

**The Company's Articles of Association regarding the Shareholders' Meeting**

**Article 17** At the meeting of shareholders, the shareholders shall elect the directors according to the following criteria and procedures:

- 1) a shareholder shall have votes equal to shares held in aggregate by such shareholder;
- 2) each shareholder shall cast their vote to nominate one or more than one directors. In case of nomination of more than one directors, his number of votes shall not be unequally split among directors nominated by him; and
- 3) the number of directors to be elected on such election shall be elected from the persons ranked by votes received from the highest amount of votes. In case of equality of votes which results in the number of persons, ranked by the amount of vote received, exceeding the number of directors to be elected on such election, the chairman of the meeting shall have a casting vote.

**Article 18** At each Annual General Meeting, one-third of the directors, or if their number is not a multiple of three, then the number nearest to one-third shall retire from the office.

At the first Annual General Meeting after the registration of the Company and at the Annual General Meeting of a subsequent year, the retired directors shall be decided by lot drawing. On succeeding years, directors with the longest stay in the office shall retire.

A retiring director by a rotation of the office may be re-elected.

**Article 33** Allowance and remuneration shall be fixed by the shareholders' meeting

In conducting their duties, directors are entitled to remuneration in form of salary, meeting allowance, bonus, or remuneration in other natures according to the Articles of Association or as a shareholders' meeting shall fix in exact amount or prescribe in principle to be effective from time to time or until further amendment. In addition, the directors shall be entitled to other allowances and fringe benefits in accordance with the Company's regulations.

The provision in previous paragraph shall not prejudice the right of officers and employees of the Company who are elected as directors to receive remuneration and benefit in their capacities as officers and employees of the Company.

Payment of remuneration in paragraph one and two shall not in conflict with the independent qualifications of directors as prescribed by laws governing securities and exchange.

### **Shareholders' Meetings**

**Article 34** A shareholders' meeting of the Company shall be summoned at the head office or other nearby province or other place as determined by the board of directors.

**Article 35** A shareholders' meeting shall be held at least once every year. It shall be called the "Annual General Meeting" which shall be held within four (4) months following the end of the Company's accounting year.

All other shareholders' meeting shall be called the "Extraordinary General Meeting"

The board of directors may summon an Extraordinary General Meeting whenever it deems appropriate or if requested by shareholders holding not less than one-fifth of the total issued shares of the Company or by at least twenty five (25) shareholders together holding not less than one-tenth of the total issued shares of the Company. Such request must clearly specify the objectives for which the meeting is summoned. The board of directors shall summon such meeting within one (1) month after the date of receiving the request in writing from the shareholders.

**Article 36** For notice of every shareholders' meeting, the board of directors shall issue an invitation specifying place, date, time, agenda and matters to be proposed to the meeting together with proper details as well as clearly specifying that such matter is proposed for acknowledgement, approval or consideration and the opinion of the board of directors shall be included. The invitation shall be sent to the shareholders and registrar at least seven (7) days prior to the date of the meeting. At least three (3) days before the meeting date, the said invitation shall be advertised in the newspaper for three (3) consecutive days.

**Article 37** At every shareholders' meeting, a quorum shall be constituted when at least twenty-five (25) shareholder or one-half of total number of shareholders together holding at least one-third of total issued shares of the Company are present in person or by proxy (if any).

If within one hour from the time of the meeting the quorum is not present, the meeting, if summoned upon the request of shareholders, shall be dissolved. If the shareholders' meeting had not been summoned upon the request of the shareholders, another shareholders' meeting shall be summoned by an invitation of the meeting sent at least seven days prior to the meeting and at such meeting no quorum shall be necessary.

**Article 38** In a shareholders' meeting, a shareholder may authorize a proxy to vote for him. The appointment of proxy shall be made in writing with signature of a grantor and shall be made essentially in the form as prescribed by the registrar. The proxy shall be submitted to the chairman or an authorized persons appointed by the chairman prior to the meeting and shall contain at least the following particulars:

- a. number of shares held by a grantor;
- b. name of a proxy; and
- c. ordinal number of the meeting to be attended and to case the vote.

**Article 39** The meeting shall be conducted in accordance with the agenda specified in the invitation to the meeting unless the meeting resolves to amend the agenda with a vote of at least two-thirds of the total number of shareholders present at the meeting.

When the meeting is concluded according to agenda as specified in the invitation to the meeting, shareholders holding at least one-third of the total issued share may request the meeting to discuss other matters which are not specified in the invitation to the meeting.

In case where the meeting must be adjourned by a reason that the meeting has not finished discussing the matters according to the agenda specified in the invitation to the meeting or other matters additionally proposed by shareholders, as the case may be, the meeting shall fix the place, time and date of the adjourned

meeting. The board of directors shall send the invitation to the adjourned meeting specifying the place, date, time and agenda to the shareholders at least seven (7) days prior to the date of the adjourned meeting and advertised in a newspaper for three (3) executive days.

**Article 40** The chairman of the board of directors shall preside over every shareholders' meeting. If the chairman is not present or unable to carry out his duties, if there is a vice-chairman, the vice-chairman shall preside over such shareholders' meeting. In case of absence of the vice-chairman or if the vice-chairman is unable to perform his duties, the shareholders present at the meeting may elect one of their members to be the chairman of the meeting.

**Article 41** In a shareholders' meeting, every shareholder shall have one vote for each share held.

In case a shareholder has a special interest in any subject matter, such shareholder cannot vote on such resolution, except for the election of directors.

**Article 42** Any voting or approval in the shareholders' meeting requires a majority vote of the shareholders who attend the meeting and cast their votes. Unless otherwise stipulated in this Articles of Association of by law or in the following cases, a vote of at least three-fourths of the total votes of the shareholders who attend the meeting and entitled to vote is required;

1. Sale or transfer of the whole or important parts of the business of the Company to other persons;
2. Purchase or acceptance of transfer of the business of other companies or private companies by the Company;
3. Making, amending or terminating of contracts with respect to the granting of a lease of the whole or important parts of the business of the Company, the assignment of the management of the business of the Company to any other persons or amalgamation of the business with other persons with the purpose of profit and loss sharing;
4. Amendment of the Company's Memorandum of Association or Articles of Association;

5. Increase or decrease in the Company's capital, or issuance of Company's debentures;
6. Amalgamation or dissolution of the Company.

### **Dividends and Reserves**

**Article 47** No dividend payment shall be announced unless by the resolution of the shareholders' meeting or of the board of directors in case of interim dividend payment

Dividend payment shall be informed in writing to the shareholder and advertised in newspaper for three (3) consecutive days and the dividend payment shall be made within one (1) month from the date such resolution has been passed.

**Article 48** The board of directors may from time to time pay to the shareholders interim dividend if it appears to the board of directors that the Company has sufficient profit to pay dividend. Upon completion of interim dividend payment, such interim dividend payment shall be reported to the next shareholders' meeting for acknowledgement.

**Article 49** Dividend shall be allocated equally per share unless stipulated otherwise in this Articles of Association for preference shares.

**Article 50** The Company must appropriate into reserve an amount of not less than 5 percent of annual profits less retained loss brought forward (if any) until the legal reserve reaches at least 10 percent of the registered capital of the Company.

Besides the said reserve, the board of directors may propose to the shareholders' meeting to appropriate into other reserves as deemed appropriate for the Company's business operations.

Once the shareholders' meeting approves, the Company may transfer other reserves, legal reserve and reserve which is exceeded par value to compensate with loss carry forward of the Company.

**Books, Accounts and Audits**

- Article 55** The board of directors shall arrange the balance sheet and profit and loss accounts as of the end of accounting period of the Company to propose the Annual General Meeting of shareholders for consideration and approval. The board of directors shall arrange the auditors to complete the auditing before proposing to the shareholders' meeting.
- Article 56** The board of directors shall send the following documents to the shareholders together with the invitation to the Annual General Meeting;
- (1) Copies of the audited balance sheet and profit and loss accounts together with the auditor's report; and
  - (2) Annual report of the board of directors and supporting documents.
- Article 58** The Annual General Meeting shall appoint the auditors. A retired auditor may be re-elected.
- Article 59** The Annual General Meeting shall fix remuneration of the auditors.
- Article 61** The auditors has a duty to attend every shareholders' meeting which is held to consider balance sheet, profit and loss statement and problems relating to the Company's accounting in order to clarify the audit. The Company shall send the auditor reports and the Company's documents which the shareholders should receive in such shareholders' meeting to the auditors.