obligatory to constitute the quorum.

**Clause 34.** The Chairman of the Board shall chair the Shareholder's Meeting. In the case that the Chairman of the Board is absent from the meeting or cannot perform the duties, the Vice Chairman of the Board shall chair the meeting. If there is no Vice Chairman of the Board or the Vice Chairman of the



Board is absent from the meeting or cannot perform the duties, the meeting shall elect one of the shareholders attending the meeting to chair the meeting.

**Clause 35.** For voting in the Shareholder's Meeting, one share shall have one vote. If any shareholder has the stakes especially in any matter, such shareholder shall have no right to vote in such matter. Apart from voting to elect the directors and the resolution of the Shareholder's Meeting, the following votes are required.

- (1) In normal case, the majority votes of the shareholders attending the meeting and voting shall be considered. The votes are equal, the Chairman of the meeting shall cast another one vote for final judgment.
- (2) In the following cases, the votes for not less than three fourth (3/4) of the total votes of the shareholders attending the meeting and having the right to vote shall be considered.
  - (A) Sale or transfer of the Company's business operation wholly or partly to other persons.
  - (B) Purchaser or receipt of transfer of the business operation of the private company or other public company limited to be owned by the Company.
  - (C) Conduct, modify, or cancel the contract on the rental of the Company's business operation wholly or partly significantly, assignment to any other persons to manage the Company's business or the merging with other persons with the objectives to share the earnings and loss.
  - (D) Amendment and modification of the Memorandum of Associations or the Company's regulations
  - (E) Increase or reduction of the Company's registration capital
  - (F) Termination of Company
  - (G) Issuance of the Company's debentures
  - (H) Merging of the Company's business with other company

**Clause 36.** The operations which the Annual General Shareholder's Meeting shall be convened are as follows:

- (1) To acknowledge the report of the Board representing the Company's business operation in the past year
- (2) To consider the approval of balance sheet and income statements
- (3) To consider the approval of earnings allocation and dividend payment
- (4) To consider the election of new directors to replace the directors leaving the office term
- (5) To consider the determination of remuneration of the directors

- (6) To consider nominating the auditor and determining the audit fees
- (7) Other operations

## **Chapter 7**

### **Accounting, Finance, and Audit**

**Clause 37.** The Company's accounting year round starts on 1st January and ends on 31st December of every year.

**Clause 38.** The Company must prepare and keep the accounting book as well as the audit as prescribed by relevant laws. The balance sheet and the income statements must be prepared for at least once in the round of twelve (12) months which is the Company's accounting year round.

**Clause 39.** The Board of Directors must prepare the balance sheet and the income statements as on the ending date of the Company's accounting year round to propose to the Shareholder's Meeting in the Annual General Shareholder's Meeting to consider for approval. The Board must provide the auditor to examine the balance sheet and the income statements completely before proposing to the Shareholder's Meeting.

**Clause 40.** The Board must deliver the following documents to the shareholders together with the appointment letter of the Annual General Shareholder's Meeting.

- (1) Copy of balance sheet and the income statements examined by the audit together with the audit report of the auditor
- (2) Annual report of the Board together with supplementary documents of the report

**Clause 41.** The auditors must not be the directors, employees, workers, or holding any position in the Company.

**Clause 42.** The auditor has the authority in auditing, examining the documents, and any other evidences related to the income and expenses as well as the assets and liabilities of the Company during the Company's office hours. In this regards, the auditor has the power to inquire the directors, employees, workers, holding any position in the Company and the Company's representative. Those persons shall explain the facts or send the documents or evidences related to the Company's business operation.

**Clause 43.** The audit has the duties to attend every Shareholder's Meeting of the Company with the consideration of balance sheet and the income statements, problems of the Company's accounting to clarify the audit to the shareholders. The Company must prepare the report and all documents which the shareholders should receive in such Shareholder's Meeting to the auditor.

## **Chapter 8**

### **Dividend and reserves**

**Clause 44.** The dividend must not be paid from other types of money apart from the earnings. In the case that the Company still has the cumulative loss, the dividend payment is prohibited. Such dividend shall be divided following the number of shares equally. Except for the case that the Company issued the preference shares and the preference shares are defined to receive the dividend differently from the ordinary shares, the dividend shall be allotted as specified. The dividend payment must be approved by the Shareholder's Meeting.

The Board shall pay the interim dividend to the shareholder from time to time when viewing that the Company has the earnings appropriately for doing that. When the interim dividend is paid, such dividend payment must be reported to the Shareholder's Meeting in the next Shareholder's Meeting.

The dividend payment must be done within one (1) month from the date on which the Shareholder's Meeting or the Board' meeting approved the resolution as the case maybe. The letter must be sent to the shareholders and the notification must be advertised on such dividend payment in the newspaper for not less than 3 (three) consecutive days.

**Clause 45.** The Company must allocate the net annual profits as the reserve fund for not less than five (5) of the net annual profits deducted with the cumulative loss (if any) until this reserve fund will be not less than ten (10) percent of the registration capital.

## **Chapter 9**

### **Additional provisions**

**Clause 46.** The Company's seals can be used as sealed here.