

## **The Articles of Association of the Company relating to the General Meeting of Shareholders**

### **Procedure concerning election of directors and retiring directors by rotation**

**Article 13** The Company shall have the Board of Directors comprising not less than 5 directors who were appointed by the Meeting of the Shareholders not less than one-half of whom shall residence in the Kingdom.

**Article 14** The shareholders' meeting shall appoint the directors on the following criteria and procedures:

- (1) A shareholder shall have one vote per one share held;
- (2) Each shareholder shall be able to exercise all of his/her votes available on (1) to elect single person director or several persons directors but splitting votes among the candidates is forbidden.
- (3) The persons voted for highest scores in a descending order will be appointed directors according to the number of directors so available or required at that time. If the voted persons in the descending order have equal votes in excess of the number of directors so available or required, the Chairman shall have a casting vote.

**Article 15** In each Annual General Meeting, one-third of the directors shall retire from company. If the number of directors is indivisible into 3 parts, the one nearest to one-third shall apply.

The directors who are subject to retirement from the Company in the first and second anniversaries of company registration shall be determined by draw lot. As for subsequent years, the directors who have longest been in company shall retire from the Company.

### **The Shareholders' Meeting**

**Article 27** The Board of directors shall organize a shareholders' meeting to be held as an Annual General Meeting within 4 months from the end of each fiscal year of the Company.

All other shareholders' meetings, apart from the aforesaid meeting, shall be called "Extraordinary Meetings". The board of Directors may summon an extraordinary meeting of shareholders at any time it deems appropriate or the shareholders holding not less than one-fifth of total shares distributed or the shareholders not less than 25 shareholders, amounting to not less than one-tenth of the aggregate of the shares distributed, may at any time request in writing that the Board of Directors summon an extraordinary meetings, provided that the reasons for summoning such meeting be clearly stated in such request. In such event, the Board of Directors must organize a shareholders meeting to be held within 1 month from the date of the receiving of the request from the shareholders.

**Article 28** To summon a shareholders meeting, the Board of Directors shall prepare a notice thereof specifying the place, the day and time, the agenda and the matters to be proposed at the meeting by clearly describing those matters which are to be proposed for acknowledgement, approval or consideration, including the submission of any comments by the Board of Directors on such matters (if any), together with any relevant details as may be reasonable. Such notice shall be sent to the shareholders and the Registrar not later than 7 days prior the date of such meeting and published by newspapers for not less than 3 consecutive days prior to the date of the meeting.

The place used for the Shareholders' Meeting shall be in the locality or province which the head office of the Company is located or in a nearby province unless otherwise specified by the Articles of Association of the Company.

**Article 29** In the Meeting of Shareholders shall be shareholders and proxies (if any) attending at the Meeting amounting to not less than 25 persons or not less than one-half of the total number of shareholders and in either case such shareholders shall hold shares amounting to not less than one-third of the total number of subscribed shares of the Company.

At any Shareholders' Meeting, if an hour has passed since the time specified for the Meeting and the number of Shareholders attending the Meeting is still inadequate for a quorum as specifically defined, and if such Shareholders' Meeting was called as result of a request by the Shareholders, such Meeting shall be cancelled. If such Meeting was not called as result of a request by the Shareholders, the Meeting shall be called once again and notice calling such Meeting shall be

delivered to Shareholders not less than 7 days prior to the date of the Meeting. In the subsequent Meeting a quorum is not required.

Article 30 The shareholders' resolution shall be made from the shareholders' voting right as the following terms and conditions:

- (1) In a case of normal agendas, the shareholders' resolutions shall be made from the approval of the major shareholders who attend the meeting and having the voting right for such agendas. However, if the proportion of shareholders' approval is equality of votes, the Chairman of such meeting shall have the right to make a casting vote for such agenda.
- (2) For the following agendas, the shareholders' approval must not be less than 3/4 of the total attended shareholders who have the right to vote for such agendas
  - (a) Selling or transferring the Company's businesses, in whole or in essential part, to others;
  - (b) Acquiring or being transferred for the businesses of other company or private company to be the Company's;
  - (c) Making amending or canceling a contract with respect of renting the Company's businesses, in whole or in essential part; delegating
  - (d) Others to handle the Company's businesses;
  - (e) Merge them with other business for the purpose of sharing profit and loss;
  - (f) The amendment of Company's Article of Association, Memorandum of Association;
  - (g) The amendment of Company's capital Increase/Decrease or the Issuance of Convertible Debenture;
  - (h) Mergers and Acquisitions.

Article 31 The affairs to be carried out by the Annual General Meeting include;

- (1) Considering the report proposed to the meeting by the Board of Directors with respect of the affairs carried out in previous year;
- (2) Considering and approving the balance sheet;
- (3) Considering profits allotments;
- (4) Appointing directors to replace those retiring by rotation;
- (5) Appointing auditors;
- (6) Other affairs.

### **Dividend Payment**

Article 36 No dividend shall be paid other than out of profits. If case where the Company still has an accumulated loss, no dividend shall be paid.

Dividends shall be paid according to the number of shares at an equal amount each.

The Board of Directors may pay the interim dividends to the Shareholders from time to time if the Board of Directors regards that the profits of the Company justify such payment. Such payment of dividends shall be reported to the Shareholders in the next Shareholders' Meeting.

Dividends payment shall be made within one month as from the date of resolution of the Meeting of Shareholders or the Meeting of the Boards of Directors as the case may be provided that notice thereof in writing shall be served on the Shareholders and such notice shall also published in a newspaper as from the date of resolution of the Meeting of Shareholders or the Meeting of the Boards of Directors.

Article 37 The Company shall allot annual net profit to reserve fund at least 5 percent of annual net profits less accumulated loss brought forward (if any) until the reserve fund reaches to at least 10 percent of the registered capital.