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บริษัท การบินไทย จำกัด (มหาชน)



MEMORANDUM

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ARTICLES OF ASSOCIATION

OF

THAI AIRWAYS INTERNATIONAL

PUBLIC COMPANY LIMITED

(Translation)

**MEMORANDUM OF ASSOCIATION
OF
THAI AIRWAYS INTERNATIONAL
PUBLIC COMPANY LIMITED**

The details the Memorandum of Association of the Company are as follows:

- Clause 1.** Name of the Company “**BORISAT KARNBIN THAI CHAMKAT (MAHACHON)**”, writing in English language as “**THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED**”.
- Clause 2.** The company’s objective is to offer shares to the public.
- Clause 3.** The objectives of the Company comprise 15 Clauses are as follows:
- (1) To engage in transportation by air of persons, property and mail and all related activities.
 - (2) To purchase, hire, hire-purchase or otherwise acquire and to sell, let, leasepurchase or otherwise dispose of properties and things required for operation of the Company’s activities.
 - (3) To operate airport terminals, hangars, and maintenance facilities for the Company’s own aircraft and those of others, to operate an air cargo terminal as well as other concerned services and to furnish related services for other air carriers.
 - (4) To operate tours, hotels, restaurants, flight kitchen, sales of duty free goods, printing and advertising and related industries or activities.
 - (5) To act as agent for or representative of other carriers or persons in matters relating to the business or affairs of the Company.
 - (6) To invest in shares or stocks or other securities including buying/selling or exchanging of those shares, stocks, or of the said securities.
 - (7) To enter into cooperative undertakings with other carriers.
 - (8) To export or import various goods into the kingdom for the purpose of the Company’s operating activities.
 - (9) To secure loans or to give loans for the Company’s business inclusive of personnel welfare as well as to be a broker or an agent in order to secure the aforesaid loans.
 - (10) To perform as an authorized money changer. (when permitted by the Ministry of Finance)
 - (11) To establish schools and/or training centers for outsiders and Company staff in respect of the Company’s operation.

- (12) To act as guarantor or to do any other acts or things concerning with or conducive to the attainment of any or all of the above objects.
- (13) To perform the manufacturing, maintenance and overhaul services, subcontracting work, sale and purchase of aircraft, engines, components, equipment, accessories, spareparts and all materials of and related to aircraft and engines used both on ground and in the air. Also included in these services are all kinds of communication and electronic equipment, ground support and public utility equipment, fire truck and its accessories, equipment and all facilities, provided in the airfield and airport, machinery, tools and test equipment, raw materials and other materials concerned.
- (14) The Company has the right to issue shares at a price higher than their stipulated par value.
- (15) The Company can issue any other securities under the law on Securities and Securities Exchange for the purpose of offering for sale to the public.

***Clause 4.** Registered Capital totaling Seventeen Thousand Million
Baht (17,000,000,000)
divided into One Thousand Seven Hundred Million
shares (1,700,000,000)
with the par value Ten Baht (10)
divided into
Ordinary Shares One Thousand Seven Hundred Million
shares (1,700,000,000)
Preferred Shares - shares (-)

Clause 5. Principal place of business of the Company located at Bangkok Metropolis.

Clause 6. Name, Day, Month, Year of Birth, Nationality and address of the promoters, number of shares subscribed by each of them and signatures are as follows:

6.1 Number of Promoter - persons, having subscribed shares in cash - shares equivalent to - percent of the registered capital.

Remark: The former name of this Company was "Thai Airways International Company Limited", Registration No. 62/2503. It has registered the conversion of its status to public limited company on 20 May 1994. ***Clause 4.** was amended by the shareholders extraordinary meeting No. 1/2000 on 25 October 2000. The reduction of Capital from 16,000,000,000 Baht to 14,000,000,000 Baht, divided into 1,400,000,000 shares, and increase of Capital to 17,000,000,000 Baht, divided into 1,700,000,000 shares, was registered on 12 and 13 December 2000 respectively.

(Translation)

**Articles of Association
of
Thai Airways International Public Company Limited**

Chapter 1: General Provisions

- Article 1.** These Articles of Association shall be called the “Articles of Association of Thai Airways International Public Company Limited.”
- Article 2.** In these Articles of Association, the word “Company” means Borisat Karnbin Thai Chamkat (Mahachon) and having the name in English language as “Thai Airways International Public Company Limited.”
- Article 3.** For any provisions not referred to these Articles of Association shall be governed in all respects in accordance with the law on public limited company.

In case the Company or its subsidiary(ies) has entered into connected transactions or transactions regarding acquisition or disposal of assets of the Company or of its subsidiary(ies) according to the meanings prescribed in the relevant notifications of the Stock Exchange of Thailand governing the connected transactions of a listed company or the acquisition or disposal of assets of a listed company, as the case may be, the Company shall comply with rules and procedures as prescribed in such notifications.

Chapter 2: Issuance of Shares

- Article 4.** All shares in the Company shall be ordinary shares in the form of a name certificate.

All shares in the Company shall be fully paid-up in one lump sum in cash. The subscribers or purchasers of shares cannot set off their debts with the Company.

The Company may issue debentures or convertible debentures or preference shares, and any other securities under the law on securities and exchange for public offerings and the Company may convert the convertible debentures or the preference shares into the ordinary shares, subject to the provisions of law.

Article 5. The shares of the Company are indivisible. If two or more persons jointly hold or subscribe for the shares, one of them shall be appointed for the purpose of exercising their right as shareholders or subscribers, as the case may be.

All share certificates of the Company shall bear the signature in writing or printed of at least one director. However, the directors may delegate to the share registrar under the law on securities and exchange to likewise sign or print his signature instead.

Article 6. The Company shall issue share certificates to shareholders within 2 months from the date the Registrar has accepted the registration of the Company, or from the day the payment for the shares has been received in full in the case of the sale of newly-issued shares after registration of the Company.

Article 7. A shareholder may request the Company to issue the shareholder with a new share certificate(s) if the share certificate(s) held be defaced or damaged in material respects, upon surrender of the old share certificate(s). In this case, the Company shall issue the new share certificate(s) to the shareholder within 14 days from the date the request is received. In the event of loss or destruction of a share certificate(s), the shareholder is required to produce evidence of the police record thereof to the Company and the Company shall issue the new share certificate(s) to the shareholder within 14 days from the date of receipt of the request and the evidence.

Article 8. The Company may demand payment of a fee for the issue of a new share certificate to replace the one lost, defaced, or damaged, or in the case that a request is made by a shareholder for a copy of the register of shareholders, whether in whole or in part, together with the Company's certificate, at the rate prescribed by the law.

Article 9. In respect of the shares of the Company, the Company itself may, as prescribed by the provision of law, hold its shares.

Rights and duties of the Company as the shareholder of its own shares as stated in preceding paragraph shall be in accordance with the rules and procedures as prescribe by law.

The shares repurchase shall be approved by the shareholders' meeting. However, if the number of shares to be repurchased by the Company, are less than 10 percent of the paid-up capital, the Board of Directors may consider and approve such shares repurchase.

Chapter 3: Transfer of Shares

Article 10. The Company's shares can be transferred without restriction except when such transfer will result in more than 30 percent of the total number of shares sold of the Company being held by aliens.

For the purpose hereof, the word "alien" means a legal entity, whether a company or a partnership, with 50 percent or more of its capital held by shareholders or partners of alien nationality, or with more than half of the directors who are alien nationals, or a foundation with more than half of its governing committee being aliens or having as its objects a benefit of or the protection of interests of aliens for the greater part, as well as any individual or legal entity who is deemed to be an alien under the laws on aliens, or any individual or legal entity that the Board of Directors has reasonable ground to believe that such person holds shares on behalf of or for the benefit of an alien(s).

In the event a Thai shareholder changes nationality or loses his Thai nationality as a result of the law, that shareholder is required without delay to notify the Board of Directors in writing and if it be apparent that his lack of Thai nationality would result in the Company having more than 30 percent of its shares held by aliens, the Board of Directors shall notify the said shareholder in writing to dispose of his or her shares to persons of Thai nationality, in such amount as not to cause the Company to have more than 30 percent of its shares held by aliens within 21 days from the date of the Board of Director's letter.

Article 11. Transfer of shares shall be valid upon the transferor endorsing the share certificate by specifying the name of the transferee and both signing their names and delivering the share certificate to the transferee. The share transfer shall be valid against the Company upon the Company receiving an application for registering the transfer and valid against third party upon the Company having registered the transfer.

When the Company finds that the share transfer is legally correct and is in accordance with the Company's Articles of Association, the Company shall register the transfer within 14 days from the date of receipt of the application; in the case the Company finds that the transfer of share is not legally correct or valid, the Company shall notify the applicant within 7 days.

However, if the Stock Exchange of Thailand or the law on securities and exchange provides for another form, method, or criterion for validity in transferring shares, the law on securities and exchange shall apply accordingly.

- Article 12.** If the transferee wishes to receive a new share certificate, the transferee shall make a request in writing bearing the transferee's signature and that of 1 witness and surrender the old certificate to the Company. If the Company finds that the transfer is legally correct, the Company shall register the transfer within 7 days, and issue the new share certificate within one month from the date of receipt of the request.
- Article 13.** In the event of death or bankruptcy of a shareholder, if the person entitled to such shares surrenders the share certificate(s) together with complete legal evidence to the Company, the Company will accept such person for registration as a shareholder and issue a new share certificate(s) within 1 month from the date of obtaining the said evidence in full.
- Article 14.** The Company may suspend the registration of the transfer of shares for a period of 21 days prior to each Shareholders' meeting by giving advance notice to the shareholders at its Head Office and all its branch offices not less than 14 days before the date of its suspension of registration of share transfers.

Chapter 4: Board of Directors

- Article 15.** The Company's Board of Directors shall consist not less than 5 but not more than 15 directors as decided by the general meeting from time to time; and not less than one half of all directors shall have residence in the Kingdom. The Company's director shall have the qualifications and not be under the prohibition prescribed by law.
- Article 16.** The appointment of directors shall be made by a majority vote in a shareholders' meeting in accordance with the following rules and procedures:
- (1) One shareholder shall have one vote for each share;
 - (2) Each shareholder shall exercise all the votes he or she has under (1) to elect one or several person(s) to be directors but cannot divide the votes for any person to any extent;
 - (3) Persons receiving the most votes, in descending order, are those who are elected directors, to the number of directors who are to be elected. If there is a tie in the last to be elected and this would exceed the said number of directors, lots shall be drawn to meet the required number.

Article 17. At every annual general meeting, one-third of the directors shall retire from office. If their number is not a multiple of three, then the number nearest to one-third shall retire from the office.

The directors to retire from office in the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been in office longest shall retire. A retiring director is eligible for re-election.

Article 18. In addition to retirement at the end of the term, the directors shall vacate office upon;

- (1) death;
- (2) resignation;
- (3) being adjudged bankrupt by the court;
- (4) being adjudged by the court as being an incompetent or a quasi-incompetent person;
- (5) being imprisoned by a final judgement of the court to imprisonment, except for an offence committed through negligence or petty offences;
- (6) it being apparent that the election was improper and the court orders that the election be cancelled;
- (7) acting improperly in his capacity as director or acting in breach of the Articles of Association or rules and regulations or being insolvent, and the general meeting resolves that he or she shall vacate his or her office;
- (8) being a committee member or an officer of a political party;
- (9) the general meeting deems it appropriate for him or her to vacate the office for any other reason under Article 21;
- (10) being removed from office by a court order; and
- (11) lack of qualifications or subject to prohibition under the laws.

Article 19. Any director wishing to resign from office shall submit the resignation letter to the Company. The resignation shall have effect as from the day on which the

resignation letter reaches the Company.

A director who resigns under paragraph one may also notify the Registrar of his or her resignation.

Article 20. In the case of a vacancy on the Board of Directors otherwise than by the end of term, the Board of Directors shall elect any person who has qualifications and is not subject to prohibition under the law as a replacement director at the next meeting of the Board of Directors, except in the case where the remaining term of office of the director whom he or she replaces is less than two months. The replacement director shall hold the office only for the remaining term of the director whom he or she replaces.

The resolution of the Board of Directors under paragraph one must be passed by a vote of not less than three-fourths of the number of the remaining directors.

Article 21. The shareholders' meeting may pass a resolution removing any director from office before the end of term, by a vote of not less than three-fourths of the shareholders present at the meeting and entitled to vote, provided that the shares held by them are not, in the aggregate, less than one-half of the number of the shares held by the shareholders present at the meeting and entitled to vote.

Article 22. The Board of Directors shall elect one director to be the Chairman of the Board of Directors. If the Board of Directors deems it appropriate, it may elect one or more directors as Vice Chairman. The Board of Directors may entrust one or more directors or any other persons, to perform any act on behalf of the Board of Directors.

Article 23. The Board of Directors shall specify the names of the directors who have the authority to sign and bind the Company with the affixation of the Company's common seal. Such authorized directors shall be either the Chairman of the Board of Directors and one other director jointly sign their names together with the affixation of the Company's common seal or three directors jointly sign their names together with the affixation of the Company's common seal.

Article 24. At the meeting of the Board of Directors, there must be not less than one half of the total number of directors present to constitute a quorum. The Chairman of the Board of Directors shall preside over the meeting. In the event the Chairman of the Board of Directors is absent or is unable to perform his duties, if there is a Vice Chairman, the Vice Chairman shall preside over the meeting. If there is no Vice Chairman, or there is, but the Vice Chairman is unable to perform the duties, the directors present at the meeting shall elect one among themselves to be the Chairman of the Meeting.

Decisions of the Board of Directors' Meeting shall be by majority of votes. Each director shall have one vote. The director who has an interest in any matter shall have no right to vote on that matter. In the case of a tie vote, the Chairman of the Meeting shall have an additional vote as a casting vote.

Article 25. The Board of Directors shall normally hold a meeting at least once in every 3 months.

Two or more directors may request the Chairman of the Board of Directors to convene the Board of Directors' meeting. In such case, the Chairman of the Board of Directors or a director entrusted by the Chairman shall fix the date of the meeting within 14 days from the date of receipt of the request.

Article 26. The Chairman of the Board of Directors or a person entrusted by the Chairman shall fix the day, time, and place of the meeting and the place may be in the locality other than the locality where the Company's Head Office is located or any other provinces in the Kingdom. If no place is fixed, the place shall be the Company's Head Office.

Article 27. In summoning a meeting of the Board of Directors, the Chairman of the Board of Directors or the person entrusted by him shall send notices thereof to the directors by registered post or personal delivery to the recipient or his or her agent, setting forth the day, time, place, and business to be transacted not less than 7 days prior to the date of the meeting. However, in a case of necessity or urgency for the purpose of preserving the rights or interests of the Company, the notice of the meeting may be made by other methods and the date of the meeting may be fixed earlier.

Article 28. The Board of Directors may appoint any other persons to carry out the Company's business under the Board of Directors' supervision or may confer upon such other persons such powers as the Board of Directors thinks fit and for such time as the directors think expedient and the Board of Directors may revoke, withdraw, alter, or vary such powers.

Article 29. The directors shall perform their duties in accordance with the law, the Company's objectives and Articles of Association, and the resolutions of the shareholders' meetings.

Article 30. No director shall carry on a business or become a partner or a director in another legal entity which carries on businesses of the same nature as or in competition with the businesses of the Company unless the shareholders' meeting is notified before the resolution to appoint the director was made.

Article 31. Directors shall notify the Company without delay if they have an interest in a contract made by the Company or hold more or fewer shares or debentures in the Company or an affiliated or subsidiary of the Company.

Chapter 5: Shareholders' Meeting

Article 32. The Board of Directors shall convene an annual general meeting of shareholders within 4 months from the last day of the accounting period of the Company.

The shareholders' meeting other than that specified above shall be called the extraordinary meeting. The Board of Directors may summon an extraordinary meeting whenever it deems appropriate, or when shareholders holding shares in the aggregate to not less than one-fifth of the total number of shares sold, or when not less than 25 shareholders holding shares in the aggregate not less than one-tenth of the total number of shares sold, subscribe their names in a letter requesting the Board of Directors to call an extraordinary meeting, provided that they clearly give the reasons and purposes for such request in the said letter. In the case of shareholders' request, the Board of Directors shall call the shareholders' meeting within 1 month from the date of receipt of the letter from the shareholders.

Article 33. In summoning the shareholders' meeting, the Board of Directors shall prepare an invitation notice of the meeting specifying the place, date, time, agenda, and the matters to be submitted to the meeting together with appropriate details stating clearly whether the matters will be for acknowledgment, for approval, or for consideration, including the opinions of the Board of Directors on the said matters, and shall send the same to the shareholders for information by registered post or by personal delivery to the shareholder or his or her representative not less than 7 days prior to the meeting. The notice of the meeting shall also be published in a newspaper for 3 consecutive days not less than 3 days prior to the meeting.

The shareholders' meeting shall be held in the locality in which the Head Office is situated or one in which a branch office is situated, or in province near the locality where the Head Office or the branch office is situated, or in another province as the Board of Directors deems appropriate.

Article 34. At a shareholders' meeting, there shall be not less than shareholders and proxies (if any) present or not less than one-half of the total number of shareholders and proxies holding in the aggregate not less than one-third of the total number of shares sold present to constitute a quorum.

If after one hour from the time fixed for any shareholders' meeting, the number of shareholders present is insufficient to form a quorum as specified, and the shareholders' meeting was convened at the request of shareholders, it shall be cancelled, but if the shareholders' meeting was not convened at the request of shareholders, the Board of Directors shall call another meeting and such case the notice calling the meeting shall be sent to shareholders not less than 7 days before the date of the meeting. In the latter meeting, it is not necessary to constitute a quorum.

Article 35. The Chairman of the Board of Directors shall preside over the shareholders' meetings. If the Chairman of the Board of Directors is absent or is unable to perform the duties, and there is a Vice Chairman, he shall preside over the meeting. If there is no Vice Chairman, or there is, but the Vice Chairman is unable to perform his duties, the meeting shall elect one of the shareholders present at the meeting to preside over the meeting.

Article 36. The Chairman of a shareholders' meeting has the duties to ensure that the meeting is carried out in accordance with the Company's Articles of Association on the meetings. In this regard, the Chairman shall conduct the meeting in compliance with the order of business given in the notice of the meeting, except the Meeting resolves to change the order of business upon an affirmative vote of not less than two-thirds of the number of shareholders present at the meeting.

When the Meeting has completed the business under paragraph one, the shareholders representing in the aggregate not less than one-third of the total number of issued shares may ask the Meeting to transact other business that has not been given in the notice of the meeting.

In the event the Meeting has not completed the business under paragraph one, or has not completed the business proposed by shareholders under paragraph two, as the case may be, and it is necessary to adjourn the meeting, the meeting shall fix the place, day, and time for the next meeting and the Board of Directors shall send notice of that meeting specifying the place, day, time and the agenda to the shareholders not less than 7 days prior to the meeting and shall publish the notice of the meeting in a newspaper for 3 consecutive days not less than 3 days prior to the meeting.

Article 37. For the shareholders' meeting, a shareholder may appoint a proxy to attend the meeting and vote on his or her behalf. The instrument appointing a proxy shall be dated and signed by the shareholder appointing the proxy and shall be in the form prescribed by the Registrar.

The proxy instrument shall be delivered to the Chairman of the Board of Directors or the person determined by the Chairman at the meeting prior to the proxy entering the meeting.

Article 38. In casting votes, one share shall have one vote and resolutions of the shareholders' meeting shall require:

- (1) In normal cases, a majority of votes of the shareholders present at the meeting and entitled to vote. In case of a tie vote, the Chairman of the Meeting shall have an additional vote as a casting vote;
- (2) In the following cases, not less than three-fourths of the total number of votes of the shareholders present at the meeting and entitled to vote:
 - (a) The sale or transfer of the whole or a substantial part of the business of the Company to another person;
 - (b) The purchase or acceptance of the transfer of a business of another company or a private company by the Company;
 - (c) The making, amendment, or termination of a contract relating to the leasing out of the whole or a substantial part of the business of the Company;
 - (d) Assignment to another person to manage the businesses of the Company;
 - (e) Merger of the business with other persons with an objective towards profit and loss sharing;
 - (f) Amendment of the Memorandum of Association or the Articles of Association;
 - (g) Increase or reduction of the Company's capital or the issuance of debentures; or
 - (h) Amalgamation or dissolution of the Company.

Article 39. Transactions conducted at the annual general meeting are as follows:

- (1) Reviewing the report of the Board of Directors covering the work done during the preceding year, as proposed to the meeting by the Board of Directors;

- (2) Considering and adopting the balance sheet;
- (3) Considering the appropriation of profits;
- (4) Election of directors to replace those who vacate their offices upon the end of the terms;
- (5) Appointment of the auditor and fixing the auditing fee; and
- (6) Other businesses.

Chapter 6: Accounts, Finance, Audit, and Dividend

- Article 40.** The accounting period of the Company shall commence on 1st January and end on 31st December of the calendar year.
- Article 41.** The Company shall cause accounts to be made and kept, as well as the auditing thereof, in accordance with the laws on such matters, and shall make a balance sheet and a profit and loss account at least once in every 12 months which are the accounting period of the Company.
- Article 42.** The Board of Directors shall cause to be made the balance sheet and profit and loss account as of the end of the accounting period of the Company, and shall submit the same to the shareholders' meeting for adoption at the annual general meeting. The Board of Directors shall arrange for the auditors to complete the auditing of the balance sheet and profit and loss account prior to submission to the shareholders' meeting.
- Article 43.** The Board of Directors shall send the following documents to the shareholders together with the invitation notice of the annual general meeting:
- (1) copies of the audited balance sheet and profit and loss account which have been audited by the auditor, together with the report of the auditor; and
 - (2) the annual report of the Board of Directors.
- Article 44.** The auditor has duty to attend the Company's shareholders' meetings every time the balance sheet, the profit and loss account, and problems pertaining to the Company's accounts are considered, in order to make clarifications in respect of the audit to the shareholders, and the Company shall send to the

auditor all the Company's reports and documents which should be received by the shareholders at the same shareholders' meeting. The auditor, however, shall not be director, officer, employee of or hold any position in the Company.

The auditor has power to examine accounts, documents and any other evidence relating to income and expenditure including the property and liabilities of the Company during the Company's business hours, and shall have the right to summon the directors, officers, employees of the Company, persons holding any position in the Company, and agents of the Company to provide information and explain matters to the extent necessary for the auditor's performance of his or her duties. The auditor shall make a report on the balance sheet and accounts and submit them to the annual general meeting and, shall also state in the report whether or not the balance sheet was prepared correctly and shown the business of the Company in a manner that is true and correct.

Article 45. Subject to Article 46, dividend shall be paid out of profit only. In the case where the Company still has accumulated losses, payment of dividend is prohibited.

The dividend shall be paid equally in proportion to the number of shares held.

The Board of Directors may pay interim dividends to the shareholders from time to time when it is found that the Company has sufficient profit to do so; and a report thereof shall be made to the shareholders' meeting at their next meeting.

The payment of dividend shall be made within 1 month from the date of the resolution of the shareholders' meeting or the Board of Directors, as the case may be. The Company shall notify the shareholders in writing and shall publish the notice of the payment of dividend in the newspaper within 1 month as from the date the shareholders' meeting approved or the Board of Directors passed the resolution, as the case may be.

Article 46. The Company shall appropriate to a reserve fund from the annual net profit, at least 5 percent of the annual net profit less the total accumulated losses brought forward (if any) until the reserve fund reaches an amount not less than 10 percent of the registered capital. Apart from the said reserve fund, the Board of Directors may propose that the shareholders' meeting resolve that the money be appropriated for other reserve funds which are considered suitable for the Company's business operation.

Chapter 7: Additional Provision

Article 47. The Company's common seal shall be as follows:



Article 48. The Company may issue any other securities under the law on securities and exchange.
