

# Articles of Association

## CHAPTER I

### General Provisions

- Article 1 This regulation is called the Articles of Association of GMM Grammy Public Company Limited.
- Article 2 The term “Company’ in this regulation means GMM Grammy Public Company Limited.
- Article 3 Other text which is not mentioned in the regulation is to be held and enforced under the provisions of the laws on Public Limited Companies Act in all respects.

## Chapter II

### Issuance of Shares

- Article 4 Shares of the Company are to be paid in full by using money or other assets. Shares subscribers or buyers will not be offset against debt owed to the Company.
- Article 5 The Company’s shared certificate which is granted to shareholders must show the shareholder’s name, with one director’s signature being signed on or printed. But directors may allow a share registrar’s signature, in accordance with the law of Securities and Stock Exchange, to be presented on a certificate in form of signing or printing instead.
- In signing signature of a director or a share registrar, a director or a share registrar may sign his own signature or use machine or computer to imprint or use other methods which are permissible under the law of Securities and Stock Exchange.
- The company may assign the Stock Exchange of Thailand to be a share registrar of the Company. In that case, the procedure of the Company’s registration works must be in accordance with the securities registrar’s regulations.
- Article 6 The Company will issue a share certificate to shareholders within 2 months from the date in which a registrar accepted the registration of the Company or from the date in which full payment for shares was made in case of issuing new shares after the registration of the Company.
- Article 7 In case of certificates substantially damaged or defaced, a shareholder may request the Company to issue a new share certificate by surrendering the original certificate.
- If a share certificate is lost or destroyed, a shareholder must provide official evidence, in the form of report issued by a police officer, or any other appropriated evidence, to the company.
- In both cases, the Company will issue a new share certificate to a shareholder within the legal time frame by which a shareholder pays the issuance fee in accordance to the ministerial regulation.
- Article 8 The Company cannot acquire its own shares or take them in pledge except for the following cases.

- (1) The purchase the shares from dissenting shareholders voting against the resolution of the shareholders' meeting on the amendment to the Articles of Association regarding the voting rights and the rights to receive dividend viewing that resolution is unfair.
- (2) To purchase the shares for financial management purposes while having the retained earnings and excess liquidity and such share repurchase not leading to the Company's financial problem.

If the amount of the repurchase shares according to clause (1) and (2) are not in excess of 10% of the paid-up capital, the approval shall be the authority of the Board of Directors. In case that the amount of the repurchase shares are in excess of 10% of the paid-up capital, it is required an approval from a shareholders' meeting before proceeding.

### CHAPTER III

#### TRANSFER OF SHARES

Article 9      The Company's shares shall be transferable without any restriction. The shares held at any time by non-Thai nationals shall not exceed an aggregation of forty-nine (49) percent of all issued shares.

Article 10     The transfer of shares shall be valid when a transferor indorses a certificate(s) by entering a name of a transferee and being signed by a transferor and a transferee and deliver a certificate(s) to a transferee.

The transfer of shares shall be valid against the Company when the Company receives the request for registration of shares transfer and valid against a third person when the Company completes the share registration process.

When the Company deems that the transfer of shares is legal, the Company must register the shares transfer within 14 days from the date of such request. If the transfer of shares is invalid, the Company must inform a person who file the request within 7 days.

If the Company's shares are registered as securities in the Stock Exchange of Thailand, the transfer of shares must be in accordance with the law of Securities and Stock Exchange.

In the case of the transfer of other securities whether they are registered as registered securities in Stock Exchange of Thailand or not, the transfer of such securities must be in accordance with the law of Securities and Stock Exchange.

Article 11     If a share transferee wishes to acquire a new share certificate, he/she shall submit a written request to the Company, with a transferee's signature together with at least one witness and surrender an existing share certificate. In this regard, the Company shall register the share transfer within 7 days and issue a new share certificate within 1 month from the date of receipt of such request.

## CHAPTER IV

### BOARD OF DIRECTORS

- Article 12     The Board of Directors shall comprise of not less than 5 directors, provided that at least half (1/2) of the directors shall reside within the Kingdom of Thailand.
- Article 13     Except as stipulated in Article 17, the directors shall be appointed by the Shareholders' Meeting in accordance with the following rules and procedures:
- (1) Each shareholder shall have one vote per share.
  - (2) Each shareholder may cast all his/her vote(s) according to (1) to elect one or several candidates as directors, but could not allot the votes to any person at any number.
  - (3) candidates receiving the highest number of votes in the respective order of the votes shall be elected as directors at such time. In the event that a number of candidates receiving an equal number of votes for the last directorship exceed the number of directors the Company required or to be elected at such time, the Chairman of the meeting shall have a second or casting vote.
- Article 14     At every Annual General Meeting of Shareholders, one-third of the directors shall retire from the office; the director who has held the office longest shall be the first person to retire. If the number of directors is not a multiple of three, then the number of directors nearest to one-third must retire from the office. The retired shall be eligible for re-election.
- Article 15     Apart from retirement by rotation, the Directors shall vacate the office upon:
- (1) death;
  - (2) resignation;
  - (3) lack of qualification or possession of prohibited characteristics as provided by law;
  - (4) removal by resolutions of the Shareholders' meeting under the procedure set forth in Article 18 of this Articles of Association;
  - (5) dismissal by a court order.
- Article 16     Any Director who wishes to resign from office shall submit a resignation letter to the company. The resignation shall be effective on the date the notice reaches the Company.
- Article 17     In the case of any vacancy on the Board of Directors (other than retirement by rotation), the Board of Directors shall elect a person who is qualified and does not possess any prohibited characterize as provided hereunder, to fill in the vacancy. The election shall take place at the subsequent Board of Directors' meeting unless the remaining term of the directorship is less than two months. The replacement director shall retain his/her office as same as the period for which the former director was entitled to retain.
- The resolution of the Board of Directors in respect of the first paragraph shall consist of not less than three-fourth votes of the remaining directors.

- Article 18 The Shareholders' meeting may resolve to remove any director from the office before the expiration of his/her term of office by rotation. The resolution of such case shall consist of not less than three-fourth votes of shareholders attending the meeting and entitle to vote, and the total number of shares altogether should not less than half of the total number of shares held by the shareholders attending the meeting.
- Article 19 A director may or may not be a shareholder of the Company.
- Article 20 The Board of Directors shall elect one director to be the Chairman.  
One or several directors shall be elected to be the Vice-Chairman, as the Board deems appropriate. The Vice-Chairman has authority under the Articles of Association as assigned by the Chairman.
- Article 21 A quorum of the Board of Directors' meeting requires the presence of at least half (1/2) of all directors. The Chairman of the Board of Directors shall preside over each Board of Directors meeting. If the Chairman is not present or is unable to perform his/ her duties, the Vice-Chairman shall act as the presiding Chairman. In the case of a lack of Vice-Chairman or the Vice- Chairman's inability to perform his/her duties, the directors present at the meeting shall elect one director to be the Chairman of the meeting.  
  
Under each Board of Directors' meeting, the Chairman may determine that all directors attend the Directors' meeting through electronic media in accordance with the rules and procedures as prescribed by the related laws.  
  
The directors, who attended the Board of Directors' meeting through electronic media with the same procedures and terms as mentioned above, shall be deemed to be the attendance of the Board of Directors' meeting which can be counted to constitute a quorum for Board of Directors' meeting and shall be deemed to be the legally meeting.  
  
Decision of the Board of Directors' Meeting shall be made by majority votes. Each Director shall have one vote. Any Director who has interest in any matter shall not be entitled to vote on such matter. In the case of equal voting, the Chairman of the meeting shall have additional casting vote.
- Article 22 In convening the Board of Directors' Meeting, the Chairman or the assigned person shall send a notice of the meeting to the directors not less than the period specified by law.. Except in cases of urgency or for the purpose of reserving the rights or interest of the Company, the notice of the meeting may be sent by electronic means or other means and be held earlier.  
  
The Company may send a summoning notice for a Board of Directors' meeting including its related documents by an electronic mail. In this regard, the person charged with arranging the meeting must keep a copy of the summoning notice and its related documents as evidence, which may be stored in electronic data format.
- Article 23 Directors should perform duties according to laws, objectives, articles of association of the Company and the resolution of shareholders' meeting.

- Article 23/1 The following transactions shall be bind to the Company upon approval of the Board of Directors and under the condition set forth.
- (1) The specified value of contract is more than 100,000,000 Baht.
  - (2) The contract in relation with all transferred types of intellectual property which own by the Company.
  - (3) The exclusive licensed contract in all types of intellectual property of the Company.
- Article 24 Directors are prohibited to operate, be a partner or a director in any other entity with the same business as the Company or any entity who is a competitor, unless the Shareholders' Meeting is informed prior to the appointment.
- Article 25 Directors must notify the Company without delay if he/she has an interest in a contract with the company, including an increase or decrease of shares or debentures in the Company or its affiliates.
- Article 26 The Company shall pay the following compensation to the directors:
- (1) Annual bonus for the position of the Company's director.
  - (2) Salary, bonus in the case that any director being employed by the Company.
  - (3) Compensation under the business contract between the Company and a director or any compensation in order to acquire the Company's normal commercial interest.
- Article 27 Two directors may jointly sign and affix common seal of the Company to bind the Company.
- The Board of Directors may specify and change the name of the authorized directors whose signatures affixed with the Company's seal.
- The Board of Directors' Meeting shall be held at least once every 3 months.

## CHAPTER V

### SHAREHOLDERS MEETING

- Article 28 The Board shall arrange for an Annual General Meeting of Shareholders to be held within four (4) months after the end of the fiscal year of the Company.
- Other Shareholders' Meetings, apart from the abovementioned meeting, are called Extraordinary General Meetings. The Board of Directors may summon an Extraordinary General Meeting whenever they deem appropriate.
- One or more shareholders holding shares amounting to not less than ten (10) percent of the total number of shares sold may submit a written request to the Board of Directors for calling an Extraordinary General Meeting at any time, but the subjects and reasons for calling such meeting shall be clearly stated in such request. In this regard, the Board of Directors shall proceed to call a meeting of shareholders to be held within forty-five (45) days as from the date of receipt of such request from the shareholders.
- In case the Board of Directors does not hold the meeting within the period as prescribed under paragraph three (3), the shareholders who subscribe their names or other shareholders holding the number of shares as required may call such meeting within forty-five (45) days from the date under paragraph three (3). In this regard, the meeting shall be deemed as the Shareholders' Meeting called by the Board of Directors. The

Company shall be responsible for necessary expenses incurring from such meeting and reasonably provide facilitation.

In case the meeting summoned by such shareholders under paragraph four (4) is not constitute a quorum as prescribed in Article 30, the shareholders under paragraph four (4) shall jointly responsible to the Company for expenses incurred from such meeting.

Article 29 The Board of Directors shall summon a Shareholders' Meeting by sending a notice to the shareholders not less than 7 days before the date of the meeting. The notice shall specify the place, date, time and agenda of the meeting and the subject matter to be submitted to the meeting together with appropriate details – specify clearly agenda that to acknowledge, or to approve, or to consider and also compose of the Board of Directors' opinion. Such notice shall be published in a newspaper or via electronic means, through the process which shall be in accordance with the applicable laws, not less than 3 consecutive days in advance of the date of the meeting date at least 3 days.

Article 30 The quorum of a Shareholders' Meeting shall be either not less than 25 shareholders or proxies (if any) presented, or not less than half of the total number of shareholders, and the total number of shares altogether should not less than one-third of the total number of shares sold.

Under each Shareholders' Meeting, Board of Directors may determine to have the Shareholders' Meeting through electronic media in accordance with the rules and procedures as prescribed by the related laws.

The Shareholder's Meetings through electronic media and the sending of a summoning notice for the Shareholder's Meetings including its related documents shall be conducted under the procedure and period as provided by the laws and Articles of Association or sent by electronic mails but it will be sent in accordance with the period and advertisement in newspapers or via electronic means, through the process which shall be in accordance with the applicable laws.

The Shareholders, who attended the Shareholders' meeting through electronic media with the same procedures and terms as mentioned above, shall be deemed to be the attendance of the Shareholders' meeting which can be counted to constitute a quorum for Shareholders' meeting and shall be deemed to be the legally meeting under the related laws.

When 1 hour has elapsed from the appropriated time fixed for any Shareholders' Meeting and the number of shareholders presenting at the meeting does not constitute a quorum as specified, if such meeting is a Shareholders' Meeting convened because of a request from shareholders, it shall be extinguished. If it is not convened because of a request from shareholders, it shall be re-convened by sending notice to shareholders not less than 7 days prior to the meeting. At this later, a quorum as prescribed is not compulsory.

The shares held by the Company, are not be counted to constitute a quorum for a Shareholders' Meeting.

Article 31 The resolution of a Shareholders' Meeting shall require the following votes:

(1) In an ordinary case, it shall be adopted by a simple majority vote of the shareholders who attend the meeting and cast the vote. In case of equality of votes, the Chairman of the meeting shall have an additional casting vote. One share shall be counted as one vote.

- (2) In the following cases, it shall be adopted by the votes of not less than three fourths of the total votes of the shareholders who attend the meeting and have the right to vote:
- (a) Sale or transfer of the whole or a material part of the Company's business to others;
  - (b) Purchase or acceptance of transfer of other entity or private company to the Company.
  - (c) Execution, amendment or termination of a contract in relation to the leasing of the whole or a material part of the Company's business, assignment to other person to manage the Company's business or consolidation of the business with other persons with the purpose of profit and loss sharing.

In this regard, the shares held by the Company are not be eligible for votes casting and will not be counted to constitute the resolution of the Shareholders' Meeting.

Article 32 The agendas which an Annual General Meeting of Shareholders shall require are as follows:

- (1) To consider the declaration of the past operational results.
- (2) To consider and approve the Company's Balance Sheet.
- (3) To approve the appropriation of the profit.
- (4) To approve the appointment of a new director in replacement to a director who are due to retire by rotation.
- (5) To approve the appointment of the Company's auditor.
- (6) To consider other issues.

## CHAPTER VI

### ACCOUNTING, FINANCIAL STATEMENTS AND ACCOUNTING AUDITS

Article 33 The fiscal year of the Company shall commence on the 1st of January and end on the 31st of December of each year.

Article 34 The Company shall arrange for making, maintaining, as well as auditing the accounts in accordance with the laws concerning therewith, and shall arrange for making a balance sheet and a profit and loss statement, at least once in every fiscal year.

Article 35 The Board of Directors shall arrange for making a balance sheet and a profit and loss statement on the last day of the fiscal year of the Company and submit them to the Annual General Meeting of Shareholders. Prior to submitting them to a Shareholders' Meeting, the Board of Directors shall arrange for the balance sheet and the profit and loss statement to be audited.

Article 36 The Board of Directors shall send the following documents to the shareholders together with the notice summoning an Annual General Meeting.

- (1) Copies of the audited balance sheet and profit and loss statement together with the report from the auditor thereon;
- (2) Annual report of the Board of Directors.

- Article 37 Dividends cannot be disbursed from other sources of funds except profits. In the event that the Company has accumulated losses, no dividends will be paid.
- Dividend payments are equally divided according to the number of shares. Treasury stock will not receive any dividend payments.
- The Board of Directors may authorize interim dividend payments from time to time when there are reasonable profits to support the move and such decision will be announced at the next shareholders' meeting.
- Dividend payments should be made within 1 month from an Annual General Meeting or whenever the Board of Directors consents, according to circumstances. The notice has to be made in writing to all shareholders and the notification of impending dividend payments announced in Thai newspapers or via electronic means, through the process which shall be in accordance with the applicable laws, over 3 consecutive days.
- Article 38 The Company has to allocate not less than 5% of annual net profits as statutory reserves, net of accumulated losses (if any), until the value of statutory reserves is not less than 10% of registered capital.
- Article 39 The auditor shall not be the Company's director, staff member, employee or person holding any position in the Company.
- Article 40 The auditor has the right to examine, at any time during the office hours of the Company, all books of account, documents and any other evidence relating to the Company's income, expenses, assets and liabilities. For this purpose, the auditor shall be entitled to ask any of the Company's directors, staff members, employees, responsible persons, and agent to provide any related clarification or documents in respect of the Company's operation.
- Article 41 The Company's auditors are responsible to attend every Shareholders' Meeting whenever there occurs the agenda of considering the Company's Balance Sheet, Profit and Loss Statements, or any accounting difficulties of the Company, in order to provide clarification or explanation on accounting audit to shareholders. The Company shall deliver all related reports and documents necessary for shareholders to its auditors as well.

## CHAPTER VII MISCELLANEOUS

- Article 42 If the Company entered into a connected transaction agreement, the Company must comply with the rules of the Stock Exchange of Thailand.
- Article 43 The seal of the Company is as below:

