

**Articles of Association of company involving Annual General Meeting of Shareholders**

**1. Meeting of Shareholders**

30. The Board of Directors shall hold a shareholders' meeting called an Annual General Meeting within four months from the end of the Company's financial year. All other shareholders' meetings are called Extraordinary General Meetings. The Board of Directors may summon an Extraordinary General Meeting at any time as it may deem fit or one or more shareholders holding the aggregate number of shares of not less than 10 percent of the total number of shares sold may, by subscribing their names, request the Board of Directors in writing to call an Extraordinary General Meeting at any time, but the matters and reasons for calling such meeting shall be clearly stated in such request. In this regard, the Board of Directors shall proceed to call a shareholders' meeting to be held within 45 days as from the date the request in writing from shareholders is received.

In case the Board of Directors fails to arrange for the meeting within such period under paragraph two, the shareholders who have subscribed their names or other shareholders holding the required aggregate number of shares may themselves call the meeting within 45 days as from the date of expiration of the period under paragraph two. In such case, the meeting is deemed to be shareholders' meeting called by the Board of Directors and the Company shall be responsible for necessary expenses as may be incurred in the course of convening such meeting and the Company shall reasonably provide facilitation.

In the case where, at the meeting called by the shareholders under paragraph three, the number of shareholders presented does not constitute quorum as prescribed by Article 33, the shareholders under paragraph three shall jointly compensate the Company for the expenses incurred in arrangements for holding that meeting.

31. In calling shareholders' meeting the Board of Directors shall make a written notice of convocation indicating the place, the date, the time, the agenda and the matters to present to the meeting together with reasonable details, clearly specifying whether they are matters presented for information or for approval or for consideration as the case may be, including the opinion of the Board of Directors regarding the said matters, and deliver the same to the shareholders and the registrar not less than 7 days before the date of meeting which shall also be published in a local newspaper for the three successive days not less than three days before the meeting date.

35. Businesses to be conducted at an Annual General Meeting are as follows:

- (1) Consideration of the Board of Directors' report presented to the meeting to indicate the Company's business which was managed by the Board of Directors in the preceding year;
- (2) Consideration and approval of a balance sheet and profit and loss account for the preceding financial year;
- (3) Consideration of distribution of profits, dividend payment and appropriation of reserve fund;
- (4) Election of directors to replace the directors who retire by rotation and fixing remuneration;
- (5) Appointment of an auditor and fixing remuneration; and
- (6) Other businesses.

38. The Company must cause a balance sheet and a profit and loss account to be made as at the ending date of Company's financial year for submission to an annual ordinary meeting of shareholders for its consideration and approval.

The Board of Directors shall have the balance sheet and the profit and loss account examined by the auditor before presenting them to the meeting of shareholders.

39. The Board of Directors shall forward the following documents, together with a letter for the summoning of an annual ordinary meeting, to shareholders:-

- (1) Copies of the balance sheet and the profit and loss account already examined by the auditor, accompanied by a report of the Company's auditor.
- (2) An annual report of the Board of Directors .

33. At any meeting of shareholders, at least twenty five shareholders and proxies of shareholders or not less than half of the total number of shareholders whose share represent not less than one – third of the total number of shares sold must be present at the meeting in order to constitute a quorum.

If within an hour from the appointed time for a meeting of shareholders, the quorum prescribed is not present, the meeting, if summoned upon the requisition of shareholders, shall be dissolved. If the meeting has not been summoned upon the requisition of shareholders, another meeting shall be summoned and letters for the summoning of this meeting shall be sent to shareholders not less than seven days before the date of the meeting. At such meeting no quorum shall be necessary.

29. The directors are entitled to receive remuneration from the Company in the form of a reward money, meeting allowance, pension, bonus or consideration of a different nature according to the Articles of Association or as the shareholders' meeting may determine by the votes of not less than two-thirds (2/3) of the total votes of the shareholders present at the meeting, which may constitute a fixed amount or be laid down as criteria and may be determined either from time to time or indefinitely until there is change to the contrary. Moreover, the directors are entitled to receive various allowances and welfare benefits under the regulation of the Company.
40. No dividend shall be paid otherwise than out of profits. In case the company has an accumulated loss, no dividend shall be paid.

Dividends shall be divided in accordance with the number of shares, each receiving an equal dividend.

The Board of Directors may from time to time pay interim dividends when the Board of Directors considers that such payment is justified by the Company's profits. It shall report the matter to the next meeting of shareholders.

Payment of dividends shall be made within one month from the date of a resolution being adopted by a meeting of shareholders or the Board of Directors as the case may be. Such payment shall be advised in writing to shareholders and shall be published in a newspaper also.

## **2. Proxy for attending the meeting**

32. The shareholders have the right to attend and vote at Shareholders' Meeting, but they may assign other persons as proxies to attend the said meetings and vote thereat for them. In case of attendance by proxy, written proxy according to the form prescribed by the registrar shall be given to the Chairman or the person assigned by him at the place of meeting before the proxy attends the meeting.

In voting, proxies are regarded as having the same number of votes as the combined number of votes that principal shareholders have, unless any proxies state to the meeting before voting that they will vote on behalf of only some of the principal shareholders, also by indicating the names of the principals and the number of shares held by them.

## **3. Director election**

14. The directors shall be elected by the shareholders meeting according to the following rule and procedure: -
- (1) One shareholder has one vote per share held by him.

- (2) The voting in the election of directors may be done on the basis of either one person after another or several persons altogether to the full number of directors to be elected on that occasion as the meeting may see fit. In voting, whether the election is one for one person after another or several persons altogether, each person voted for by a shareholder will receive votes from the shareholder according to the total number of votes that the shareholder has in (1) the said shareholder may not divide however many or few of his votes for any person.
- (3) The persons receiving the greatest number of votes in a descending order are elected directors in the same number as that of directors that should be available or elected on that occasion. In the event that persons elected in the descending order have equal votes, thus exceeding the number of directors that should be available or elected on that occasion, the Chairman shall use the casting vote.
15. At each Annual Ordinary Meeting, one – third of the Director shall retire from office. If their number is not a multiple of three, the number nearest to one – third must retire.

Unless otherwise agreed by the Directors among themselves, the Directors to retire during the first and the 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 must retire.

#### **4. Voting**

34. Votes on any resolution at a meeting of shareholders are as follows:-
- (1) In a normal case, the majority of the votes of shareholders who are present at the meeting and who cast votes shall be required. In the event of equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.
- (2) In the following cases, votes of not less than three – fourths of the total votes of shareholders who are present at the meeting and who are entitled to vote shall be required:-
- (a) Sale or transfer of the Company's business in whole or in major part to other individuals.
  - (b) Purchase or acceptance of the transfer of the business of another company or a private company to the Company.
  - (c) Conclusion, amendment to or cancellation of a contract concerning the leasing of the Company's business in whole or in major part, authorization of other individuals to assume management of the Company's business or merger of the business with that of other individuals with an object to share profits and loss.