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## **Articles of Association of Delta Electronics (Thailand) Public Company Limited**

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### **Chapter 1 General Provisions**

#### **Article 1**

“Company” as used herein means Delta Electronics (Thailand) Public Company Limited.

#### **Article 2**

These by-laws shall be called the “Articles of Association of Delta Electronics (Thailand) Public Company Limited”.

#### **Article 3**

Unless otherwise stipulated in these by-laws, the provisions of Public Companies Limited Act B.E. 2535 shall apply.

### **Chapter 2 Share Issuance**

#### **Article 4**

The shares of the Company shall be ordinary shares entered in named certificates with par value 10 satang and shall be fully paid in one lump sum. The subscribers or purchasers of shares shall not set off their debts with the Company.

#### **Article 5**

Any subscriber of shares who fails to pay for the price of shares and premium or to transfer the ownership in the property to the Company shall be subject to warning notice of the Board of Directors requiring him to pay for the price of shares and premium in full or to transfer the ownership in the property or execute evidence or documents in respect of the exercise of various rights within 14 days from the date of such warning notice. Such notice shall also specify that the Board of Directors may sell the shares by public auction if the subscriber fails to do so within the time specified in such warning notice. If the subscriber fails to do so within such specified time, the Board of Directors will sell such shares by public auction within 7 days from the date such time has elapsed.

The proceeds derived from the sale by public auction shall be applied for the payment of the share price and premium. The remaining (if any) shall be returned to the subscriber. If the amount received for such shares sold by public auction is less than the price of shares, the Board of directors shall collect the deficiency from the subscriber without delay.

#### **Article 6**

The shares of the Company shall be indivisible. If two or more persons jointly subscribe for or hold share or shares, anyone of them shall be appointed as the person with the right and capacity as share subscriber or shareholder, as the case may be.

A share certificate shall contain the joint signatures of the Chairman and Vice Chairman with the Company seal affixed or the joint signatures of either the Chairman or the Vice Chairman and another director with the Company seal affixed.

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Board of Directors may delegate to the share registrar under the Law on Securities and Exchange to affix or print his signature on their behalf. In case the Company appoints the Securities and Stock Exchange as Registrar, the procedure of registration of shares shall be in accordance with the law on Securities and the Stock Exchange.

## Article 7

The Company shall prepare share certificates for delivery to the buyer within two (2) months from the date Registrar accepts the registration of the Company, or from the date the payment for shares has been received in full in the case of issue of unsubscribed or new shares.

## Article 8

In respect of a share certificate which is defaced or damaged in essence, the shareholders may request for a new share certificate in substitution thereof, and a new share certificate shall be issued within fourteen (14) days from the date of receiving the request.

In case a share certificate is lost or damaged, the shareholder shall submit to the Company evidence of lodging a complaint with the police or other evidence which the Company deems appropriate. The Company shall issue a new share certificate to such shareholder within fourteen (14) days from the date of receiving the said evidence.

The Company may charge a fee for issuance of a new share certificate in substitution of the lost, defaced or damaged share certificate or for issuing a copy of the register of shareholders whether in full or part, together with the certification by the Company, at the rate fixed by the law.

## Article 9

The Company is prohibited from owning or accepting a pledge of its own shares, except a buy back of shares in the following cases:

- (1) from any shareholder who objects to a shareholders' resolution approving any amendments to the Articles of Association concerning the voting rights and dividend entitlements under which he/she considers that he/she is unfairly treated; or
- (2) for the purposes of its financial management in case where the Company has retained earnings and surplus liquidity, but such share buy back shall not cause any financial difficulties to the Company.

The bought back shares will not be part of a quorum of a meeting of shareholders, nor will the Company be eligible to cast votes or to receive dividends.

The Company shall sell or dispose of all of the bought back shares within the period specified in the share buy back scheme. After the specified period, the Company shall proceed to cancel the unsold shares it holds through a reduction of paid-up capital.

The share buy back, the sale or disposal of the bought back shares and the reduction of paid-up capital process in respect of the bought back shares including the number of shares, the purchase and disposal price or any other relevant procedures shall be made in accordance with the criteria and procedures prescribed in the relevant ministerial regulations. If the Company's shares are listed on the Stock Exchange of Thailand, the Company will comply with the regulations, notifications, orders and rules of the Stock Exchange of Thailand, the Securities and Exchange Commission or other relevant authorities.

If the number of shares to be bought back is ten (10) percent of the total paid-up capital or less, the share buy back scheme can be approved by the board of directors. If the number of shares to be bought back is more than 10 percent of the total paid-up capital, the Company shall obtain a resolution passed by a majority of the votes cast by the shareholders attending and eligible to vote at the meeting.

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## **Chapter 3** **The Transfer of Share**

### **Article 10**

The shares of the Company may be transferred without any restriction.

### **Article 11**

Subject to Article 10 hereof the share transfer shall be regarded as valid upon the transferor's endorsement of the share certificate by stating the name of the transferee and affixing the signatures of both the transferor and the transferee and upon delivery of the share certificate to the transferee. The said transfer of shares shall be valid against the Company upon the Company having received an application for registration of the transfer of shares and shall be valid against third parties upon the entry of such transfer by the Company in share registrar book.

If the Company considers that such transfer of shares is in accordance with the law and articles of association of the Company, the Company shall register the transfer of shares within fourteen (14) days from the date of receipt of the application. If such transfer of shares is incorrect or invalid, the Company shall inform the applicant within seven (7) days.

If the shares of the Company have been registered in the Securities Exchange of Thailand, the transfer of shares shall comply with the Securities and Exchange Act.

### **Article 12**

In case a shareholder dies or becomes bankrupt and if the person entitled to the shares returns the former share certificate and produces lawful complete evidence, the Company shall effect registration thereof and issue new share certificate to him within one (1) month from the date of receipt of complete evidence.

## **Chapter 4** **Board of Directors**

### **Article 13**

The Company shall be managed by a Board of Directors, consisting of not less than five (5) persons, and not less than a half of the total number of directors shall have residence within the Kingdom and must have qualifications as prescribed by the law.

The remuneration of the directors of the Company shall be fixed by a meeting of Shareholders of the Company.

### **Article 14**

The election of Board of Directors shall be in accordance with the rules and procedures as follows:

- (1) Each shareholder shall have one vote on each share.
- (2) Each shareholder shall exercise all the votes he has under (1) to appoint the nominated person or nominated persons to be director on a person-by-person basis or en bloc basis, provided that he cannot divide his vote to any person to any or in the basis extent.
- (3) The person obtaining the most votes in descending order shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of positions exceed the positions required or ought to be, the Chairman of the meeting shall have a casting vote.

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## Article 15

At every annual general ordinary meeting, one-thirds (1/3) of the directors shall retire from office. If the number is not a multiple of three, the number of directors closest to one-thirds (1/3) shall retire from office.

The directors retiring from their office in the first and second years after registration shall be made by drawing lots. For subsequent years, the directors who have held office longest shall retire. The directors retired under this Clause are eligible for re-election.

## Article 16

Apart from retirement by rotation, the directors shall vacate office upon:

- (1) Death;
- (2) Resignation;
- (3) Lack of qualifications or being disqualified under the Law on Public Company Limited Act.
- (4) Removal by a resolution of the shareholders' meeting;
- (5) Removal by a court order.

## Article 17

Any director wishing to resign from his office shall submit his resignation letter to the Company, and the resignation shall be effective on the date the resignation letter reaches the Company.

The director who resigns under the first paragraph may notify the Registrar of his resignation.

## Article 18

In case a directorship becomes vacant other than on retirement by rotation, the Board of Directors shall elect a person who has qualifications and who is not disqualified under the Law at the subsequent meeting of the Board of Directors. Except when the remaining term of the director is less than two months, the replacing director shall hold office only for the remaining term of office of such director he replaces.

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

## Article 19

The meeting of shareholders may pass a resolution to remove any director prior to retirement by rotation by a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote and having shares in aggregation not less than a half of the number of shares held by shareholders attending the meeting and having the voting rights.

## Article 20

The board of directors shall have the power to appoint the director as the Chairman.

In case the Board of Directors deems it appropriate, the Board may elect one or several directors as Vice Chairman who shall have the duties according to the articles of association in the business assigned by the Board Chairman.

The Chairman shall act as Chairman of both the Board of Directors meeting. In the event that the Chairman is absent or is unable to discharge his duty, if a Vice Chairman is present, he shall take the chair. If there is no Vice Chairman or if there is one but he is unable to discharge his duty, the directors present at the meeting shall elect one director among themselves to be the Chairman of that Meeting.

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## Article 21

At a meeting of the board of directors, there shall be not less than one half of the total number of directors attending the meeting in order to constitute a quorum.

Decisions of the meeting shall be made by a majority vote.

Each director shall have one vote, but the director who has interests in any matter shall have no right to vote on such matter. In case of a tie vote, the Chairman of the meeting is entitled to a casting vote.

## Article 22

In summoning of a meeting of the Board of Directors, the Chairman or the person assigned by him shall summon a directors meeting by sending notices of the meeting to the directors, not less than seven (7) days prior to the date of the meeting. However, in case of necessity and urgency for the purpose of maintaining the rights or interests of the Company, the summon of a meeting may be made by other methods and the date of the meeting may be fixed sooner.

## Article 23

The Board of Directors shall hold a meeting at least once in three (3) months at the head office of the Company or in the provinces in the Kingdom or at any other place as the Board of Director deems appropriate. The Board Chairman shall convene the meeting of directors. Two or more directors may also request the Board Chairman to convene a meeting of Board of Directors. In such case, the Board Chairman shall fix the date of the meeting within fourteen (14) days from the date he receives such a request.

## Article 24

The Board of Directors may appoint any person to operate the business of the Company under the control of the Board or may empower the said person to perform any business as the Board deems fit and for the period of time as the directors deems appropriate. The Board of Directors may withdraw or amend the said power.

The person who so empowered or appointed shall perform his duties under the regulations, order or policy fixed by the Board of Directors.

## Article 25

The directors shall perform their duties in compliance with the Laws and Objectives and Articles of Association of the Company as well as the resolutions of the shareholders meeting.

Two directors shall be authorized to sign with the Company's seal affixed. The Board of Directors may specify the names of the directors authorized to sign and bind the Company together with the Company's seal affixed

## Article 26

The Company shall cause the register of Directors, Minutes of the Board of Directors Meeting, and the Minutes of the Shareholders Meeting to be kept at the Company's head office. However, the Company may entrust any person to keep the said documents on behalf of the Company at any place which is either in the locality of the head office or in a neighboring province, provided that the Company shall first inform the Company Registrar thereof.

## Article 27

The continuing Directors may perform their duties notwithstanding any vacancy in the Board of Directors. However, in case the number of the Directors falls below the number required to be a quorum, the continuing Directors shall not, except for calling the shareholders' meeting to fill in the vacancies, perform any act.

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## Article 28

All transactions of the Company done by the Board of Directors, Director or person entrusted by the Board in the Company's name shall be valid and binding upon the Company, even though it appears thereafter that there is a defect in the election, appointment or qualification of Directors.

## Article 29

The Board of Directors may assign one or more directors to perform any act on its behalf as the Board of Directors may think fit and the Board of Directors may cancel, withdraw or amend said authority.

## **Chapter 5** **General Meeting**

## Article 30

The general meetings of the Company shall be held at the registered office of the Company or at such other place and such date and time as the directors may decide and indicate in the notice for the meeting.

## Article 31

- 1) The Board of Directors shall arrange for an annual ordinary meeting of shareholders within four (4) months from the last day of the accounting period of the Company.
- 2) All other general meetings are called "extraordinary meeting".
- 3) 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 the case that the Board of Directors does not hold such meeting within the period specified in the first paragraph, the shareholders who have submitted the requestor other shareholders holding the aggregate number of shares as prescribed in this Article may hold the meeting by themselves within forty-five days from the lapse of the period referred in the first paragraph. In this case, it shall be deemed that such shareholder's meeting is the meeting called by the Board of Directors. The Company shall be responsible for all necessary expenses incurring from the holding of the meeting and reasonable facilitation.

In the case that the quorum of the meeting convened as requested by the shareholders according to the second paragraph cannot be formed as required by this Articles of Association, the shareholders under the second paragraph shall be jointly responsible for any expenses incurring from the convening of such meeting.

## Article 32

In summoning meeting of shareholders, whether ordinary or extraordinary, the Board of Directors shall deliver to shareholders and the registrar notice of the meeting specifying the place, day, time and agenda of the meeting and the business to be



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transacted at the meeting together with sufficient details, stating clearly whether they will be for acknowledgment, for approval or for consideration including the opinions of the Board of Directors on the said matters, not less than seven (7) days before the date of the meeting. Besides, the notice of the meeting shall also be published three (3) consecutive days in a newspaper with the last publication appearing not less than three (3) days prior to the date of the meeting.

## Article 33

The meeting of shareholders must be attended by shareholders or proxies (if any) not less than twenty-five (25) persons or not less than half of total number of shareholders holding in an aggregate number of shares not less than one-thirds (1/3) of shares issued, to constitute a quorum.

## Article 34

If at any meeting of shareholders, after one hour from the time fixed for the meeting a quorums not constituted, and if such meeting of shareholders is requested for by the shareholders such meeting shall be dissolved. If such meeting of shareholders is not called for by the shareholders, the meeting shall be adjourned to a new date to be notified in writing to every shareholder whose name appears in the Share Register within seven (7) days and at such adjourned meeting any number of shareholders actually present shall constitute a quorum.

## Article 35

- 1) At a meeting of shareholders, shareholder may appoint any other person who is a sui juries by a proxy to appear and vote on his behalf. The proxy form must be dated and signed by the principal in the form prescribed by the Registrar, and which contain at least the following:
  - 1) number of shares held by the principal;
  - 2) name of the proxy;
  - 3) serial number of the meeting which the proxy is authorized to attend and vote.
- 2) The instrument appointing the proxy must be deposited with the Chairman or other person designated by the Chairman at that meeting before commencement of the meeting.
- 3) In the event the proxy appointed who is or is not a shareholder receives more than one (1) appointment as proxy, he shall be entitled to cast as many votes as appointments he holds in addition to his personal vote if he is a shareholder.

## Article 36

The Chairman of the Board of Directors shall preside over the meeting of shareholders. In the event the Chairman is absent or unable to perform the duty, and in case there is a Vice Chairman, the Vice Chairman shall be act as Chairman. In case there is no Vice Chairman or if there is one but he is absent or unable to perform the duty, the shareholders present shall elect a shareholder to act as Chairman.

## Article 37

The resolution of the meeting of shareholders shall be supported by the following votes:

- 1) in a normal case, by the majority vote of the shareholders who attend the meeting and have the right to vote. In case of a tie vote, the chairman of the meeting shall be entitled to a casting vote.
- 2) in the following cases, by a vote of not less than three-fourths (3/4) of the total number of shareholders present at the meeting and entitled to vote :

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- a) the sale or transfer of whole or substantial part of business of the Company to other person.
- b) the purchase or acceptance of transfer of businesses of other companies or private companies to the Company.
- c) entering into, amending or terminating the contract relating to the leasing out of the whole or substantial part of the business of the Company; the assignment to anyone else to manage the business of the Company or the amalgamation of the business with other persons with an objective to share profit and loss.
- d) the amendment of the memorandum of association or articles of association.
- e) the increase or reduction of the capital of the Company or the issuance of debentures.
- f) the amalgamation of companies or liquidation of the Company.

## Chapter 6

### Auditor

#### Article 38

The shareholders in a general meeting shall appoint an auditor and fix his remuneration.

#### Article 39

A retiring auditor is eligible for re-appointment.

#### Article 40

The auditor must not be a director, official, employee or person holding any position within the company.

#### Article 41

The auditor shall have access at all business hours of the Company to the books and account and other evidence relating to revenue, expenditure, assets and liabilities of the Company, and shall be entitled to require from the Directors and other officers and employees of the company such information and explanation as may be necessary for the performance of the duties of auditor. The auditor shall make a report to the annual general meeting on the balance sheet and profit and loss accounts and must state in such report whether in their opinion the balance sheet and profit and loss accounts is properly prepared so as to exhibit a true and correct view of the state of affairs of the Company.

#### Article 42

The auditor has the duty to attend every meeting of shareholders whenever it is held to consider the balance sheet, the profit and loss statement and problems concerning the accounts of the Company in order to give explanations to shareholders about the auditing of accounts and the Company shall also send to the auditor the reports and documents of the company that should be sent to shareholders in the meeting of shareholders.

## Chapter 7

### Dividends and Reserve

#### Article 43

No dividend shall be paid other than out of profit. In the case where a Company has accumulated losses, no dividend shall be paid.



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A dividend shall be paid according to the number of shares, each share being equally paid and the payment of dividend requires the approval of the shareholders' meeting.

The Board of Directors may pay to the shareholders such interim dividends as may be justified by the profits of the Company. When these dividends are paid, the next meeting of shareholders shall be notified.

Dividend must be paid within one (1) month after the resolution of the meeting of shareholders or of the Board of Directors is passed, as the case may be. Notice of distribution of dividend in writing must be sent to the shareholders and publication of the notice of the payment of dividend shall also be made in a newspaper. No interest can be charged against the company if and dividend payment has been made within the time specified by law.

## Article 44

The Company must appropriate to a reserve fund at least five (5) percent of its annual net profit less accumulated loss (if any) until the reserve fund reaches not less than ten (10) percent of the registered capital. The Board of Director may propose to the shareholders meeting to adopt resolution for a particular reserve as it deems appropriate for the purpose of Company's business operations.

## **Chapter 8** **Books and Accounts**

## Article 45

The accounting period of the Company commences on the first day of January and ends on the thirty-first day of December of every year.

## Article 46

The Company's books and accounts may be kept in Thai or in English languages with Thai translation wherever required by law.

## Article 47

The directors shall cause true and complete account to be kept:

- a) of the sums received and expended by the Company and of the matters in respect of which each receipt or expenditure takes place; and
- b) of the assets and liabilities of the Company.

## Article 48

The Company shall arrange for the preparation and keeping of accounts as well as the auditing thereof in accordance with the law governing same, and shall make a balance sheet and profit and loss statements at least once every twelve (12) months of the accounting period of the Company and submit the same to the annual ordinary meeting of shareholders for approval.

## Article 49

The Board of Directors must send the following documents to shareholders, together with the letter summoning the annual ordinary meeting:

- (1) A copy of the balance sheet and profit and loss statement examined by the auditor together with the report of examination by the auditor.
- (2) Annual report of the Board of Directors.

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## Article 50

- 1) The Board of Directors must cause minutes of all proceedings and resolutions of shareholders and directors to be duly entered in Thai languages in the books which shall be kept at the registered office of the Company. Any such minutes signed by the Chairman of the meeting at which such resolutions were passed, or by the Chairman of the next succeeding meeting, are presumed correct evidence of the matters therein contained.
- 2) Any shareholder may at any time during business hours inspect the documents referred to in Article 49 (1) of this Articles and may request the Company to furnish such certified true and correct documents to him at his own expenses subject to the rate specified by law.

## **Chapter 9**

### **The Connected Transactions**

## Article 51

*In cases of the Listed Company:*

In case the company or its subsidiary makes a decision to enter into any connected transaction or any transaction relating to the acquisition or disposition of the Company's assets as specified by the Notification of the Stock Exchange of Thailand regulating connected transaction of a listed company or acquisition or disposition of assets of a listed company, as the case maybe, the Company shall comply with the rules and procedures stipulated by such Notifications, *mutatis mutandis*.

## Article 52

*In case of the Subsidiary of the Listed Company:*

In case the company makes a decision to enter into any connected transaction or any transaction relating to the acquisition or disposition of the Company's assets as specified by the Notification of the Stock Exchange of Thailand regulating connected transaction of a listed company or acquisition or disposition of assets of a listed company, as the case maybe, the Company shall comply with the rules and procedures stipulated by such Notifications, *mutatis mutandis*.

## **Chapter 10**

### **Additional Provisions**

## Article 53

The Corporate Seal of the Company is [Seal].

## Article 54

The company may issue any debentures, convertible debentures which can be converted into ordinary shares, warrant or any other securities under the law of Securities and the Stock Exchange to sell to the shareholders, public or any person.

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