

**CHAPTER III**

**DIRECTORS**

Article 19. Except as provided under article 24, the general meeting of shareholders shall elect directors in accordance with the following criteria and methods:

- (1) One shareholder shall have one vote for one share;
- (2) If the number of persons nominated for election as directors does not exceed the number of directors to be elected at such election, general meeting of shareholders shall elect directors from those nominated persons. Shareholders shall cast their votes to elect directors based on the total number of shares that they hold under (1). Such votes for nominated persons cannot be divided.
- (3) If the number of persons nominated for election as directors exceeds the number of directors to be elected at such election, voting shall be made for each individual nominated person. Shareholders shall cast their votes to elect directors based on the total number of shares that they hold under (1). Such votes for nominated persons cannot be divided. Nominated persons receiving maximum number of votes shall be elected as directors in a descending order in a number of directors required at such election. If the number of nominated persons with equal number of votes exceeds the number of directors required at such election, the Chairman shall cast one extra vote to reach a final decision.

Article 20. At every annual general meeting, one-third (1/3) of directors shall retire from office. If the number of retiring directors is not a multiple of three (3), the number of directors that is the nearest to one-third (1/3) shall retire.

Directors to retire from office in the first year and the second year after the registration of the Company shall be determined by way of drawing lots. In subsequent years, directors who have remained in office for the longest term shall retire. Retiring directors may be reappointed.

Article 21. In addition to retirement by rotation, directors shall vacate their office upon:

- (1) Death;
- (2) Resignation;
- (3) Lack of qualifications or possession of characteristics prohibited by law;
- (4) Removal by resolutions of general meeting of shareholders;
- (5) Removal by court orders

Article 22. Directors are prohibited from conducting businesses, or entering into a partnership at any ordinary partnership or becoming a partner with unlimited liability at any limited partnership, or being directors of other limited company or other public companies that conduct businesses of nature that is similar to or are in competition with those of the Company, whether in consideration of their own benefits or for others, except in case where the matter is notified to the general meeting of shareholders before a resolution is passed to appoint such directors.

Directors shall without delay inform the Company of any interests, either direct or indirect, in any agreements entered into by the Company within any financial year, or of any increase or decrease in their holding of shares or debentures of the Company or of its affiliated companies within any financial year.

Any purchase of assets of the Company or sale of assets to the Company, or any business entered with the Company shall not bind the Company if it is done by any directors, either in their name or in any persons' name, without the prior approval from the Board of Directors.

Article 23. Any director may resign from office by submitting a notice of resignation to the Company. Resignation of directors shall be effective once the notice of resignation has reached the Company.

Directors who resign in accordance with paragraph one may also notify such resignation to the registrar.

Article 34. The Company may not pay any money or distribute such other assets to directors except for remunerations of directors. Directors are entitled to receive remunerations, meeting allowance, allowance and such other benefits in the form of commission, bonus or benefits of similar nature in accordance with the Articles of Association of the Company or with the resolution of general meetings of shareholders. Such remunerations may be determined in certain number or set out as guidelines to be applicable either from time to time or to take effects until further amended. Directors shall also be entitled to receive allowance and welfares in accordance with the regulations of the Company.

The provisions under paragraph one shall be without prejudice to the rights of employee of the Company who have been elected as directors in order to receive remunerations and benefits in their position as employee of the Company.

#### CHAPTER IV

##### GENERAL MEETINGS

Article 35. The Board of Directors shall hold an Annual General Meeting of Shareholders within four (4) months after the end of a financial year at a locality of the principal place of business, in a neighboring province or at such other places as Chairman of the Board of Directors may consider appropriate.

Article 36. Any other general meetings of shareholders than the Annual General Meeting shall be called an 'Extraordinary General Meeting of Shareholder'.

The Board of Directors may convene an Extraordinary General Meeting of Shareholders anytime as it deems appropriate, or upon a request in writing from shareholders holding in aggregate at least one-fifth (1/5) of the total number of issued shares, or from at least twenty-five (25) shareholders holding in aggregate at least one-tenth (1/10) of the total number of issued shares. Justifications for the request of an Extraordinary General Meeting shall be clearly provided in the request. In this connection, the Board of Directors shall convene the Extraordinary General Meeting of Shareholders within one (1) month from the date on which the request in writing has been received from shareholders.

Article 37. At any general meeting of shareholders, shareholders who are entitled to attend and vote at the meeting shall be those whose names appear in the register of shareholders on the date determined by the Board



of Directors. The number of shares held by each shareholder with the right to vote shall be as specified in the register of shareholders as of the same date. The right of such shareholders shall not be affected regardless of the change to information in the register of shareholders as of the date of the general meeting of shareholders.

The date to be determined by the Board of Directors pursuant to paragraph one shall not be more than two (2) months prior to the date of general meeting.

Article 38. To convene a general meeting of shareholders, both annual and extraordinary, the Board of Directors shall prepare a notice of invitation to indicate date, time and agenda items including matters to be proposed to the meeting and relevant opinion of the Board of Directors. The notice shall clearly indicate whether the matters, along with relevant opinion of the Board of Directors, are proposed to the meeting for acknowledgement, for approval or for consideration. The notice of invitation shall be submitted to shareholders and the registrar at least seven (7) days prior to the date of the meeting, and shall be published in a newspapers for at least three (3) consecutive days at least three (3) days prior to the date of the meeting.

Notice of invitation shall be submitted to shareholders via registered mail.

Article 39. At any general meeting of shareholders, shareholders may appoint other persons at legal age to be their proxy to attend the meeting and vote on their behalf. The proxy form shall include the date and signatures of shareholders granting the proxy and shall be in the form prescribed by the registrar. The proxy form shall at least have the following particulars:

- (a) Number of shares held by the proxy;
- (b) Name of proxy holder;
- (c) Serial number of meeting for which the proxy has been granted

This proxy form must be delivered to Chairman of the Board of Directors or any person assigned by Chairman at the meeting venue before such proxy holder can attend the meeting.

Article 40. If a proxy is appointed, the proxy holders (shareholder and non-shareholder proxy) who have been granted with more than one (1) proxy may exercise the voting right in the corresponding number of proxy held by themselves in addition to the voting rights of such proxy holders in their capacity as shareholder.

Article 41. At every general meeting of shareholders, attendance of at least twenty-five (25) shareholders and proxy holders (if any) present at the meeting or at least half (1/2) the total number of shareholders holding in aggregate at least one-third (1/3) of the total number of issued shares shall be required to constitute a quorum.

If it appears that at any general meeting the time scheduled for the meeting has lapsed for one (1) hour and the number of shareholders present at the meeting cannot constitute a quorum, the meeting, if convened by request of shareholders, shall be dismissed whereas the meeting that is not convened by



request of shareholders shall be reconvened by a notice of invitation of no less than seven (7) days. At this subsequent meeting, a quorum is not required.

Article 42. Chairman of the Board of Directors shall preside over every general meeting. In case where Chairman is absent or is incapable of performing his or her duties, Vice-Chairman, if any, shall preside over the meeting. If there is no Vice-Chairman or if he or she is absent from the meeting or is incapable of performing his or her duties, shareholders present at the meeting shall elect one among themselves to preside over the meeting.

Article 43. Chairman of the general meeting may adjourn the general meeting to such other times by consent of the meeting. In such case of adjournment, the meeting shall determine meeting venue, date and time for the next meeting. At the adjourned meeting, no other businesses than those pending from the previous meeting may be transacted. Methods of sending notice of invitation to the meeting shall be as prescribed under article 38.

Article 44. To vote at any general meeting of shareholders, either by show of hands or poll, one (1) share carries one (1) vote. Any shareholders who have a special interest in any matter shall not have the right to vote in such matter except in case of a vote on election of directors. Resolutions of general meetings of shareholders shall be passed by the following votes:

- (1) In an ordinary event, resolutions of the meeting shall be passed by majority votes of shareholders who are present at the meeting and cast their votes. In case of a tie, Chairman of the meeting shall cast one extra vote to reach a final decision.
- (2) In the following cases, resolutions of the meeting shall be passed by a vote of no less than three-fourths (3/4) of the total number of votes of shareholders who are present at the meeting and are entitled to vote:
  - a. Sale or transfer of entire business of the Company or material part of business of the Company to other person.
  - b. Purchase or acceptance of transfer of business of a public limited company or private company.
  - c. Entering into, amendment to or termination of agreements relating to the lease of entire business of the Company or the material part of business of the Company, the authorization of other persons to manage business of the Company or consolidation of business with other person with the aim to share profits and loss.
  - d. Amendment to Memorandum of Association or Articles of Association of the Company.
  - e. Capital increase or decrease, or issuance of debentures for sale to the public.
  - f. Amalgamation or dissolution

Article 45. Poll voting at any general meeting shall be conducted upon request from at least five (5) shareholders with an approval of the meeting by majority votes of shareholders and proxy (if any) who are present at



the meeting and are entitled to vote. In this connection, one share carries one vote. The method of poll voting shall be as Chairman of the meeting may determine.

Article 46. Businesses to be transacted at an Annual General Meeting shall at least be the followings:

- (1) To acknowledge report of the Board of Directors on performance of the Company in the preceding year;
- (2) To consider and approve balance sheets and profit and loss statements of the Company during the preceding financial year;
- (3) To consider and approve allocation of profits, distribution of dividend and allocation of legal reserve;
- (4) To consider and approve election of directors to replace those who retire by rotation and determination of remunerations for directors;
- (5) To consider and approve appointment of auditors and determination of auditors' fees; and
- (6) Other business

Article 47. If the Company or its subsidiaries by definition given under the law on securities and exchange enter into a connected transaction or acquisition or disposal of material assets of the Company in accordance with criteria set out under the law on securities and exchange, the Company shall comply with criteria and methods prescribed for such relevant matter.

## CHAPTER VI

### DIVIDENDS AND RESERVE

Article 58. Dividends shall not be paid other than out of profits, including retained earnings. If the Company still has an accumulated loss, the Company is prohibited from paying dividends.

Dividends shall be distributed according to the number of shares, with each share receiving an equal amount of dividends. Dividends payment shall be made by approval from the general meeting of shareholders.

The Board of Directors may from time to time pay interim dividends to shareholders when it deems that the Company has sufficient profits for such dividends payment. When the interim dividends are paid, the Board of Directors shall report the next general meeting of shareholders on such payment.

If the Company has not issued shares fully in the registered number of shares, or the Company has registered capital increase, the Company may pay out the entire or partial amount of dividends by issuance of new ordinary shares to shareholders by approval from the general meeting of shareholders.

Dividends payment shall be made within one (1) month from the date on which the general meeting of shareholders, or the Board of Directors, as the case may be, has passed a resolution on dividends payment. A notice of dividends payment shall be made in writing to shareholders and shall be published in a newspapers for at least three (3) consecutive days. If dividends payment is made within the period specified by law, no interests may be claimed from the Company.



Article 59. The Company shall allocate at least five (5) percent of annual net profit less retained loss (if any) as a reserve until this reserve is not less than ten (10) percent of the registered capital. In addition to the above reserve, the Board of Directors may propose to the general meeting of shareholders to allocate other reserves as it may consider appropriate for the business operations of the Company.