

**THE COMPANY'S ARTICLES OF ASSOCIATION RELATING TO SHAREHOLDERS' MEETING**

**Chapter 6 Shareholders' Meetings**

Clause 33. The Board of Directors shall call for a shareholders' meeting which is an annual general meeting within four (4) months of the last day of the financial year of the Company.

The shareholders' meetings other than the one referred to in the above paragraph shall be called extraordinary general meetings. The Board of Directors may call an extraordinary general meeting whenever the Board of Directors deems appropriate. One or more shareholders holding the aggregate number of shares not less than ten (10) percent of the total number of shares sold may submit their names in a letter requesting the Board of Directors to call an extraordinary general meeting at any time, but the subject and reasons for calling such meeting shall be clearly stated in such request. In such case, the Board of Directors shall proceed to call a meeting of shareholders to be held within forty-five (45) days as from the date of receipt of such request from the shareholders.

In case the Board of Directors does not hold the shareholders' meeting within the period as prescribed in the second paragraph, the shareholders who subscribed their names or other shareholders holding the number of shares as required may be call such meeting within forty-five (45) days from the deadline prescribed therein. In this regard, the meeting called by the shareholders shall be considered as those called by the Board of Directors. The Company shall be responsible for necessary expenses arising from such meeting and reasonably provide facilitation therein.

In case the quorum of the shareholders' meeting called by the shareholders as prescribed under the third paragraph cannot be formed according to Clause 35, the subscribed shareholders stated in the third paragraph shall be collectively responsible to the Company for expenses arising from such meeting.

In this regard, the shareholders' meeting may be held via electronic means. The meeting via electronic means shall be held in accordance with the procedures prescribed by the laws or regulations in force at that time.

In the event that the shareholders' meeting is held via electronic means, the head office of the Company shall be deemed to be the place of the meeting, and the electronic meeting shall have the same legal effect as a physical meeting in accordance with the methods prescribed by law and in these Articles of Association.

Clause 34. In calling a Shareholders' Meeting, the Board of Directors shall prepare a notice of meeting specifying the place, date, time, and agenda items of the meeting and the matters to be proposed to the meeting together with appropriate details. A notice shall clearly indicate whether the matters to be proposed at the meeting shall be for acknowledgement, for approval, or for consideration, as the case may be, including the opinions of the Board of Directors in the said matters. A notice shall be sent to all shareholders and the registrar at least seven (7) days prior to the meeting date and shall be published in a newspaper for three (3) consecutive days at least three (3) days prior to the meeting date or through electronic means in accordance with the criteria prescribed by law.

The place of the meeting in accordance with the first paragraph shall be in the locality in which the head office or branch office of the Company is located, or in a nearby province, or such other venue as specified by the Board of Directors.

During a period of twenty-one (21) days prior to each Shareholders' Meeting, the Company may suspend the registration of share transfers by making an advance notification of such suspension at its head office and every branch office at least fourteen (14) days prior to the commencement date of the suspension.

Clause 35. In order to constitute a quorum at a Shareholders' Meeting, shareholders and proxies (if any) of not less than twenty-five (25) persons or not less than one-half (1/2) of the total number of shareholders must be present, and in either case such shareholders shall hold in aggregate not less than one-third (1/3) of the total number of shares sold.

At any Shareholders' Meeting, if one (1) hour has passed from the time specified for the meeting and the number of shareholders attending the meeting is still inadequate to constitute a quorum, the meeting shall be cancelled if the meeting was called at the request of shareholders. If the meeting was not called at the request of shareholders, the meeting shall be called once again and the notice of meeting shall be delivered to the shareholders at least seven (7) days prior to the date of the meeting. No quorum is required at the latter meeting.

Clause 35/1. A shareholder may appoint a proxy to attend and vote at a meeting of shareholders on his/her behalf. The instrument appointing a proxy must be made in writing, signed by the grantor, and made in a form prescribed by the registrar. The proxy instrument must be deposited with the Chairman or his/her assignee at the meeting venue prior to the proxy's attendance. The proxy instrument must contain the following particulars at a minimum:

- (1) the number of shares held by the grantor;
- (2) the name of the proxy; and
- (3) the number of the meeting and the date, including the day, month, and year, of the meeting at which the proxy is appointed to attend and vote.

The appointment of a proxy under the first paragraph may be carried out via electronic means, provided that such method is secure, and that it is credible that such appointment has been duly made by a shareholder in accordance with the procedures prescribed by the laws or regulations in force at that time or implementing the relevant laws or regulations, *mutatis mutandis*.

The proxy, when casting votes, shall have an equivalent number of votes to the total number of votes of the grantors in aggregate, except in the case that the proxy informs the meeting before the vote is cast that he/she shall only be voting on behalf of certain shareholders and specifies the names of the grantor(s) and the number of shares held by such grantor(s).

Clause 36. The Chairman of the Board of Directors shall be the Chairman of Shareholders' Meetings. In the event that the Chairman of the Board is not present at the meeting or unable to perform his duty, the Vice-Chairman shall preside over the meeting. If there is no Vice-Chairman or the Vice-Chairman is not present at the meeting, or unable to perform his duty, the shareholders present at the meeting shall elect one of the shareholders among them to be the Chairman of the meeting.

Clause 37. In casting votes at the Shareholders' Meeting, one share shall be counted as one vote. Any shareholder who has a special interest in any matter proposed at the meeting, shall not be entitled to vote on such matter, except voting for the election of directors. Resolutions of the Shareholders' Meeting shall require:

- (1) In ordinary cases, a majority of the votes of the shareholders who are present and cast their votes in the meeting is required. In the case of a tie vote, the Chairman of the meeting shall have a casting vote.
- (2) In the following cases, a vote of not less than three-fourths (3/4) of the total number of the votes of the shareholders who are present and are eligible to vote at the meeting is required:
  - (a) The sale or transfer of the whole or substantial part of the business of the Company to other persons;
  - (b) the purchase or acceptance of any transfer of the business of another public or private company by the Company;
  - (c) the entering into, amendment, or termination of any agreement with respect to the granting of a lease, in whole or in substantial part, of the Company's business, the assignment of the management of the Company's business to any other persons, or the amalgamation of the business with other persons for the purpose of profit and loss sharing;
  - (d) The amendment to the Company's Memorandum of Association or Articles of Association;
  - (e) The increase or decrease of the Company's registered capital;
  - (f) The dissolution of the Company;
  - (g) The issuance of debentures of the Company;
  - (h) The amalgamation of the Company with another company.

- Clause 38. Transactions to be conducted at the Annual General Meeting of Shareholders are as follows:
- (1) To acknowledge the report of the Board of Directors covering the business of the Company in the preceding year;
  - (2) To consider and approve the balance sheet and the profit and loss account;
  - (3) To consider and approve the appropriation of profits and payment of dividends;
  - (4) To consider and approve the election of new directors in place of those who are due to retire by rotation;
  - (5) To consider and approve the appointment of an auditor and determination of the auditor's remuneration;
  - (6) To consider and approve the directors' remuneration; and
  - (7) To consider other business.

**Chapter 7 Accounts, Finance and Audit**

- Clause 39. The fiscal year of the Company shall commence on 1 January and end on 31 December of every year.
- Clause 40. The Company shall prepare and keep books of account and shall have the accounts audited in accordance with the relevant laws. The Company shall prepare a balance sheet and profit and loss statement at least once in every twelve (12) month period, which is the fiscal year of the Company.
- Clause 41. The Board of Directors shall cause a balance sheet and profit and loss statement to be prepared as at the end of the fiscal year of the Company and present the same to the Annual General Meeting for approval. The Board of Directors shall have such balance sheet and profit and loss statement examined by an auditor prior to submission to the Shareholders' Meeting.
- Clause 42. The Board of Directors shall deliver the following documents, together with the notice of the Annual General Meeting, to the shareholders:
- (1) A copy of the balance sheet and profit and loss statement, which has been audited by the auditor together with the auditor's report.
  - (2) Annual report of the Board of Directors.
- Clause 43. The auditor shall not be a director, staff member, employee, or any person holding any position in the Company.
- Clause 44. The auditor has the power to examine, during the office hours of the Company, the accounts, documents, and any other evidence relating to the revenues and expenditures including the assets and liabilities of the Company. In this regard,

the auditor shall also have the power to make inquiries of the Company's directors, staff, employees, or any persons holding any position in the Company, and agents of the Company, including asking them to clarify any matter or to deliver documents or evidence in connection with the conduct of the Company's business.

Clause 45. The auditor has the duty to attend every Shareholders' Meeting at which the balance sheet, profit and loss statement, and the problems relating to the accounts of the Company are to be considered in order to clarify the auditing of accounts to the shareholders. In this regard, the Company shall also deliver to the auditor the report and documents which the shareholders are to receive at that Shareholders' Meeting.

Clause 46. The Company shall publish the audited balance sheet as approved by the Shareholders' Meeting in a newspaper or through electronic means in accordance with the criteria prescribed by law for a period of at least one (1) day, within one (1) month from the date at which such balance sheet was approved by the Shareholders' Meeting.

### **Chapter 8 Dividend and Reserve**

Clause 47. No dividend shall be paid other than out of profits. If the Company still has an accumulated loss, no dividend shall be distributed.

Dividends shall be paid according to the number of shares held, with each share receiving an equal amount.

The Board of Directors may pay interim dividends to the shareholders from time to time if the Board deems that the profits of the Company justify such payment, and shall report such payment to the shareholders at the next Shareholders' Meeting.

In the case where the Company has not yet completely sold all shares which have been registered or where the Company has already registered an increase in capital, the Company may pay dividends, in whole or in part, by issuing new ordinary shares to the shareholders provided that it has received approval from the Shareholders' Meeting.

Dividends shall be paid within one (1) month from the date of the resolution of the Shareholders' Meeting or of the Board of Directors' Meeting, as the case may be. The shareholders shall be notified in writing of such payment of dividend, and the notice shall also be published in a newspaper or through electronic means in accordance with the criteria prescribed by law for at least three (3) consecutive days.

Clause 48. The Company shall allocate not less than five (5) percent of its annual net profit less the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than ten (10) percent of the registered capital.