

**ARTICLES OF ASSOCIATION IN RELEATION TO THE SHAREHOLDERS' MEETING****Chapter 2 Issuance and Transfer of Shares**

Article 13 During 21 (twenty-one) days before the Annual General Meeting of shareholders, the Company may close its shares' register book and suspend transfer of its shares by giving the prior notice to the shareholders at the Company's headquarter and all branches not less than 14 (fourteen) days.

**Chapter 3 Directors and Power of Directors**

Article 15 A meeting of shareholders must elect the directors in accordance with the following procedures and rules:

- (1) Each shareholder has 1 (one) vote for each share;
- (2) Each shareholder may exercise the votes in electing 1 (one) or more persons to be the directors but the votes are indivisible; and
- (3) The person who obtains the highest votes will be elected as a director in respective order according to the required number of directors, but if 2 (two) or more persons obtain equal votes, the Chairman must exercise a casting vote.

Article 16 The directors' remuneration and other compensations shall be determined by the shareholders' meeting.

Article 18 At every annual general meeting, 1/3 (one-thirds) of the number of the directors shall vacate the office. If the number is not a multiple of three, then the number nearest to 1/3 (one-thirds) shall retire from the office. A retiring director is eligible for re-election. The directors to retire during the first and second years following the registration of the Company shall be determined by drawing lots. In subsequent years, the director who has been in office for the longest term shall retire.

Article 21 In case of a vacancy on the Board of Directors for reasons other than the expiration of the director's term, the Board of Directors shall elect a person who is qualified and does not possess any characteristics prohibited under the law on public limited companies to be a director in replacement at the next Board of Directors meeting, unless the remaining term of such director is less than two months.

The person who replaces such director shall hold the position of director only for the remaining term of the director whom they replace.

Article 22 The shareholders meeting may pass a resolution to remove any director from office prior to the expiration of the director's term of office by a vote of no less than 3/4 (three-fourths) of the number of the shareholders attending the meeting and having the right to vote and the shares held by them shall not, in aggregate, be less than 1/2 (half) of the number of the shares held by the shareholders attending the meeting and having the right to vote.

#### Chapter 4 The Shareholders' Meeting

- Article 33 The shareholders meeting may be held at the location where the Company's head office is situated or other locations as determined by the Board of Directors.
- Article 34 The Board of Directors shall convene an annual general meeting of shareholders within 4 (four) months from the last day of the Company's fiscal year.
- Shareholders' meetings, other than those specified above, shall be called the extraordinary meeting.
- The Board of Directors may summon an Extraordinary General Meeting of Shareholders whenever the Board of Directors deems appropriate. The shareholders holding shares altogether at not less than ten percent of the total number of shares sold may submit their names in a letter requesting the Board of Directors to summon an Extraordinary General Meeting of Shareholders. The said letter shall clearly specify subject and reasons for such request. In such case, the Board of Directors shall arrange for the meeting of shareholders to be held within forty-five days from the date of receipt of such request from the shareholders.
- Article 35 In summoning the shareholders meeting, the Board of Directors shall prepare a written notice of the meeting specifying the place, date, time, agenda of the meeting and the matters to be proposed to the meeting together with reasonable details by explicitly indicating whether they are matters proposed for acknowledgement, for approval or for consideration, including the opinions of the Board of Directors on the said matters, and shall send the same to the shareholders and the registrar for their information no less than 7 (seven) days prior to the date of the meeting.
- The notice of the meeting shall also be published in a newspaper at least 3 (three) days prior to the date of the meeting for 3 (three) consecutive days.
- Article 36 In every shareholders meeting there shall be shareholders and proxies (if any) attending the meeting amounting to not less than 25 (twenty-five) persons or not less than 1/2 (half) of the total number of shareholders, holding in aggregate of not less than 1/3 (one-thirds) of the total number of shares sold, in order to constitute a quorum.
- At any shareholders meeting, if 1 (one) hour has passed beyond the fixed time for the meeting and the number of shareholder's present is inadequate to constitute a quorum as specified, and if such shareholders' meeting was convened pursuant to a request of the shareholders, such meeting shall be cancelled. If such shareholders meeting was not convened pursuant to the request of the shareholders, the meeting shall be summoned once again and the notice summoning such meeting shall be delivered to shareholders not less than 7 (seven) days before the date of the meeting. In the subsequent meeting, a quorum is not required.
- Article 37 In the shareholders' meeting, a shareholder can proxy other person to attend the meeting and vote on behalf of a shareholder

The proxy shall be made in writing and signed by a shareholder and in accordance with the form as specified by the Public Company Registrar, the details shall include the followings:

- (a) Number of shares held by a shareholder;
- (b) Name of shareholder; and
- (c) No. of meeting for proxy to attend the meeting and vote.

provided that the proxy form shall be presented to the Chairman of the Board of Directors or any other person designated by the Chairman of the Board of Directors before attending the meeting.

Article 38 If the meeting cannot complete the consideration of the agendas pursuant to the notice for convening the shareholders' meeting or the agendas proposed by the shareholders who have the shares not less than 1/3 (one-thirds) of the total number of shares sold and it is necessary to postpone the meeting, the shareholders' meeting shall determine the venue, date and time for the next meeting and the Board of Directors shall send the notice for convening the shareholders' meeting by specifying the venue, date, time and agendas to the shareholders not less than 7 (seven) days before the meeting. The notice of the meeting shall also be published in a newspaper at least 3 (three) days prior to the date of the meeting for 3 (three) consecutive days.

Article 39 The Chairman of the Board of Directors shall be the Chairman of the shareholders' meeting. If the Chairman is unable to perform his/her duty or the Chairman is not present at the meeting, the Vice-Chairman shall preside over the meeting. If the Vice-Chairman is not present at the meeting or is unable to perform his/her duty, the meeting shall elect 1 (one) shareholder who attends the meeting to act as the Chairman of the meeting.

Article 40 In casting votes at the shareholders' meeting, 1 (one) share shall represent 1 (one) vote. Any shareholder who has special interests in any matter shall not be entitled to vote on such matter, except for the voting for election of directors. The resolution of the shareholders' meeting shall comprise of the following votes:

Voting for any resolution or approval, the shareholder's meeting shall be passed by the majority votes of the shareholders who attend the meeting and have the right to vote. In the following cases, resolutions shall be passed by votes of not less than 3/4 (three-fourths) of the total votes of the shareholders who attend the meeting and have the right to vote;

- (a) the sale or transfer of the whole or substantial part of business of the Company to other persons; or
- (b) the purchase or acceptance of transfer of the whole or substantial part of businesses of the Company to other persons; or

- (c) Making, amendment or termination of contracts relating to the leasing out of the whole or substantial part of the Company's business and the designation of any other persons to manage the Company's business.

#### **Chapter 6 Dividend and Legal Reserve**

- Article 47 Payment of dividend shall be equally paid in accordance with the number of shares, except in the case of preferred shares.
- Article 48 The Company must appropriate to a reserve fund, from the annual net profit, not less than 5 (five) percent of the annual net profit less the total accumulated losses brought forward (if any) until the reserve fund reaches an amount not less than 10 (ten) percent of the registered capital of the Company. In addition to such reserve, the Board of Directors may propose to the shareholders meeting to approve the allocation of other reserves as deemed beneficial to the Company's operation.

#### **Chapter 8 Accounting, Financing and Auditing**

- Article 53 The Board of Directors must propose the balance sheet and profit and loss statement as at the end of the accounting period of the Company to the annual general meeting of shareholders for approval. The balance sheet and profit and loss statement must be audited by the auditors before they are proposed to the meeting of shareholders.
- Article 54 The Board of Directors must deliver the following documents to the shareholders together with the notice of the annual general meeting:
- (1) copies of the audited balance sheet and profit and loss statement together with the auditors' report; and
  - (2) the directors' annual report including its supporting documents.
- Article 55 The Board of Directors shall prepare the list of directors, minutes of Board of Directors' meeting and minutes of shareholders' meeting and all resolutions of the meeting as the due record and evidence and such evidences shall be kept at the headquarter of the Company or the Company shall assign a person to maintain it at any place within the area of headquarter or nearby province provided that in doing so, it shall provide prior notice to the Registrar.
- Article 56 The auditor shall be appointed by the Annual General Meeting of shareholders and the Auditor whose term has been expired, can be reappointed.
- Article 57 The auditor's compensation shall be determined by the shareholders' meeting.

#### **Chapter 9 Miscellaneous**

- Article 59 The auditor shall attend every shareholders' meeting of which it has agenda to consider the balance sheet, profit and loss statement and matters regarding the Company's accounting in order to clarify the audit of financial statement to the shareholders and the Company shall provide the financial statement report and other Company's documents to send to the shareholders to the auditor.