

Company's Regulations for Shareholders' Meeting

Section 6 Shareholders' Meetings

47. The Board of Directors is obligated to hold a Shareholders' Annual General Meeting within 4 (four) months from the end date of every fiscal year of the Company. Any other stockholders' meetings aside from the aforementioned shall be regarded as 'Extraordinary Meeting'.

The Board of Directors can hold extraordinary meeting at any time as deemed appropriate or when requested by shareholders whose combined outstanding shares are not less than 1/5 (one-fifth) of the floating stock or when a minimum of 25 (twenty-five) shareholders with outstanding shares not less than 1/10 (one-tenth) of the floating stock submit a joint letter requesting the Board of Directors to hold a shareholders' meeting. Such extraordinary meeting can be held at any time of the year provided proper agendas are precisely stated in the aforementioned letter.

In such case/s, the Board of Directors is obliged to schedule the proposed shareholders' meeting within 1 (one) month from the receipt date of the letter from shareholders.

48. For shareholders' meetings, the Board of Directors must issue an invitation letter stating the venue, date, time, agenda and discussion items with reasonable details while clearly indicating whether the items require acknowledgement, approval or consideration as the case may be. The invitation must also include the opinions of the Board of Directors on the said matters and must be delivered to the shareholders and registrar not less than 7 (seven) days before the meeting date. The meeting event must also be publicized on newspaper for 3 consecutive days at least 3 (three) days before the meeting date.

49. In relation to all shareholders' meetings, the requirement of attendance of at least 25 (twenty-five) shareholders and proxies (if any) or not less than half of the total shareholders, depending on which amount is lower, and the outstanding shares of all shareholders present being not less than 1/3 (one-third) of the floating stock must be met to satisfy the requirement of a valid quorum.

In cases whereby the meeting is requested by the shareholders but the attendance of shareholders is lower than what is required to constitute a valid quorum one hour after the meeting has started, such meeting shall be cancelled. However, if the same happens for cases where the meeting is called by the Board of Directors, the meeting shall be rescheduled and the Board of Directors must issue a new invitation letter to the shareholders at least 7 days before the next meeting date. The rescheduled meeting shall take place even if the quorum is not met.

50. All resolutions of the shareholders' meeting must satisfy the following criteria:

50.1 The decisions or resolutions concluded at the shareholders' meeting should be done in the form of voting and regardless of the method adopted for voting, one share shall be counted as one vote.

50.2 In normal cases, the majority votes from the shareholders who attended the meeting will prevail as the concluding decision. In the case of draw of votes, the Chairman of the meeting shall add one more vote as the casting vote.

50.3 In the following cases, the votes of not less than 3/4 (three-fourth) of the total votes from the shareholders who attended the meeting and are eligible to vote must be counted to constitute passing of the agenda item.

(a) The sale or transfer of the entire or part of the business to another individual entity

(b) The purchase or acceptance of other company or a private entity

(c) The creation, amendment or termination of contract related to all or an essential part of any business on lease or the assignment of another individual to manage the Company's business with the objectives to share profits and loss

51. The minimum proceedings that must take place during the shareholders' annual general meeting include:

(1) Acknowledgement of Board of Directors' report that demonstrates the business operations of the Company in the past year

(2) Approval of balance sheet and profit and loss account

(3) Approval of appropriation of profit

(4) Election of directors to replace planned retirement

(5) Appointment of auditors and establishment of the Company's audit fee amount

(6) Other proceedings

52. The Company must submit the list of shareholders' names on the annual general meeting and also specify the nationality, address, number of shares and share certificate number of every shareholder to the registrar 1 (one) month from the end of the meeting.