

(Translation)

**Carabao Group Public Company Limited and its Subsidiaries**

**The Company's Board of Directors Charter**

The Company's Board of Directors' Meeting No. 2/2559 of May 13, 2016 resolved to approve the **Board of Directors Charter**, which will take effect as from May 13, 2016 onwards.

The qualifications of the members of the Board of Directors of the Company and its subsidiaries regarding the holding of offices for members of the Board of Directors in companies listed on the securities exchange are added thereto.

Approved by

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Sathien Setthasit  
(Chairperson)

## **Carabao Group Public Company Limited (“Company”) and its Subsidiaries**

### **The Company’s Board of Directors Charter**

#### **1. Introduction**

The Board of Directors, as the representative of the shareholders, play an important role in determining the direction for the Company’s and its subsidiaries’ businesses, as well as supervising the management of the Company and its subsidiaries in accordance with laws, objectives, and rules, for the purpose of creating value for the businesses and for the optimal benefit of the Company and its shareholders in the long term.

The Company’s Board of Directors realizes the importance of good governance in promoting confidence among shareholders and every interested party. Each member of the Board of Directors will perform his/her duty with responsibility, in good faith and with care in the preservation of the benefits of the Company and its subsidiaries and will act in accordance with laws, objectives, rules, and resolutions of the Board of Directors, as well as with the resolutions of shareholder meetings.

Therefore, this Charter of the Board of Directors of Carabao Group Public Company Limited and its subsidiaries is intended to enable the members of the Board of Directors of the Company and its subsidiaries to understand their roles, duties and responsibilities toward the shareholders of the Company and its subsidiaries and to show that they can perform such duties in an efficient, effective and transparent manner.

#### **2. Elements**

2.1 The Board of Directors consists of at least 5 members.

2.2 Regarding the structure of the Company’s Board of Directors, there must be independent directors of at least one-third of the total directors, which must be no less than 3 members. These independent directors must be independent from control by the management and the major shareholders and must not be involved or interested in the finance and management of the business, and must be fully qualified in accordance with the Criteria Re Qualifications of Independent Directors as specified in the Notification of the Capital Market Supervision Board No. TorJor. 28/2551 Re: Application for Permission to Sell Newly-Issued Shares and Its Permission (“**Notification TorJor. 28/2551**”).

2.3 The Board of Directors shall consist of at least 3 members of the Audit Committee, and these members of the Audit Committee must be fully qualified in accordance with the Notification TorJor. 28/2551 and their scope of duties and responsibilities must be as required by the Stock Exchange of Thailand (“**Stock Exchange**”).

2.4 The Board of Directors shall elect from one among them to be a Chairperson, and may, as deemed appropriate by the Board of Directors, elect one or many members from among them to be Vice Chairperson(s).

#### **3. Qualifications**

3.1 A member of the Board of Directors must have knowledge, ability and experience that is beneficial to the Company’s business operations, must act in good faith and be ethical in business operations and have sufficient time to devote his/her knowledge and ability to perform duties in favor of the Company and its subsidiaries to the full extent.

3.2 A member of the Board of Directors must be fully qualified and should not have prohibited qualifications, in accordance with the law governing limited public companies and the law governing securities and exchange, and must not have characteristics that exhibit unsuitability for managing a business whose shareholders are the public, as required by the Securities and Exchange Commission, and must be a person whose name appears in the data system of listing the names of directors and executives of a company that issues securities in accordance with the Notification of the Capital Market Supervision Board Governing the Criteria for Exhibiting a Person’s Name in the Data System of Name List of Directors and Executives of a Company that Issues Securities.

3.3 A member of the Board of Directors cannot operate a business that shares the same nature as that of, and competes with that of, the Company and its subsidiaries, or cannot become a partner or a director of other juristic persons whose business is the same as that of, and competes with that of, the Company and its subsidiaries, for his/her own benefit or for others' benefit, unless such fact is notified to the shareholders' meeting before his/her appointment as a member of the Board of Directors.

3.4 If a member of the Board of Directors becomes a direct or indirect interested party with regard to an agreement prepared by the Company or its subsidiaries or holds increased or reduced shares in the Company or its subsidiaries, he/she must give notice regarding such to the Company or its subsidiaries without delay.

3.5 A member of the Board of Directors of the Company and its subsidiaries can hold the office of director for no greater than 5 companies listed on the securities exchange at the same time.

#### **4. Duties and Responsibilities**

4.1 The Board of Directors shall have the authority, duties and responsibilities to manage and operate the business of the Company and its subsidiaries in accordance with laws, objectives, rules as well as resolutions of the shareholder meetings in good faith and with care for the purpose of preserving the benefits of the Company, its subsidiaries and shareholders and to ensure that the Company and its subsidiaries comply with laws related to the business operations of the Company and its subsidiaries, including laws related to the prohibited payment of bribes or support of corruption.

4.2 The Board of Directors must meet at least once every three months, and the full quorum is required for such meeting when significant matters or transactions are to be considered and resolved, except in the case of necessities that are unavoidable. Significant transactions should include transactions related to the acquisition or sale of properties of the Company and its subsidiaries with significant impact on the Company, significant transactions of purchase or sale of properties, expansion of investment projects, consideration and approval of the entry into of related transactions in accordance with the Criteria of the Stock Exchange, the determination of the level of operating authority and the determination of policies with respect to financial management and business risk management, etc.

4.3 To ensure that the Company and its subsidiaries use accounting systems, financial reporting and accounting audit systems that are appropriate and effective and establish internal control systems and internal audit systems and document storage systems that enable subsequent examination of the correctness of data.

4.4 To arrange for financial statements of the Company and its subsidiaries to be prepared correctly at the end of the relevant accounting period in order to show the financial position and the operating results during the past accounting periods in a true, complete and correct manner, in accordance with the generally accepted accounting standards, and to arrange for these financial statements to be inspected by the relevant accounting auditor before their proposal to the shareholder meetings for the latter's consideration and approval.

4.5 To consider, review, inspect and approve visions, policies, directions, strategies, plans related to business operations of the Company and its subsidiaries by the management.

4.6 To determine targets, guidelines, policies, business operation-related plans, budgets of the Company and its subsidiaries, including to control and supervise the administration and management by the management in accordance with pre-determined policies, plans and budgets in an efficient and effective manner for the ultimate benefit of the Company, its subsidiaries and shareholders.

4.7 To monitor the operating results of the Company, its subsidiaries and associates on a continuous basis, in accordance with the action plans and budgets of the Company and its subsidiaries.

4.8 To consider determining risk management policies for use in the whole organization and to ensure that there is a system or process for managing risks with

standards and control methods intended to reduce impacts on the business of the Company and its subsidiaries, as appropriate.

4.9 To ensure that there are, and to comply with, policies with respect to the supervision of the business of the Company and its subsidiaries in accordance with written good governance and to apply such policies in an efficient manner for the purpose of providing assurance that the Company and its subsidiaries will be responsible to every related party in a fair manner.

4.10 To consider and determine work management structure; to appoint the Executive Board of Directors, the chief executive officer, the managing director, and other sub-committees, as appropriate, including to determine the scope of their authorities and duties.

This is provided, however, that the authorization or sub-authorization under the scope of pre-determined authorities and duties must not enable the Executive Board of Directors, the chief executive officer, the managing director and other sub-committees to consider and approve transactions that may cause any other conflicts of interest with the Company or its subsidiaries, except where it concerns the approval of transactions that are in line with the policies and criteria considered and approved by the shareholder meetings or the Board of Directors' meetings.

4.11 To consider appointing a person to be a member of the Board of Directors of the Company and its subsidiaries, if there is vacancy in the Board of Directors, other than retirement, by rotation. Such person must be qualified to become a member of the Board of Directors and must not have characteristics prohibited by the Public Company Limited Act BE 2535 (AD 1992) (including the amendments thereof), the Securities and Exchange Act B.E. 2535 (AD 1992) (including the amendments thereof) including related notifications, articles of association and/or rules.

4.12 To consider determining and changing the names of members of the Board of Directors authorized to sign to bind the Company and its subsidiaries. In addition, if there is vacancy in the Board of Directors, other than retirement by rotation, the Board of Directors shall elect a person who is qualified and does not have characteristics prohibited by the Public Company Limited Act and the Securities and Exchange Act to be a replacing member for the subsequent Board of Directors' meeting.

4.13 To consider appointing members to the Board of Directors of the Company and its subsidiaries in accordance with the ratio of the Company's shareholding in such subsidiaries and to consider fixing remunerations for these members and appointing a secretary for the Company.

4.14 To consider and approve transactions related to the acquisition or sale of properties, investment in new business and necessary actions in accordance with related laws, notifications, rules and criteria.

4.15 To consider, and/or provide opinions about, entry into of related transactions and/or entry into of transactions of the Company and its subsidiaries (if the values of the transactions do not meet the conditions where consideration and approval by shareholders' meetings is required), in accordance with related laws, notifications, criteria and rules.

4.16 To ensure that there will be no conflicts of interest among interested parties of the Company and its subsidiaries.

4.17 To arrange for appropriate data to be disseminated and for data to be disclosed to interested parties, persons with conflicts of interest and related parties in a correct, complete, appropriate and timely manner.

4.18 To prepare annual reports of the Board of Directors and to be responsible for preparing and disclosing financial statements aimed at showing the past year's financial position and operating results and to submit them to the shareholders' meetings for consideration and approval.

4.19 The Board of Directors may authorize its member or members or any other person to do any act on its behalf, subject to the control by the Board of Directors or may grant authorization so that these persons will be granted powers as deemed appropriate by the Board of Directors and within the time period deemed appropriate by the Board of

Directors, and may cancel, revoke, change or correct such authorization as deemed appropriate. This is provided, however, that the authorization or sub-authorization must not enable these persons to consider and approve transactions that may cause any other conflicts of interest with the Company or its subsidiaries (if any) (as defined in the notifications of the Capital Market Supervision Board and/or the Stock Exchange of Thailand and/or other notifications of related working agencies), except where it concerns the approval of transactions that are line with the policies and criteria considered and approved by the shareholder meetings or the Board of Directors' meetings.

4.20 To seek professional opinions from a third party organization, if necessary, in support of appropriate decision-making.

4.21 In order for the Company to control and supervise management and to be responsible for the work performance of subsidiaries and associates, as if these subsidiaries and associates were the Company's working agencies, and in order for the Company to have a mechanism to supervise subsidiaries and associates directly and indirectly and to have measures to follow up work management by subsidiaries and associates for the purpose of preserving benefits in investments of the Company, the following cases must be approved by the Board of Directors' meetings or shareholders' meetings (as the case may be).

Matters to be approved by the Company's Board of Directors' meetings:

(1) Appointment or nomination of persons to be members of the Board of Directors of subsidiaries or associates, at least according to the ratio of the Company's shareholding in such subsidiaries or associates, whereby members of the Board of Directors nominated or appointed by the Company shall, at their discretion, consider casting votes at the Board of Directors' meetings of subsidiaries and associates in the matters regarding general management and normal business operations of subsidiaries and associates, as deemed appropriate by members of the Board of Directors of subsidiaries and associates for the ultimate benefits of the Company, its subsidiaries and associates, except for the matters specified in this Sub-Clause 4.21.

The members of the Board of Directors under the foregoing paragraph who are so nominated must have qualifications, roles, duties, responsibilities and do not lack reliability in accordance with the Notification of the Securities and Exchange Commission governing the determination of characteristics that constitute lack of reliability of members of the Board of Directors and executives of the Company.

(2) The case where subsidiaries agree to enter into transactions with related persons of subsidiaries or transactions related to the acquisition or sale of assets of subsidiaries, whereby the criteria specified in the related notification of the Capital Market Supervision Board and the notifications of the Stock Exchange of Thailand Committee will apply thereto mutatis mutandis, and this must be the case where the sizes of transactions entered into by subsidiaries when calculated in comparison with the size of the Company in accordance with such criteria meets the criteria for which consideration and approval by the Company's Board of Director is required.

(3) Consideration of payment of annual dividends and interim dividends (if any) of subsidiaries.

(4) Amendment of articles of association of subsidiaries.

The transactions under Sub-Clause (5) to Sub-Clause (11) are deemed to be material and/or the entry into of these transactions may have a significant impact on any subsidiaries' financial position and operating results. Before convening the Board of Directors' meetings of subsidiaries, those that the Company appoints as members of the Board of Directors of subsidiaries, who will cast votes for the following matters, must be first approved by the Company's Board of Directors, and this must be the case where the sizes of transactions entered into by subsidiaries, when calculated in comparison with the size of the Company, whereby the criteria specified in Notification of the Capital Market Supervision Board and the Stock Exchange of Thailand Committee Re: Acquisition and Sale of Properties will apply thereto mutatis mutandis meets the criteria for which consideration and

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approval by the Company's Board of Directors is required. These transactions are as follows:

(5) The transfer or a waiver of benefits whose values exceed the approval authority of the Executive Board of Directors of the Company in the approval of expenses, including a waiver of claims against those who cause damage to subsidiaries.

(6) The sale or transfer of the important business of subsidiaries in whole or in part to other persons.

(7) The purchase or acceptance of transfer of business of other companies at a significant ratio to subsidiaries.

(8) The entry into, correction or cancellation of agreements in relation to leasing to others of businesses of subsidiaries that is material in whole or in part; authorizing other persons to manage businesses of subsidiaries or a business merger with other persons for the purpose of profit and loss sharing.

(9) The rental or hire-purchase of businesses or properties of subsidiaries that are material in whole or in part.

(10) Borrowing of money, lending of money, grant of credit facility, guarantee, entry into of juristic acts binding upon subsidiaries in a manner that causes greater financial burdens if a third party lacks liquidity or is unable to perform obligations; or provision of financial assistance by any other means to other persons, not in normal course of business of subsidiaries.

(11) Dissolution of business of subsidiaries.

Matters to be approved by the Company's shareholders' meetings

The following matters must be approved by the Company's shareholders' meetings with votes of at least three-fourths (3/4) of the total votes of shareholders present and having voting rights before subsidiaries enter into transactions:

(12) The case where subsidiaries agree to enter into transactions with related persons of subsidiaries or transactions related to acquisition or sale of assets of subsidiaries whereby the criteria specified in the related notification of the Capital Market Supervision Board and the notifications of the Stock Exchange Committee (as the case may be) will apply thereto mutatis mutandis, and this must be the case where the sizes of the transactions entered into by subsidiaries when calculated in comparison with the size of the Company, in accordance with such criteria, meets the criteria for which approval by the Company's shareholders' meetings is required, in accordance with such criteria.

(13) Capital increase through issuance of additional shares of subsidiaries and share allocation including a reduction in registered capital, which is not in accordance with shareholders' original shareholding ratio, which results in direct and indirect shareholding ratio of the Company in subsidiaries in any level of shareholding being reduced to more than or to 10 percent of the paid-up capital of such subsidiaries or which results in direct and indirect shareholding ratio of the Company in subsidiaries at any level of shareholding being reduced to less than 50 per cent of the paid-up capital of such subsidiaries.

(14) Performance of any other acts that results in the direct and indirect shareholding ratio of the Company in subsidiaries at any level of shareholding being reduced to more than or to 10 per cent of the paid up capital of subsidiaries or which results in direct and indirect shareholding ratio of the Company in subsidiaries in any level of shareholding being reduced to less than 50 per cent of the paid-up capital of subsidiaries, as regards the entry of any other transactions that are not normal business transactions of subsidiaries.

(15) Dissolution of business of subsidiaries, and the size of the dissolved business of subsidiaries, when compared with the size of the Company, whereby the criteria specified in the Notification of the Capital Market Supervision Board and the Stock Exchange of Thailand Committee Re: Acquisition and Sale of Properties will apply thereto mutatis mutandis, and this must be the case where the sizes of transactions entered into by subsidiaries when calculated in comparison with the size of the Company meets the criteria for which consideration and approval by the Company's shareholders' meetings is required.

4.22 The members of the Board of Directors and the management must report their interest or the interest of related persons involving the business management of the Company or its subsidiaries, in accordance with the criteria, conditions and procedures required by the Capital Market Supervision Board.

4.23 The members of the Board of Directors and the management of the Company must be jointly liable to persons who buy and sell securities of the Company for damage caused by disclosure of data to the shareholders or the public, which is made by exhibiting statements that are false in material respect or concealing facts that should be notified in material respect, as specified in the laws related to securities and exchange, unless such member of the Board of Directors and the management can prove by their position that they do not know of the authenticity of the data or the lack of data that should be notified.

4.24 The members of the Board of Directors, the management including their spouses and children, who have not reached their legal age, shall not use internal data of the Company and of its subsidiaries or associates, which are derived from their performance of duties or by any other means and which have or may have a significant impact on the Company, subsidiaries or associates, for their own benefit or for others' benefits, directly or indirectly, and whether with or without remuneration.

4.25 The members of the Board of Directors and the management of the Company and subsidiaries, including their related persons, shall have the duty to inform the Company of relationships and entries into transactions with the Company, subsidiaries or associates in a manner that may cause conflicts of interest and to avoid entering into transactions that many cause conflicts of interest with the Company, subsidiaries or associates.

## **5. Term of Office and Election of Members of the Board of Directors**

5.1 The election of members of the Board of Directors shall be in accordance with related rules and laws. These members must be recruited in a transparent and clear manner with regard to their educational history and professional experience, including their qualifications and absence of prohibited characteristics, with sufficient details for consideration for the benefit of decision-making by the Board of Directors and the shareholders.

5.2 At each annual ordinary shareholders' meeting, one-third of the members of the Board of Directors shall vacate office. If the number of members of the Board of Directors is not a multiple of three, the number that is nearest to one-third of members of the Board of Directors shall vacate office. Ballots shall be drawn as to which members of the Board of Directors will vacate office during the first and second years after the registration of the Company, and during subsequent years, the member of the Board of Directors, who is in office the longest, will vacate office.

5.3 Members of the Board of Directors, who vacate office by rotation, may be re-elected.

5.4 Other than retirement by rotation, members of the Board of Directors shall vacate office upon:

1. death;
2. resignation;
3. lack of qualifications or having characteristics prohibited by laws governing limited public companies and/or laws governing securities and exchange;
4. resignation, as resolved by the shareholders' meeting with votes of at least three-fourths of the number of shareholders present and having voting rights and holding shares for at least one half of the number of shares held by the shareholders present and having voting rights; or
5. resignation as ordered by court.

5.5 Any member of the Board of Directors who will resign shall submit a letter of resignation to the Company. The resignation shall take effect from the date on which the letter of resignation reaches the Company, and the resigning member of the Board of Directors may give notice regarding the resignation to the registrar of public companies.

5.6 If there is vacancy on the Board of Directors other than resignation by rotation, members of the Board of Directors shall elect any person with qualifications and having no characteristics prohibited by the law governing public limited companies and the law governing securities and exchange as a replacing member at a subsequent Board of Directors' meeting. Except where the term of office of the vacating member is less than 2 months, the replacing member shall hold office for the term to which the member who he/she replaced is entitled to.

**6. Meetings**

6.1 The Board of Directors' meetings shall be in accordance with laws and rules and must be attended by at least one-half of the total number of members of the Board of Directors, in order to form a quorum. If the chairperson is absent or is unable to perform his/her duties, and if there is a vice chairperson, the vice chairperson shall preside over the meeting. If there is no vice chairperson, or if there is a vice chairperson but he/she cannot perform the required duties, the members present shall elect one from among them to be a chairperson.

6.2 The decisions of Board of Directors' meetings shall be taken by a majority vote. Each member has one vote. Members of the Board of Directors shall not have the right to vote for any matter in which they have an interest. In case of a tie, the chairperson shall have a casting vote.

6.3 The Board of Directors' meetings shall be convened at least once every 3 months and shall be summoned by the chairperson. Or if necessary, 2 members of the Board of Directors or more may request the chairperson to summon the Board of Directors' meetings, and, in such case, the dates for convening the Board of Directors' meetings shall be determined by the chairperson within 14 days from the date of the request.

6.4 The chairperson or a member of the Board of Directors assigned by the chairperson shall determine the date and place for convening the Board of Directors' meetings. The place for convening the Board of Directors' meetings may be determined otherwise than the locality where the Company's head office is located or in a nearby province. If the chairperson or a member of the Board of Directors assigned by the chairperson does not determine the place for convening the Board of Directors' meetings, the place where the Company's head office is located shall be used as a meeting place.

6.5 In summoning the Board of Directors' meetings, the chairperson or a person so assigned shall give notice of the meetings via registered mail or deliver such notice directly to the members of the Board of Directors, specifying the dates, times and places and business to be transacted, at least 7 days in advance of the meeting dates. Except where it is urgent, for the purpose of preserving rights or benefits of the Company, notice of the meetings will be given otherwise, or dates of the meetings may be determined earlier.