

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

**Shareholders' Meeting**

Clause 20 The Board of Directors shall select one director to be the Chairman. The Chairman shall be a Chairman of the Board of Directors' meeting and the shareholders' meetings.

Clause 29 The Board of Directors shall call for a shareholders' meeting being an annual general meeting within four months from the last day of the financial year of the Company.

Any other meetings in addition to the above mentioned shall be called extraordinary meeting. The Board of Directors may summon an extraordinary meeting whenever they think fit or an extraordinary meeting may be summoned if a requisition to that effect is made in writing to the Board of Directors to call for such an extraordinary meeting by the shareholders holding not less than one-fifth of the entire sold shares or by not less than 25 shareholders holding in aggregate not less than one-tenth of the entire sold shares. The requisition shall specify the rationale for which the meeting is required to be summoned and in such case the Board of Directors shall hold a shareholders' meeting within 1 month from the date of receipt of the request letter of the shareholders.

Clause 31 Shareholders and proxies (if any) must be present at a shareholders' meeting not less than 25 persons or not less than half of the Company's shareholders and who shall hold in aggregate not less than one-third of the entire sold shares to constitute a quorum.

Clause 37 The Board of Directors shall send the following documents together with the notice of the annual general meeting to the shareholders:

- (1) A copy of the balance sheet and income statement audited by the auditor together with the auditor's report
- (2) Annual report of the Board of Directors

**Voting**

Clause 32 The resolution of the shareholders' meeting shall be as follows:

- (1) In ordinary case, a majority of votes of the shareholders who attend and cast their votes in the meeting is required. In the case of an equality of votes, the Chairman of the meeting shall have a casting vote.

- (2) In the following cases, at least not less than three-fourths of the votes of the shareholders who attend and have the right to vote in the meeting is required:
- (a) The sale and the transfer of the whole or important part of the business of the Company to a third party;
  - (b) The purchase and acquisition of the business of other companies or private companies to be owned by the Company;
  - (c) Entering, amending or terminating of any contract concerning the granting of a lease of the whole or important part of the business of the Company, the assignment to other person to operate the Company business or the amalgamation of the business with other persons with the purpose of profit and loss sharing;
  - (d) The amendment of the Company's Memorandum of Association and Articles of Association;
  - (e) The increase or decrease of the capital;
  - (f) The dissolution of the Company;
  - (g) The issuance of debentures
- (3) Any remuneration, premium, meeting fee of directors shall be fixed by at least two-thirds of shareholders' votes who attend a meeting and who have the right to vote.

**Election Method of Directors**

Clause 13      Directors shall be elected in shareholders' meeting in accordance with the following rules and procedures:

- (1) In voting to elect directors, the votes shall be non-accumulative
- (2) In voting, the shares of each shareholder shall be counted as one vote for every one share.

Clause 14      At each annual general meeting of shareholders, one-third of the directors shall retire from office, or if their number shall not be a multiple of three, then the number nearest to one-third shall retire from office.

The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year the director whose term has been longest shall retire.

Retiring directors are eligible for re-election.

**Directors' Remuneration**

Clause 28 Any payment of remuneration, premium, meeting fee paid to directors must be approved by shareholders' meeting with a vote count of not less than two-thirds of the total number of votes of shareholders who present.

**The Payment of Dividend**

Clause 38 No dividend shall be paid otherwise than out of earnings. If the Company has loss carried forward, no dividend must be paid.

The dividend must be equally divided in proportion to shares held.

The Board of Directors may from time to time pay to the shareholders interim dividend as appear justified by the earnings of the Company and shall report to the shareholders in the next meeting.

In case where the Company does not sell all shares which have been registered or registered in an increase of capital, the Company may pay all or part of the dividend by issuing new ordinary shares to the shareholders with the consent of the shareholders' meeting.

Dividend shall be paid within 1 month from the date of shareholders' meeting or the Board of Directors resolution as the case may be and shall be notified in writing of such payment of dividend to shareholders; and the dividend notice shall also be published in a newspaper.

Clause 39 The Company shall allocate not less than five percent of its annual profit less the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than ten percent of the registered capital.

**Auditor**

Clause 40 The auditor shall not be a director, employee or any other person who holds any position in the Company.

Clause 42 The auditor shall attend every shareholders' meeting which involves consideration of the balance Sheet, income statement and any problem concerning the Company's accounts to clarify the audit result of the accounts to the shareholders. The Company shall send such report and documents which the shareholders should receive in that shareholders' meeting to the auditor.