

Articles of Association
of
Sivarom Real Estate Public Company Limited

Chapter 1

General Provisions

- Clause 1. These regulations shall be called the Articles of Association of Sivarom Real Estate Public Company Limited.
- Clause 2. Unless otherwise specified in these Articles, the term “Company” shall mean Sivarom Real Estate Public Company Limited.
- Clause 3. Any other matters not provided for in these Articles shall be governed and enforced in accordance with the provisions of the Public Limited Companies Act, the Securities and Exchange Act, and any other applicable laws or regulations relating to the Company’s business operations.
- Clause 4. In the event that the Company or its subsidiaries enter into connected transactions or transactions relating to the acquisition or disposition of assets of the Company or its subsidiaries, as defined under the notifications of the Capital Market Supervisory Board or the Stock Exchange of Thailand that are applicable to connected transactions or the acquisition or disposition of assets of listed companies, the Company shall comply with the rules and procedures prescribed under such notifications, as the case may be.

Chapter 2

Shares and Shareholders

- Clause 5. The shares of the Company shall be ordinary shares with equal value and shall be registered shares. All shares of the Company must be fully paid up in one lump sum either in cash or in other assets other than cash. Shareholders shall not offset any debts with the Company, except in the case where the Company undertakes a debt restructuring by issuing new shares to repay debts to creditors under a debt-to-equity conversion plan, which must be approved by a resolution of the shareholders’ meeting with a vote of not less than three-fourths (3/4) of the total votes of shareholders attending the meeting and entitled to vote. Such action shall be in accordance with the rules and procedures prescribed in the relevant ministerial regulations.
- The shares of the Company shall be indivisible. If two (2) or more persons subscribe for or hold any shares jointly, they shall appoint one (1) among them to exercise their rights as a subscriber or shareholder, as the case may be.

The company may issue and offer for sale ordinary shares, preference shares, convertible preference shares, debentures, convertible debentures, warrants, or any other securities in accordance with the Securities and Exchange Act. The company may also convert convertible debentures into ordinary shares or preference shares, or convert preference shares into ordinary shares, all subject to the provisions of the relevant laws.

Clause 6. The Company may offer shares for sale at a price higher than the registered par value. In such a case, the Company shall require the subscribers to pay the amount in excess of the par value together with the share payment and shall allocate such excess amount as a share premium reserve, separate from the legal reserve.

Clause 7. Share certificates must contain at least the following particulars

- (1) The company's name
- (2) The company's registration number and the date of registration by the registrar
- (3) The type, par value, certificate number, and number of shares
- (4) The shareholder's name
- (5) The signature of at least one (1) director, whether handwritten or printed, and affixed with the company's seal. However, a director may assign the securities registrar under the securities and exchange law to affix or print the signature on their behalf without the company's seal, provided such affixing or printing of the signature is in accordance with the securities and exchange law.
- (6) The date of issue of the share certificate.

Clause 8. The signature on share certificates or any other securities by a director or the securities registrar may be affixed by the director or the securities registrar in person, or by mechanical means, computer, or by any other method in accordance with the rules and procedures prescribed under the laws governing securities and the securities exchange.

Clause 9. The Company shall maintain the register of shareholders and any supporting documents related to the entries made in such register at the Company's head office. However, the Company may appoint Thailand Securities Depository Co., Ltd., or any other person approved by the Stock Exchange of Thailand to act as the Company's securities registrar. In this regard, any procedures relating to the Company's share register shall be in accordance with the requirements specified by the securities registrar under the provisions of applicable laws.

Clause 10. The Company shall issue share certificates to the shareholders within two (2) months from the date on which the Registrar accepts the Company's registration, or from the date on which the Company has

received full payment for the shares, in the case where the Company sells any remaining shares or sells newly issued shares after the Company's registration.

If the Company's shares are registered as listed securities on the Stock Exchange of Thailand and the Company appoints Thailand Securities Depository Co., Ltd. or any other person approved by the Stock Exchange of Thailand to act as the Company's securities registrar, the issuance of share certificates shall be in accordance with the requirements specified by the securities registrar under the provisions of the relevant laws.

Clause 11. A shareholder may request the Company to issue a new share certificate in any of the following cases:

- (1) Where any share certificate is materially damaged or defaced, the shareholder may request the Company to issue a new share certificate by surrendering the original share certificate.
- (2) Where any share certificate is lost or destroyed, the shareholder shall present to the Company evidence of having reported such loss or destruction to the investigating officer and any other appropriate evidence showing that the original share certificate has been lost or destroyed.
- (3) Where a shareholder dies or is declared bankrupt, the person entitled to the share certificate shall surrender the share certificate together with lawful evidence to the Company in full.

When any of the above cases occurs and the shareholder has submitted a request to the Company together with payment of the share certificate fee not exceeding the rate prescribed in the Ministerial Regulation, the Company shall issue a new share certificate to the shareholder within the period specified by law.

Once a new share certificate has been issued in substitution, the original share certificate shall be deemed cancelled.

Clause 12. The Company shall not own its shares or accept its shares as pledge, except in the following cases:

- (1) The Company may repurchase shares from shareholders who vote against a resolution of the shareholders' meeting approving an amendment to the Company's Articles of Association in relation to the rights to vote and the rights to receive dividends, because such shareholders consider that they are not treated fairly.
- (2) The Company may repurchase shares for the purpose of financial management in the case where the Company has retained earnings and excess liquidity, and such repurchase does not cause the Company to encounter financial difficulties.

Such shares held by the Company shall not be counted towards a quorum at the shareholders' meeting and shall carry no right to vote or to receive dividends.

The Company shall dispose of the repurchased shares within the period prescribed by the relevant Ministerial Regulation. In the event that the Company fails to dispose of all such shares within the prescribed period, the Company shall reduce its registered capital by cancelling the shares that could not be disposed of.

The repurchase, disposal, and cancellation of repurchased shares shall be conducted in accordance with the rules and procedures prescribed in the relevant Ministerial Regulation issued pursuant to the Public Limited Companies Act and other applicable laws.

- Clause 13. The repurchase of the Company's shares must be approved by the Shareholders' Meeting, except where the Company's shares have the status of being listed securities on the Stock Exchange of Thailand and the number of shares to be repurchased does not exceed ten percent (10%) of the paid-up capital. The Board of Directors shall have the authority to approve such share repurchase. In the event that the number of shares to be repurchased exceeds ten percent (10%) of the paid-up capital, the Company must obtain approval from the Shareholders' Meeting, and the Company shall complete the share repurchase within one (1) year from the date of approval by the Shareholders' Meeting.

Chapter 3

Transfer of Shares

- Clause 14. The shares of the Company shall be freely transferable without restriction, and the shares held by foreign shareholders at any given time must have an aggregate amount not exceeding forty-nine percent (49%) of the total issued shares. Any transfer of shares that would result in the Company's foreign shareholding ratio exceeding the aforementioned limit may be rejected by the Company.

- Clause 15. A share transfer shall be deemed complete when the transferor has endorsed the share certificate by specifying the name of the transferee and signing the share certificate together with the transferee and delivering the said share certificate to the transferee.

The transfer of shares shall be effective against the Company when the Company receives the request for registration of the share transfer. However, it shall only be effective against third parties when the Company has registered the share transfer in the share register.

When the Company has considered that the share transfer is lawful and complies with the Company's Articles of Association, the Company shall register such share transfer within fourteen (14) days from the date of receiving the request. Or if the Company finds that the share transfer is not lawful or complete, the Company shall notify the applicant within seven (7) days from the date of receiving the request.

In the case where the Company's shares are listed securities on the Stock Exchange of Thailand, the share transfer shall comply with the laws governing securities and the Stock Exchange.

Clause 16. In the case where the transferee wishes to obtain a new share certificate, a request shall be made to the Company in writing, signed by the transferee and attested by at least one (1) witness, together with the surrender of the original share certificate or other evidence to the Company. In this regard, if the Company considers that the share transfer is lawful, the Company shall register such share transfer within seven (7) days from the date of receiving the request and issue a new share certificate within one (1) month from the date of receiving such request.

Clause 17. During the period of twenty-one (21) days prior to each Shareholders' Meeting, the Company may suspend the registration of share transfers by giving prior notice to the shareholders at the Company's head office and all branch offices not less than fourteen (14) days before the suspension date of the registration of share transfers. In the case where the Company does not suspend the registration of share transfers, the Board of Directors may fix the date on which the shareholders shall have the right to attend the meeting and cast their votes (Record Date) in accordance with the rules and procedures prescribed by the laws governing securities and the Stock Exchange.

The Record Date fixed by the Board of Directors under the first paragraph shall be a date not more than two (2) months prior to the date of the Shareholders' Meeting but shall not be earlier than the date on which the Board of Directors approves the convening of the Shareholders' Meeting. Once the Board of Directors has fixed the Record Date for determining the names of shareholders entitled to attend the meeting and cast their votes, such Record Date shall not be changed.

Chapter 4

Issuance, Offering, and Transfer of Securities

Clause 18. The issuance, offering, and transfer of securities to the public or any person shall be in accordance with the Public Limited Companies Act and the laws governing securities and the Stock Exchange.

The transfer of other securities registered as listed securities on the Stock Exchange of Thailand or any other secondary market, apart from ordinary shares, shall be in accordance with the laws governing securities and the Stock Exchange.

The term "securities" shall mean securities as defined under the laws governing securities and the Stock Exchange.

Chapter 5

Board of Directors

Clause 19. The Board of Directors shall consist of no fewer than five (5) directors, with not less than one-half (1/2) of the total number of directors having residence within the Kingdom of Thailand. All directors of the

Company must possess the qualifications and not have any prohibited characteristics as prescribed by law.

A director may or may not be a shareholder of the Company.

Clause 20. The election of directors by the Shareholders' Meeting shall be conducted in accordance with the following rules and procedures:

- (1) Each shareholder shall have one (1) vote per one (1) share held.
- (2) Each shareholder may use all the votes he or she has under (1) to elect one person or several persons as directors. In the case of electing several persons as directors, the shareholder may not split the votes to give any person more or fewer votes than another.
- (3) The persons receiving the majority of all votes of the shareholders present at the meeting and casting their votes, and having the highest votes in order of ranking, shall be elected as directors in the number equal to the number of directors to be elected on that occasion. In the event that the persons in the next order of priority have equal votes exceeding the number of directors to be elected, the Chairman of the Meeting shall have a casting vote.

Clause 21. At every Annual General Meeting of Shareholders, one-third (1/3) of the total number of directors shall retire from office. If the number of directors cannot be divided exactly into three parts, the number nearest to one-third (1/3) shall retire.

A director who retires by rotation may be re-elected

The directors who shall retire from office in the first and second years following the registration of the Company shall be determined by drawing lots. In subsequent years, the directors who have been in office the longest shall retire.

Clause 22. Apart from retirement by rotation, a director shall vacate office when:

- (1) death
- (2) resignation
- (3) lacking the qualifications or having any prohibited characteristics under the Public Limited Companies Act or the laws governing securities and the Stock Exchange
- (4) removal by resolution of the Shareholders' Meeting
- (5) removal by a court order

- Clause 23. Any director who will resign from his or her position shall submit a resignation letter to the Company. The resignation shall take effect from the date on which the resignation letter reaches the Company.
- A director who resigns under the first paragraph may also notify the Registrar of his or her resignation.
- Clause 24. In the event that the position of a director becomes vacant for reasons other than retirement by rotation, the Board of Directors may elect a person who has the qualifications and does not possess any prohibited characteristics under the law to be a replacement director at the next Board of Directors' meeting, unless the remaining term of office of the vacating director is less than two (2) months. The person elected as a replacement director shall hold office only for the remaining term of office of the director whom he or she replaces.
- A resolution of the Board of Directors under the first paragraph must be passed by a vote of not less than three-fourths (3/4) of the number of remaining directors.
- In the event that the positions of directors become vacant, causing the number of remaining directors to be less than the quorum, the remaining directors shall act on behalf of the Board of Directors only for the purpose of convening a shareholders' meeting to elect directors to fill all such vacant positions within one (1) month from the date the number of directors becomes less than the quorum. The persons elected as replacement directors shall hold office only for the remaining terms of office of the directors they replace.
- Clause 25. The Shareholders' Meeting may pass a resolution to remove any director before the expiration of his or her term by a vote of not less than three-fourths (3/4) of the total number of shareholders present and entitled to vote, and representing not less than one-half (1/2) of the total shares held by the shareholders present and entitled to vote.
- Clause 26. The Board of Directors shall elect one (1) director to be the Chairman of the Board.
- In the case where the Board considers it appropriate, it may elect one or more directors to be Vice Chairmen.
- The Vice Chairmen shall perform duties in accordance with the Articles of Association as assigned by the Chairman.
- Clause 27. At a meeting of the Board of Directors, there must be not less than one-half (1/2) of the total number of directors present to constitute a quorum. The Chairman of the Board shall preside over the Board of Directors' meeting. In the event that the Chairman is not present at the meeting or is unable to perform his or her duties and there is a Vice Chairman, the Vice Chairman shall preside over the meeting. If there is no Vice Chairman or if there is but he or she is not present at the meeting or is unable to perform his or her duties, the directors present at the meeting shall elect one director to preside over the meeting.

The decision of the Board of Directors' meeting shall be made by a majority vote. Each director shall have one (1) vote in casting a vote, except that any director who has an interest in any particular matter shall not be entitled to vote on that matter. In the case of an equality of votes, the Chairman of the meeting shall have a casting vote.

Clause 28. The Board of Directors shall hold a meeting at least once every three (3) months in the province where the Company's head office is located or in a nearby province, with the date, time, and venue to be determined as the Board deems appropriate.

Two (2) or more directors may request the Chairman to call a Board meeting. In such case, the Chairman shall fix the meeting date within fourteen (14) days from the date of receiving the request

In calling a Board meeting, the Chairman or the person assigned shall send a notice of the meeting to all directors not less than seven (7) days prior to the meeting date, except in urgent cases to preserve the Company's rights and interests, in which case the meeting may be called by other means and an earlier meeting date may be set.

Clause 29. The Board of Directors shall maintain a register of directors, minutes of the Board meetings, minutes of the shareholders' meetings, and all resolutions of the meetings properly recorded as evidence. Such evidence shall be kept at the Company's head office. The minutes signed by the Chairman of the meeting shall be presumed to be accurate evidence of the minutes and resolutions recorded therein.

Clause 30. The Board of Directors' meetings may be held in the form of electronic media meetings. The conduct of meetings via electronic media and the security standards for such electronic media meetings shall comply with the laws and relevant regulations.

Clause 31. In conducting the business of the Company, the directors shall perform their duties in accordance with the law, the objectives, and the Articles of Association of the Company, as well as the resolutions of the shareholders' meetings, with honesty and diligence in protecting the interests of the Company.

Clause 32. A director shall notify the Company without delay in the following cases:

(1) Having a direct or indirect interest in any contract entered into by the Company during the accounting year, specifying the facts relating to the nature of the contract, the name of the contracting party, and the director's interest in such contract (if any).

(2) Holding shares or debentures in the Company and its affiliates, specifying the total number of shares or debentures that increased or decreased during the accounting year (if any).

Clause 33. The number of directors authorized to sign and bind the Company shall be two (2) directors signing jointly and affixing the Company's seal.

The Board of Directors' meeting or the shareholders' meeting shall have the power to determine and amend the list of directors authorized to sign and bind the Company.

Clause 34. The Company is prohibited from paying money or any other property to directors, except as payment of remuneration to directors. The directors shall be entitled to receive remuneration from the Company in accordance with the Company's Articles of Association or as determined and approved by the shareholders' meeting by a vote of not less than two-thirds (2/3) of the total votes of the shareholders present at the meeting. Such remuneration may be fixed in a specific amount or established according to specific criteria and may be determined from time to time or have effect until the shareholders' meeting resolves otherwise.

The provisions in the first paragraph shall not affect the rights of directors who have been appointed from among the Company's employees or staff to receive remuneration and benefits in their capacity as employees or staff of the Company.

Clause 35. The Board of Directors shall have the authority to appoint one or more persons or committees to act on behalf of the Board under its supervision and control or to delegate such persons or committees with powers as deemed appropriate by the Board. The Board may revoke, cancel, alter, or amend such powers at any time.

Clause 36. Except where prior notice has been given to the shareholders' meeting before passing a resolution on the appointment in the case of the election of directors, no director shall engage in any business of the same nature and in competition with the Company's business, or become a partner in a general partnership, or an unlimited partner in a limited partnership, or a director of a private company or any other company engaged in a business of the same nature and in competition with the Company's business. This applies whether for his own benefit or for the benefit of others.

Clause 37. All acts performed by a director on behalf of the Company, even if it later appears that the appointment of such director was defective or that the director was disqualified by lacking the proper qualifications for the position, shall be deemed complete as if such person had been properly and fully appointed with the required qualifications as a director.

Chapter 6

Shareholders' Meetings

Clause 38. The Board of Directors shall arrange for an annual general meeting of shareholders to be held within four (4) months from the end of the Company's accounting period. Such a meeting shall be called the "Annual General Meeting."

Any other shareholders' meeting other than the meeting referred to in paragraph one shall be called an "Extraordinary Meeting." The Board of Directors may convene an Extraordinary Meeting of shareholders at any time as deemed appropriate.

One or more shareholders holding shares amounting in aggregate to not less than ten percent (10%) of the total number of shares sold may subscribe their names together to make a written request to the Board of Directors to call an extraordinary meeting of shareholders at any time, but the matters and reasons for requesting the meeting shall be clearly specified in such written request. In such a case, the Board of Directors shall arrange for a meeting of shareholders to be held within forty-five (45) days from the date of receipt of such written request from the said shareholders.

In the case where the Board of Directors fails to arrange for the meeting within the period specified under paragraph three, the shareholders who have subscribed their names together or other shareholders holding the aggregate number of shares as prescribed by the regulations may call such meeting by themselves within forty-five (45) days from the expiration of the period specified under paragraph three. In such case, it shall be deemed a shareholders' meeting called by the Board of Directors, and the Company shall be responsible for the necessary expenses arising from arranging such meeting and shall provide appropriate facilitation.

In the case where it appears that the shareholders' meeting, which is called because of the shareholders under paragraph four, does not have a quorum as prescribed in these Articles of Association, the shareholders under paragraph four shall be jointly responsible to reimburse the Company for the expenses incurred in convening such meeting.

Clause 39. In notifying the shareholders' meeting, the Board of Directors shall prepare a meeting notice in writing specifying the place, date, time, agenda, and matters to be proposed to the meeting with appropriate details. The matters to be proposed must have been approved by a resolution of the Board of Directors' meeting and shall clearly specify whether they are proposed for acknowledgement, approval, or consideration, as the case may be, including the Board's opinions on such matters. The notice shall be sent to the shareholders and the registrar no less than seven (7) days before the meeting date, and the meeting notice shall be advertised in a newspaper continuously for three (3) days before the meeting date, not less than three (3) days prior thereto.

Clause 40. The shareholders' meeting may be held in the form of an electronic media meeting. The conduct of the meeting via electronic media and the security standards for such meetings shall comply with the laws and relevant regulations.

Clause 41. At a shareholders' meeting, there must be at least twenty-five (25) shareholders and proxy holders (if any) attending the meeting, or no less than one-half (1/2) of the total number of shareholders. There

must also be shares held in aggregate of no less than one-third (1/3) of the total number of shares sold in order to constitute a quorum.

In the event that it appears that at any shareholders' meeting, when the meeting time has elapsed for one (1) hour, the number of shareholders attending the meeting is not sufficient to constitute a quorum as prescribed in paragraph one, if the shareholders' meeting was convened at the request of shareholders, the meeting shall be considered terminated. If such meeting is not a meeting convened again at the request of shareholders, a meeting notice shall be sent to the shareholders no less than seven (7) days prior to the meeting date. At such subsequent meeting, a quorum shall not be required.

Clause 42. At a shareholders' meeting, a shareholder shall appoint another person as proxy to attend the meeting and vote on their behalf. The proxy must be made in writing, signed by the appointing shareholder, and in the form prescribed by the registrar. The proxy must be submitted to the Chairman of the Board or a person whom the Chairman has specified at the meeting venue before the proxy attends the meeting and shall at least contain the following information:

- (1) The number of shares held by the appointing shareholder
- (2) The name of the proxy
- (3) The meeting number for which the proxy is authorized to attend and vote.

Clause 43. The Chairman of the Board shall be the chairman of the shareholders' meeting. In the case where the Chairman is not present at the meeting or is unable to perform his or her duties, the Vice Chairman shall act as the chairman of the meeting. If there is no Vice Chairman, or if the Vice Chairman is not present at the meeting or is unable to perform his or her duties, the meeting shall elect one of the attending shareholders to be the chairman of such meeting.

Clause 44. In casting votes at a shareholders' meeting, one (1) share shall be entitled to one (1) vote.

Voting shall be conducted openly unless at least five (5) shareholders request and the meeting resolves to conduct a secret ballot, in which case voting shall be by secret ballot. The method of the secret ballot shall be determined by the chairman of the meeting.

Except for the voting for the election of directors, any shareholder who has a special interest in any matter shall not be entitled to vote on such matter.

The resolution of the shareholders' meeting shall consist of the following votes:

- (1) In a normal case, the majority votes of the shareholders attending the meeting and casting their votes shall be counted. If the votes are equal, the chairman of the meeting shall have one (1) additional vote as a casting vote.

- (2) In determining the remuneration of directors, votes shall be not less than two-thirds (2/3) of the total votes of the shareholders attending the meeting.
- (3) In the following cases, votes shall be not less than three-fourths (3/4) of the total votes of the shareholders attending the meeting and having the right to vote.
 - (3.1) The sale or transfer of all or a substantial part of the business of the Company to other persons
 - (3.2) The purchase or acceptance of the transfer of the business of a private company or public limited company to be owned by the Company
 - (3.3) The making, amendment, or termination of contracts regarding the lease of all or a substantial part of the business of the Company, the assignment of any other person to manage the business of the Company, or the amalgamation of the business with other persons with the objective of profit and loss sharing
 - (3.4) The amendment of the Memorandum of Association or the Articles of Association of the Company
 - (3.5) The increase or reduction of the registered capital of the Company
 - (3.6) The dissolution of the Company
 - (3.7) The issuance of debentures for offering to the public
 - (3.8) The amalgamation of the Company with another company
 - (3.9) Any other actions as prescribed by law that require votes of not less than three-fourths (3/4) of the total votes of the shareholders attending the meeting and having the right to vote.

Clause 45. The businesses that the annual ordinary shareholders' meeting shall conduct are as follows:

- (1) To acknowledge the report of the Board of Directors showing the business of the Company in the past year
- (2) To consider and approve the balance sheet or statement of financial position and the profit and loss account as of the end of the Company's accounting period
- (3) To consider and approve the allocation of profits and the payment of dividends
- (4) To consider the election of new directors in place of those who retire by rotation and to determine the remuneration of the directors
- (5) To consider the appointment of an auditor and to determine the remuneration of the auditor

- (6) Other businesses.

Chapter 7

Accounting, Finance, and Audit

- Clause 46. The Company's accounting period shall commence on 1 January and end on 31 December of every year.
- Clause 47. The Board of Directors shall arrange for the preparation and maintenance of the accounting books as well as the audit as prescribed by the relevant laws, and shall prepare the balance sheet and profit and loss account at least once in a period of twelve (12) months, which is the Company's accounting period.
- Clause 48. The Board of Directors shall arrange for the preparation of accurate and complete balance sheets and profit and loss accounts as of the end of the Company's accounting period and present them to the shareholders' meeting at the annual ordinary meeting for approval. The Board of Directors shall arrange for an auditor to audit such balance sheets and profit and loss accounts before presenting them to the shareholders' meeting.
- Clause 49. The Board of Directors shall deliver the following documents to the shareholders together with the notice of the annual general meeting of shareholders:
- (1) A copy of the balance sheet and profit and loss account, which have been audited by the auditor, together with the auditor's report; and
 - (2) The annual report of the Board of Directors together with supporting documents showing information relating to such report.
- Clause 50. The annual general meeting shall appoint the auditor of the Company and determine the audit fee for such auditor, and an auditor who has vacated office shall be eligible to be reappointed.
- The auditor shall not be a director, employee, or staff member or hold any position in the Company.
- Clause 51. The auditor shall have the authority to audit the accounts, documents, and other evidence relating to the income, expenses, assets, and liabilities of the Company during the Company's business hours. In this regard, the auditor shall have the authority to inquire from directors, employees, staff, any persons holding any positions in the Company, and the Company's representatives, including such persons providing explanations of the facts or submitting documents or evidence concerning the Company's operations as necessary for the auditor to perform their duties.
- Clause 52. The auditor has the right to submit a written statement to the shareholders' meeting and is obliged to attend every shareholders' meeting of the Company where the balance sheet, profit and loss account,

and accounting issues of the Company are considered in order to explain the audit to the shareholders. The Company shall deliver all reports and documents that the shareholders are entitled to receive at that shareholders' meeting to the auditor as well.

Chapter 9

Dividends and Reserves

Clause 53. Dividend payments are prohibited from sources other than profits. In the case where the Company still has accumulated losses, dividends shall not be paid. The Board of Directors shall determine the amount of dividends as deemed appropriate.

Dividends shall be distributed according to the number of shares, equally per share, except in the case where the Company issues preferred shares and stipulates that the preferred shares receive dividends differently from common shares. Dividends shall be allocated accordingly.

Dividend payments must be approved by the shareholders' meeting, except in the case of interim dividend payments.

The Board of Directors may pay interim dividends to shareholders from time to time when it considers that the Company has sufficient profits to do so. After paying such dividends, the Board of Directors shall report to the shareholders' meeting at the next meeting.

In the case where the Company has not yet sold all registered shares or has registered an increase in capital, the Company may pay dividends in whole or in part by issuing new common shares to shareholders with the approval of the shareholders' meeting.

Dividend payments shall be made within one (1) month from the date of approval by the shareholders' meeting or the Board of Directors. A written notice shall be sent to the shareholders, and an announcement of the dividend payment shall be published in a newspaper continuously for not less than three (3) days.

Clause 54. The Company shall allocate part of the annual net profit as a reserve fund of not less than five percent (5%) of the annual net profit after deducting any accumulated losses (if any), until such reserve fund amounts to not less than ten percent (10%) of the registered capital. In addition to the aforementioned reserve fund, the Board of Directors may propose to the shareholders' meeting to resolve the allocation of other reserves as deemed appropriate for the Company's operations.

Chapter 10

Capital Increase and Capital Reduction

Clause 55. The Company may increase its registered capital by issuing new shares in addition. Such issuance of shares shall be made when:

- (1) All shares have been issued and fully paid, or in the case that shares have not been fully issued, the remaining shares must be shares issued to accommodate convertible debentures or warrants to purchase shares
- (2) The shareholders' meeting passes a resolution with not less than three-fourths (3/4) of the total votes of the shareholders attending the meeting and entitled to vote; and
- (3) Such resolution is registered to change the registered capital with the registrar within fourteen (14) days from the date of such resolution.

Clause 56. The newly issued shares may be offered for sale in whole or in part and may be offered for sale to the existing shareholders in proportion to their respective shareholdings or may be offered for sale to the public or to other persons, whether in whole or in part, all in accordance with the resolution of the shareholders' meeting.

Clause 57. The Company may reduce its registered capital by reducing the par value of each share or by reducing the number of shares. This shall be done by a resolution of the shareholders' meeting with a vote of no less than three-fourths (3/4) of the total votes of the shareholders attending the meeting and entitled to vote. The Company must register such a resolution with the registrar within fourteen (14) days from the date of the meeting resolution.

The Company shall not reduce its capital to less than one-quarter (1/4) of the total capital, except in the case where the Company has accumulated losses and has compensated for the accumulated losses in the order prescribed by law, but there are still remaining accumulated losses. The Company may reduce its capital to less than one-quarter (1/4) of the total capital.

The Company has registered the capital reduction. The Company shall notify the shareholders in writing and publish the notice in a newspaper at least once within fourteen (14) days from the date of the capital reduction registration.

Clause 58. When the Company wishes to reduce its capital (which is not a reduction by cancelling registered shares that cannot be sold or have not yet been issued), written notice of the resolution to reduce the capital must be sent to the creditors known to the Company within fourteen (14) days from the date of the shareholders' meeting resolution, specifying a period for objections to be submitted within two (2) months from the date of receipt of such notice, and the Company shall also advertise such resolution

in a newspaper within the period of fourteen (14) days, which shall be advertised for a consecutive period of three (3) days.

If there is an objection, the Company shall not reduce its capital until the debt has been paid or security for such debt has been provided.

Chapter 11

Seal

Clause 59. The seal of the Company shall be as follows.