

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

**Shareholders' Meeting**

Clause 37      The Board of Directors shall call for a shareholders' meeting which is an annual general meeting within four (4) months from the last day of the fiscal 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.

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 law governing electronic meetings.

In the case that the meeting is conducted via electronic means, the head office of the Company shall be deemed to be the place of the meeting.

Clause 38      A shareholder or shareholders holding shares amounting to not less than ten (10) percent of the total number of shares wholly sold may submit their names and request the Board of Directors in writing to call for an extraordinary general meeting at any time, provided that, the agenda and reason(s) of request for calling for such meeting shall be clearly stated in the said written request. In such an event, the Board of Directors shall proceed to call for a shareholders' meeting to be held within a period of forty-five (45) days from the date of the receipt of such request from the said shareholder(s).

In the case that the Board of Directors does not hold the shareholders' meeting within the period under the first paragraph, shareholder(s) who subscribe their names or other shareholder(s) who hold shares in aggregate as prescribed by law, may call such meeting within forty-five (45) days from the end of the period under the first paragraph. 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 this case, the shareholder(s) who call for the meeting may deliver the written notice to shareholder(s) via electronic means which specified by the Company. If the shareholder(s) have notified their intention to receive or consented to the Company or the Board of Directors, in accordance with the relevant laws.

In case the quorum of the shareholders' meeting called by the shareholders as prescribed under the second paragraph cannot be formed according to Clause 40, the subscribed shareholders stated in the second paragraph shall be collectively responsible to the Company for expenses arising from such meeting.

Clause 40 In order to constitute a quorum at a Shareholders' Meeting, whether held physically or via electronic means, 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. 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.

In appointing a proxy according to first paragraph, it may be carried out via electronic means which are safe and reliable, ensuring that the proxy appointment is performed by the shareholders. However, the appointment shall follow the rules prescribed by the public limited company registrar.

Clause 41 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 47 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 with supporting documents.

## **Voting**

Clause 42 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.

### **Method of Election of Directors**

Clause 19      The directors shall be elected at the Shareholders' Meeting in accordance with the following criteria and procedures:

- (1) A shareholders shall have one (1) vote per share.
- (2) Each shareholder may exercise all the votes he or she has to elect one or several persons as director(s), but the shareholder cannot allot his or her votes to any person in any number; and
- (3) The candidates who received the highest votes in their respective order of the votes shall be elected as the directors until all of the director positions that the Company has, or are to be elected at such meeting, are filled. In the event the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman of the meeting shall have a casting vote.

Clause 20      At each annual general meeting, one-third (1/3) of the current directors shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third (1/3) shall retire from office.

Retiring directors are eligible for re-election.

Retiring directors in the first and second years following the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office the longest shall retire.

## **Directors' Remuneration**

Clause 25 A director is entitled to receive remuneration as approved by a Shareholders' Meeting, which may specify the remuneration as a specific amount or establish specific criteria. The remuneration may be fixed in a certain amount or be specified from time to time, unless or until resolved otherwise by the Shareholders' Meeting. In addition, directors are entitled to allowances and benefits as provided for in the Company's rules.

The provisions of the first paragraph above do not affect the rights of the Company's officers or employees who have been elected as director(s), to receive remuneration and other benefits for their position as the Company's officers or employees.

## **Payment of Dividend**

Clause 48 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 unless specified otherwise for preference share. The payment of dividends shall be approved by a Shareholders' Meeting.

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.

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 of such dividend payment, and the notice shall also be published in a newspaper or through electronic means in accordance with the criteria prescribed by law.

Clause 49 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.

## **Auditor**

Clause 50 The auditor shall not be a director, staff member, employee, or any person holding any position in the Company.

Clause 52 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.