

DRAFT
ARTICLES OF ASSOCIATION
OF
CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHAPTER 1 GENERAL

- Article 1 These Articles of Association shall be called the Articles of Association of Chiangmai Frozen Foods Public Company Limited.
- Article 2 The word “Company” in these Articles of Association shall mean Chiangmai Frozen Foods Public Company Limited.
- Article 3 Unless otherwise provided under these Article of Association, let bring the provision of laws concerning Public Company Limited and laws concerning Securities and Securities of Stock Exchange to enforce. In case the company or subsidiary company are agreed to make related subject or the subject connect with an obtaining or distributing an assets of the company or subsidiary company as to the meaning formulated according to an announcement of Securities and Stock Exchange of Thailand that uses to enforce with the related subject of register company or an obtaining or distributing on assets of register company as the case may be, allow the company to practice according to the basis and method in accordance with such announcement formulated in that matters.

CHAPTER 2 SHARE ISSUANCE

- Article 4 The Company shares are the common shares that must use to full value with each par value 1 baht (one baht) and in using of that shares value, the shareholders cannot deduct the debt with the company.
- Article 5 This company shares certificate is the type of mentioning shareholder names and must be at least one director to sign or print the name but a director may assign the share registrar as laws concerning Securities and Securities of Stock Exchange to sign or print the name to act certainly.
If the company assigns the Securities and Stock Exchange as the company’s registrar, method of practicing concerning the registrar work of the company will be according to the formulated registrar.
- Article 6 The company may issue preference share, debenture, transform debenture or other securities as laws concerning Public Company Limited and laws concerning Securities and Securities of Stock Exchange.
- Article 7 The Company shall issue share certificates to the shareholders within two months from the date of registration of the Company, or from the date received the payment in full in the case of the company distributes remaining shares or distributes new issued shares after the registration of the Company.

Article 8 A shareholder may ask the Company to issue a new share certificate in substitute of the share certificate which was lost, faded or damaged in its essence by returning the original share certificate. In case of the lost share certificate, the shareholder must bring an evidence on the complaint filed with an investigation officer or other reliable evidence to show the Company. The Company shall issue a new share certificate to the shareholder within 14 days from the date of request which may impose the fees of 10 (ten) baht for each issued share certificate or the rate determined by the Company which shall not be higher than the lawful rate.

Article 9 The Company is prohibited to be share owner or to be pawnbroker of its own company, all this, except in following cases:

- (1) The Company may buy back the shares from the shareholders whose vote disagree with the resolution of shareholder meeting which approves to amend the company regulation in the part of concerning the right in voting and the right in receiving dividend owing the shareholders whose vote disagree to see that they are not received justice.
- (2) The Company may buy back the shares for financial administration purpose in case the company gains the retained earnings and liquidity over and buying back the shares is not the cause to make the company suffering on financial.
- (3) Other cases that the law allows to do.

To buy back the shares as per (1) or (2) mentioned above must receive an approval from the shareholder meeting, except in the case that the company will buy back the shares not excess 10% of paid up capital, allow the Board of Director to have authority in approving to buy back such shares.

All this, the shares held by the company are not counted as quorum in the shareholder meeting and no right to vote and receive dividend.

The Company must distribute the buy back shares as previous paragraph within formulate time in the project of buying back shares that formulated by the company. All this, in case the company is unable to distribute all the buying back shares within formulate time, the company would proceed to reduce paid up capital by the way of cutting register shares the part that not yet distributed.

To buy back shares and distribute shares including cutting register share will be according to the basis and formulate method in the decrees of State Minister concerning such matters.

CHAPTER 3 SHARE TRANSFER

Article 10 Shares of the Company shall be transferable without restriction except:

- (1) Where such transfer will lose the rights and interest that the company ought to receive as laws; or
- (2) Where such transfer causes the alien hold the Company's shares to exceed 49%.

- Article 11 A share transfer is valid after the transferor has endorsed the share certificate by stating the name of the transferee and sign the name of transferor and transferee and delivered to the transferee.
- A share transfer shall be valid against the Company only after the Company's registrar has received an application for registration of the share transfer. However, it shall be valid as against third persons only after the Company's registrar has registered the share transfer.
- When the Company's registrar agrees that the said share transfer is lawful, the registrar shall register the share transfer within 14 days as from the date of receipt of the application. In case the share transfer is not lawful, the registrar shall notify the applicant within 7 days.
- If a share transferee wishes to receive a new share certificate, a request shall be made to the Company's registrar in writing signed by the transferee and certified by at least one witness and the old share certificate shall be returned to the registrar. If the Company's registrar finds such transfer legal, the company registrar shall effect registration of the transfer of the shares within 7 days from the date of receipt of the request and a new share certificate shall be issued within one month from the date of receipt of the request.
- Article 12 If a shareholder dies or is adjudged bankruptcy which shall lead to the succession of his shares. If that successor brings full lawful evidence to show the Company's registrar, the Company's registrar shall be allowed to effect the registration of and issue a new share certificate within one month from the date of receipt of full evidence.
- Article 13 During 21 days prior to each shareholder meeting, the Company may suspend the registration of share transfer by a prior notice to shareholders posted at its head office and every branch not less than 14 days before the commencing date of the suspension of registration of the share transfer.
- In the event that the Company will not use the Book Closing procedures under first paragraph, the Board of Directors may announce a Record Date in accordance with the requirements and procedures prescribed under the laws on securities and exchange.
- Article 14 In case a shareholder is the Company's debtor, the Company shall be entitled to deduct dividends and other benefits gained from all the shares to repay the debt to the Company.

CHAPTER 4 BOARD OF DIRECTORS

- Article 15 There shall be not less than 5 members in the Company's Board of Directors. Not less than half of all directors shall have domicile in Thailand.
- Article 16 The directors shall be elected by a shareholder meeting in accordance with the following rules and procedures:
- (1) Each shareholder shall have one vote per one share.
 - (2) Each shareholder may exercise up to all the votes he has under (1) in favor of one or more candidates but may not be allowed to allot his votes to any candidate more or less.
 - (3) The candidates shall be ranked in order descending from the highest votes received shall be appointed as directors equal to the number of director that may have or may

elect in that time. Where the votes cast for candidates in descending order are tied to exceed the number of directors, the Chairman shall have a casting vote for arbitration.

- Article 17 At every annual general meeting, one-third of the directors shall retire. If the number of directors is not a multiple of three, the number of directors closest to one-third shall retire. The directors retiring from office in the first and second year after the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office longest shall retire.
A director who has vacated from office may be re-elected.
- Article 18 Apart from vacation upon the expiry of his term, a director shall vacate office upon:
- (1) Death;
 - (2) Resignation;
 - (3) Lack of qualifications or prohibited characteristics under clause 68 of Public Limited Companies Act B.E. 2535;
 - (4) Vacation by a resolution of the shareholder meeting under Article 21;
 - (5) Vacation by a court order.
- Article 19 Any director wish to resign from office shall submit his resignation letter to the Company, and the resignation shall be effective from the date on which the Company receives the resignation letter.
A director who has resigned as above may also notify the Registrar of the resignation.
- Article 20 In the case of a vacancy of director position for reasons other than the expiration of the directors' term of office, the Board of Directors shall elect a person who has the qualifications and no prohibited characteristics under Section 68 of Public Limited Companies Act B.E. 2535 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 substitute director shall hold office only for the remaining term of office of the director whom he replaces.
The resolution of the Board of Directors under the first paragraph must comprise a vote of not less than three fourth of the number of directors remaining.
- Article 21 A shareholder meeting may pass a resolution removing any director from office prior to retirement, with a vote of not less than three fourth of the number of shareholders attending the meeting and have the right to vote and have shares totaling not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.
- Article 22 A director may be or may not be a shareholder of the Company.
- Article 23 The Board of Company shall be comprised the Chairman, Managing Director and other positions deemed appropriate and elected by the Board of Directors.
- Article 24 The Board of Directors are empowered to appoint a number of directors as Executive Director Committee which shall be comprised Chairman and Vice-Chairman of Executive Director Committee and other positions deems appropriate by the Board of Directors. The Executive Directors Committee shall be vested with the authority, as designated or assigned by the Board of Directors, to manage and control the business of the Company.
- Article 25 At a meeting of the Board of Director

- (1) At least one half of the total number of directors shall form a quorum.
- (2) The Chairman shall be the Chairman of director meeting. If the Chairman is not present at a meeting or cannot perform his duty, the Vice-chairman shall be the Chairman of the meeting. If the Vice-chairman is not present at the meeting or cannot perform his duty, the directors present at the meeting shall elect one director to be the Chairman of the meeting.
- (3) Decisions of meeting of the Board of Directors shall be made by majority votes. Each Director shall have one vote, except any Director having personal interest in any matter shall have no right to vote on such matter

Article 26 The Chairman shall be the person who calls the meeting of the Board of Directors. If two or more directors request a meeting of the Board of Directors, the Chairman shall formulate the date of the meeting within 14 days from the date of receipt of such request. In calling a meeting of the Board of Directors, the Chairman or the person assigned by the Chairman shall send a written notice to convene a meeting to the directors not less than seven days prior to the date of the meeting except in an urgent case to preserve the rights or benefits of the Company, the meeting may be convened by other methods and an earlier meeting date may be chosen.

Article 27 For a meeting of the Board of Directors, the Chairman of the meeting may require that such meeting shall be held via electronic media. Such a meeting will have the same legal force as a meeting of the Board of Directors which is held in compliance with the procedures determined in the law and in accordance with the following

- 1) under the provision relating to the quorum for a meeting of the Board of Directors in Article 25 (1), at least one-third of the Directors who constitute the quorum of such meeting must be present in the same meeting place at a location under the provision of Article 32, and all Directors who attend that meeting must be present in the Kingdom of Thailand during the meeting.
- 2) Under the provision relating to the notice of the meeting in Article 26, notice of the meeting, as well as meeting-related documents, may be sent via electronic mail. The Chairman of such a meeting must maintain as evidence a copy of the notice of the meeting, as well as meeting-related documents. The copy of the notice of the meeting as well as meeting-related documents may be maintained in the form of digital data.
- 3) A meeting via electronic media must be in accordance with the Standards for Security of Conference meetings via Electronic Media issued by the Ministry of Information and Communication Technology, as announced in the Royal Gazette.
- 4) The right to vote of the Directors shall be as prescribed in Article 25 (3). At a meeting via electronic media, the Chairman of the meeting shall take the following actions:
 - a. requires each Director to identify themselves in order to attend a meeting via electronic media prior to attending the meeting;
 - b. establishes a meeting report in writing; and

- c. makes an electronic data record of voices or both voices and pictures (as the case may be) of the Directors throughout the meeting. Such recording of voice or both voices and pictures (as the case may be) shall be considered part of the meeting report.

Article 28 The Chairman or Managing Director or one other director is allowed to sign and affix the seal of the company on behalf of the company.

Article 29 Board of Director are authorized to consider formulating and amending the number or director name which shall be signed the name significantly.

Article 30 A director shall be entitled to obtain remuneration from the Company in forms of salary, money reward, meeting allowance, pension, bonus and other benefits in accordance with the rule or consideration from a shareholder meeting or Board of Director meeting, which may be fixed certain amount or regulated from time to time or permanently payable subject to future change. In addition, a director shall be entitled to other allowances and welfare available under the regulation of the Company.

The provisions under the first paragraph shall not affect the right of an employee of the Company who is appointed as a director, to receive remuneration and benefits in his capacity as an employee of the company.

Article 31 A director shall perform his duty in compliance with law, objectives, Articles of Association and a resolution adopted by a shareholders meeting.

Article 32 A meeting of Board of Company shall be held not less than once in every three months. The meeting may be held at the locality where the Company's head office is situated or in any other province in the Kingdom of Thailand or at any other location considered appropriate by the Chairman of the Board of Directors.

CHAPTER 5 SHAREHOLDER MEETINGS

Article 33 There are 2 types of Shareholders meeting

1. The Board of Directors shall arrange for an annual general meeting of shareholders within 4 months from the end of the fiscal year of the company
2. Meeting other than that aforementioned shall be called extraordinary general meeting which can be convene by either
 - a) The Board of Directors may summon the extraordinary general meeting of shareholder whenever the Board of Directors may deem appropriate or when
 - b) One or more shareholders holding shares collectively not less than 10 (ten) percent of the total number of share sold, may submit may submit their names in a letter requesting the Board of Directors to summon the extraordinary general meeting of shareholders at any time but agenda and reasons for calling such meeting shall be clearly stated in such request. In this regard, the Board of Directors shall arrange the extraordinary general meeting of

shareholders within 45 days from the date of receipt of such letter of request from the shareholder(s).

In case the Board of Directors fails to arrange the extraordinary general meeting within 45 days from the date of receipt of such request from the shareholder(s); the shareholders, subscribing their names or other shareholders holding the number of shares as stipulated, may call the meeting within 45 days from the date that the Board of Directors should have arranged the extraordinary general meeting. In this regard, the meeting shall be considered as the extraordinary general meeting called by the Board of Directors. The company shall be responsible for necessary expenses arising from the extraordinary general meeting and provide an appropriate facilitation

In the case where, at the extraordinary general meeting called by the shareholder(s) under paragraph two, the number of the shareholders presented does not constitute quorum as provide by Article 34; the shareholder(s) under paragraph two shall collectively compensate the Company for the expenses incurred from arrangement of such meeting.

Article 34 To constitute a quorum, there shall be shareholders and proxies (if any) attending at a shareholder meeting 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 countable not less than one-third of the total number of shares sold.

At any shareholder meeting, if one hour has passed since the time specified for the meeting and the number of shareholders attending the meeting is still inadequate for a quorum, and if such shareholder meeting was convened as a result of a request by the shareholders, such meeting shall be cancelled. If such meeting was not called as a result of a request by the shareholders, the meeting shall be convened once again and the notice convening such meeting shall be delivered to shareholders not less than seven days prior to the date of the meeting. In the subsequent meeting, a quorum is not required.

Article 35 A resolution of the shareholder meeting shall comprise following votes:

- (1) In an ordinary event, the majority vote of the shareholders who attend the meeting and cast their votes. In case of equal vote, the chairman of the meeting shall cast a vote for arbitration.
- (2) In the following events, a vote of not less than three fourth 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 important parts of the business of the Company to other persons;
 - (b) The purchase or acceptance of transfer of the business of other companies or private companies by the Company;
 - (c) The making, amending or terminating of contracts with respect to the granting of a lease of the whole or important parts of the business of the Company, the

assignment of the management of the business of the Company to any other persons or the amalgamation of the business with other persons with the purpose of profit and loss sharing.

Article 36 The Chairman shall be the Chairman of shareholder meeting. If the Chairman is not present at a meeting or cannot perform his duty, the Vice-chairman shall be the Chairman of the meeting. If the Vice-chairman is not present at the meeting or cannot perform his duty, the shareholders present at the meeting shall elect one shareholder to be the Chairman of the meeting.

Article 37 The businesses to be transacted at the annual general meeting are:

- (1) To consider report of the Board of Directors concerning the business operation of the Company during the past year;
- (2) To consider and approve balance sheet and statements of income;
- (3) To consider and approve distribution of profits (if any);
- (4) To elect directors who retire by rotation;
- (5) To elect the auditors(s) and fix related remuneration;
- (6) Other business.

CHAPTER 6 ACCOUNTING, FINANCE AND AUDITING

Article 38 The fiscal year of the Company shall be starting from January 1 and ending on December 31 of every year.

Article 39 The Company must manage and maintain accounts including the auditing of accounts as required by the relevant law. The Company must also manage a balance sheet and statement of income at least once during each twelve month period which is a fiscal accounting year of the Company.

Article 40 The Board of Directors must manage the balance sheet and the statement of income as of the last day of the fiscal accounting year of the Company for submission to the shareholder meeting for consideration and approval for this balance sheets and statements of income and must manage to have the auditor examine the said accounts before submitting to the shareholder meeting.

Article 41 The Board of Directors must deliver the following documents to the shareholders along with written notices convening for an annual general meeting:

- (1) Copies of the balance sheet and the statement of income which have been examined by the auditor together with the audit report of the auditor;
- (2) The annual report of the Board of Directors.

Article 42 Dividends shall not be paid other than out of profits. If the Company still has an accumulated loss, no dividends shall be distributed.

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

The Board of Directors may pay interim dividends to the shareholders from time to time if the Board of Directors see that the profits of the Company justify such payment and report such dividend payment to the shareholders at the next shareholder meeting.

Payment of dividends shall be made within one month of the date of the resolution of the shareholder meeting or of 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 a newspaper.

Article 43 The Company must allocate not less than five percent of its annual net profit as reserve fund deduct 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.

Article 44 The auditor must not be a director, staff member, employee or person holding any position in the Company.

Article 45 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 inquire the directors, staff members, employees, persons holding any position of the Company, and agents of the Company, including directing them to clarify the facts or to deliver documents or evidence in connection with the operation of the business of the Company.

Article 46 The auditor has the duty to attend every shareholder meeting at which the balance sheet, the statement of income 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 to be received by the shareholders at that shareholder meeting.

CHAPTER 7 ADDENDUM

Article 47 A shareholder meeting is empowered to amend these Articles of Association if it deems necessary or appropriate.

Article 48 There are two seals of the Company as affixed below of which either one is applicable. There are 2 types of the Company's stamp. Either one can be use unconditionally. The example of 2 company's stamp are as below.

FIRST SEAL

SECOND SEAL

Signed _____ Signature _____ Authorized
(Mr. Ankoon Pholpipattanaphong)