

## **Company's articles of association regarding the AGM**

Article 16 The appointment of director is made by a majority vote of the shareholder's meeting in accordance with the following conditions and procedures.

- (1) One shareholder shall have one vote for each share
- (2) Each shareholder shall exercise all the votes he/she has under (1) to appoint the nominated persons to be directors on a person by person basis, provided that he cannot divide his vote to any person to any extent.
- (3) The persons obtaining the most votes in descending order shall be elected as directors equal to the member of directors required or ought to be elected of there is a tie in the last to be elected and this exceeds the said number of directors the presiding chairman will have the casting vote for election of last director.

Article 21 At every 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, must retire from office.

The directors to retire on 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 longest in office shall retire. A retiring director is eligible for re-election.

Article 28 The shareholder shall have one vote for each share of which he is the holder. The resolution of the meeting shall be as follow:

- (1) For normal case, the resolution shall be passed by the majority of the shareholders presenting at the meeting and exercising their votes. If the case of an equality of votes, the Chairman of the meeting shall be entitled to a casting vote.
- (2) For the following case, the resolution shall be passed by the majority of not less than three-fourths of the total votes of shareholders presenting at the meeting and having the voting right:
  - (a) Sell or transfer in whole or in substantial parts of the business of the Company to other person.
  - (b) Purchase or accept the transfer of the business of other public company or private company.
  - (c) Execute, amend or terminate the agreement relating to lease out in whole or in substantial parts of the business of the Company, assign the other person to manage the business of the Company or merge the business of the Company with the business of the other person, which the objective is profit sharing.

Article 30 The matters to be conducted at the Annual Ordinary General Meeting are as follow:

- (1) To consider the Company's operating report for the previous year which proposed by the Board of Directors.
- (2) To consider and approve the balance sheet.
- (3) To consider and approve the appropriation of profit.
- (4) To elect new directors to replace directors who retired by rotation.
- (5) To appoint the company's auditors and fix the remuneration.
- (6) Other business.

Article 34 Yearly Net Profit Appropriation is as follow:

(1) The Company shall appropriate to reserve fund from yearly net profit no lesser than five per cent of yearly net profit deducted by the previous year deficit (if any) until the reserve fund reaches one-tenth part of the registered capital of the company.

(2) After the reserved fund from (1), The Board of Director shall announce the allocation of net profit and propose to the Shareholder Meeting for approval.

Article 36 No dividend shall be paid other than out of profits and no dividend may be paid if the Company had deficit.

The dividend shall be allocated equally according to the amount of share and shall be made within one month as from either shareholders meeting or the Board of Director's meeting has made resolution. The Board of Director shall give a written notice to the shareholders and make an announcement of such notice of the distribution in the newspaper.