

**ARTICLES OF ASSOCIATION  
OF  
LAND AND HOUSES PUBLIC COMPANY LIMITED**

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**1. The Closing Share Register Book**

14. The Company may close off its books to suspend registration of the transfer of shares during a period of 21 days prior to each shareholders meeting by making an advance announcement to shareholders at its Head Office and every branch offices at least 14 days before the date of this closure of the books to suspend registration of any share transfer.

**2. The Appointment of directors**

17. At each annual ordinary general meeting, one-third of members of the Board shall vacate their office. If such number cannot be divided exactly into one-thirds, then the number of directors to retire shall be the nearest to this one-third fraction.

The directors to retire during the first and second year following the registration of the Company shall be drawn by lots. In every subsequent year, however, the directors who have been longest in office shall retire. Directors who vacate their office by rotation may be re-elected.

**3. The Meeting of Shareholders**

32. An annual Ordinary Meeting of Shareholders shall be convened by the Board within four months from the last day of the Company's fiscal period. Meetings of shareholders other than those stated above shall be called Extraordinary Meetings. The Board may convene an Extraordinary Meeting whenever it thinks fit, or when a letter, subscribed to by shareholders holding an aggregate number of not less than one-fifth of the total number of shares issued, or which is subscribed to by at least 25 shareholders holding an aggregate number of not less than one-tenth of the total number of shares issued, was sent to request the meeting by clearly specifying their reasons and purposes for requesting the Board of Directors to convene Extraordinary Meeting of Shareholders. In such a case, the Board of Directors shall convene a meeting within 1 month from the date of its receipt of the letter from the shareholders.
33. In summoning a meeting of shareholders, the Board shall arrange for the Notice calling for the meeting which specifies the location, date, time and items of agenda and matters to be tabled therein together with reasonable details, to send to shareholders at least 7 days prior to the date of the meeting and shall publish the Notice of the Meeting in a newspaper for at least 3 consecutive days before the date of the Meeting.
- The Board of Directors or the director so assigned by it shall determine the date, time and place of the meeting of Shareholders. The location in which the Meeting will be held must be in the same locality as that of the Head Office, or Branch Office, or in a neighbouring province of the Head Office and the Branch Office or any other province as considered appropriate by the Board.

#### **4. A Quorum**

34. A quorum for a meeting of shareholders shall be formed by at least 25 shareholders attending the meeting either in person or by proxy (if any) with an aggregate number of shares of no less than one-third of the total number of issued shares, or by no less than half of the total number of shareholders attending the meeting either in person or by proxy (if any), with an aggregate number of shares of no less than one-third of the total number of issued shares.

At a meeting of shareholders, if an hour should have lapsed after the time fixed for the meeting and the quorum as prescribed above is not present, then in case of a meeting called at the request of shareholders, it shall be cancelled forthwith.

However, if such a meeting has not been called for by shareholders, the Board shall re-schedule a new meeting and a Notice to shareholders shall be sent out at least 7 days before the date of the meeting. A quorum is not, however, required for this latter meeting.

#### **5. The Proxy**

35. Shareholders may appoint proxies to attend the meeting and vote on their behalf at any meeting of shareholders. The Deed of Proxy, however, shall be dated and signed by the shareholder who is granting such proxy and executed in the form as prescribed by the Registrar.

Before entering the meeting, the proxy holder shall submit this Deed of Proxy to the Chairman of the Board or a person so designated by the Chairman at the place of the Meeting.

#### **6. The Votes**

36. For voting purposes, one share shall be entitled to one vote, and a resolution of the meeting of Shareholders is required to carry the following votes:
- (1) in normal circumstances, majority votes of shareholders attending the meeting and who are entitled to vote. In case of a tie, the presiding chairman shall be entitled to cast a decisive vote.
  - (2) in the following circumstances, a resolution shall be passed by no less than three-fourths of the total votes of all shareholders attending the meeting and who are entitled to vote:
    - (A) sale or transfer of the Company's material business, wholly or partially, to third parties;
    - (B) purchase or acceptance of the transfer of businesses of other companies or private companies to the Company;
    - (C) execution, amendment or termination of agreements relating to the Leasing out of the Company's material businesses, either wholly or partially;
    - (D) assignment to other persons to manage the Company's businesses; or
    - (E) amalgamation of the business with other parties with the purpose of sharing profits and loss;
    - (F) amendments of the Memorandum of Association or Articles of Association;
    - (G) increase or decrease of the Company's capital funds, or issuance of debentures;
    - (H) merger or dissolution of the Company.

## **7. The Agenda**

37. Businesses to be considered by the annual general meeting are as follows:
- (1) consideration of the Board's report over its performance during the past year;
  - (2) consideration and authorisation of the balance sheets;
  - (3) consideration over appropriation of profits;
  - (4) appointment of directors to replace those who have retired at the end of their term;
  - (5) appointment of the Auditor and the fixing of his/her remuneration;
  - (6) other businesses.

## **8. Accounts, Finance and Dividends**

38. The Company's fiscal year commences on the 1st of January and ends on the 31st of December of each year.
39. The Company shall arrange for its books of accounts to be prepared and maintained as well as auditing of accounts to be made in accordance with the applicable laws. Balance Sheets as well as Profits and Loss Accounts must be prepared at least once every 12 months which constitutes the Company's fiscal year.
40. The Board shall arrange for the Balance Sheets and Profits and Loss Accounts to be made at the end of the Company's Fiscal Year, and then submitted to the meeting of shareholders at its annual general meeting for approval. Such balance sheets and profits and loss accounts shall be arranged by the Board to be audited prior to their submission to the meeting of shareholders.
41. The Board shall arrange for the following documents to be sent to shareholders together with the Notice for the Annual General Meeting:
- (1) copies of the audited Balance Sheets and Profits and Loss Accounts, together with the Auditor's report; and
  - (2) the Board of Directors' annual report.
42. Subject to the provision of Article 43, no dividends may be distributed out of any funds other than profits and the Company may not make any payment of dividends if there is still any accumulated loss. In the case where the Company has made profits, the Board of Directors shall recommend the meeting to declare up to 40% of the Company's net profits after tax for payment of dividends as long as such action will not adversely affect the Company's capital funds. Dividends shall be divided by the number of shares and in equal portions for all shares.
- The Board of Directors may pay interim dividends to shareholders from time to time when it determines that the Company has appropriate profits to do so. A report thereof will be made to the shareholders at its next meeting.
- Payment of dividends shall be made within one month from the date the resolution is passed by the Meeting of Shareholders or the Board of Directors, as the case may be. Written notice shall also be sent to shareholders and the publication of such payment of dividends shall be made in a newspaper within one month from the date on which the meeting of shareholders has approved its payment, or from the date on which the meeting of the Board has adopted such resolution, as the case may be.

43. The Company shall allocate to a reserve fund from its annual net profits in the amount of no less than 5% of the annual net profits less total accumulated loss brought forward (if any), until the reserve fund reaches an amount of no less than 10 per cent. of the registered capital. Other than the said reserve funds, the Board may recommend that the meeting of shareholders pass a resolution to appropriate to other reserve funds as it sees fit for the conduct of the Company's businesses.