

(DRAFT)

# CHARTER

OF

**INTERFOOD SHAREHOLDING COMPANY**

**(ADJUSTED ACCORDING TO APPROVAL OF AMENDING SOME  
ARTICLES OF THE COMPANY'S CHARTER AT THE  
SHAREHOLDERS' GENERAL ASSEMBLY DATED 12/04/2012)**

**PREPARED AS PER:**

- *ENTERPRISE LAW ISSUED IN 2005*
- *RESOLUTION OF THE NATIONAL ASSEMBLY NO. 71/2006/QH11 DATED:  
29/11/2006 APPROVED THE PROTOCOL OF PARTICIPATION OF WTO OF THE  
S.R.VIETNAM*
- *SPECIMEN CHARTER ISSUED BY MINISTRY OF FINANCE IN MARCH' 2007*

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## **PREAMBLE**

This Charter is adjusted according to approval of amending some articles of Charter by the Shareholders' General Assembly of the Company under the resolution properly passed at the meeting of the Shareholders' General Assembly held on 12/04/2012 and replaced the Charter on 25/04/2007 and its amendment on 28/09/2009

### **I. DEFINITION OF TERMS IN THE CHARTER**

#### **Article 1. Definition**

1. In this Charter, the following terms shall mean as below:

a. "Charter capital" means the capital contributed by all shareholders and prescribed in Article 5 of this Charter.

b. "The Enterprise Law" means the Enterprise Law No 60/2005/QH11 passed on 29 November 2005 by the National Assembly

c. "The Founding Date" means the date when the Company is granted the business registration certificate

d. "Management Officers" mean the Board member, managing director, the deputy general managing director, the chief accountant and other managing officers ratified by the Board to be Management Officers of the Company.

e. "The related person" means any individuals or organizations prescribed in Article 4.17 of the Enterprise Law.

f. "Operation Duration" means the duration of the Company as provided for in Article 2 of this Charter and every extended time, passed by a resolution of the Shareholders' General Assembly of Company

g. "Vietnam" means the Socialist Republic of Vietnam.

2. In this Charter, all of reference to one or some clauses or other document shall cover their amendments or substituted documents.

3. The headings (chapter, article) included herein aim only to facilitate the reference the content and do not affect the content of this Charter;

4. Words and terms defined in the Enterprise Law (if not contradictory with subjects or contents) shall have the meanings similar to those in this Charter.

5. Words and terms defined in the Enterprise Law (if not contradictory with subjects or contents) shall have the meanings similar to those in this Charter.

## **II. NAME, FORM, HEAD-OFFICE, BRANCH(S), REPRESENTATIVE OFFICE(S) AND OPERATION DURATION OF THE COMPANY**

### **Article 2. Name, form, head-office, branch(s), representative office(s) and operation duration of the Company**

#### 1. Name of the Company

- The lawful name of the Company in Vietnamese is:  
**“CONG TY CO PHAN THUC PHAM QUOC TE”**
- The lawfully registered name of the Company in English is:  
**“INTERFOOD SHAREHOLDING COMPANY”**
- The transaction/ abbreviation name of the Company is:  
**“Interfood”**
- The abbreviated name of the company; “IFS”

2. The Company is a shareholding company having its juridical personality status in accordance with present Vietnamese law.

#### 3. Registered headquarter of the Company:

Address: Lot 13, Tam Phuoc Industrial Zone, **Bien Hoa City**, Dong Nai Province

Telephone: (84)61-3511138

Fax: (84) 61-3512498

#### 4. The Board Chairman is the Company’s legal representative

5. The Company may set up branch(s) and representative office(s) in business geographical areas in order to achieve its objectives in accordance with the Resolution of the Board and within the scope permitted by law.

6. Except when the Company terminates its operation prior to the expiry of the operation term according to Articles 50.2 and 51 or extends its operation according to Article 52 of this Charter, its operation duration shall be unlimited from its Founding Date.

## **III. OBJECTIVES, BUSINESS AND OPERATION SCOPE OF THE COMPANY**

### **Article 3. The objectives of the Company**

1. The Company’s business fields are processing of agricultural products and aquatic products into canned, dried, salted, vinegary products; production of cake, snack; carbonated fruit-juice, fruit-juice with low alcohol (5%), bottled fine

water and PET bottle production serving the operation of the Company, producing package used for foodstuff and beverage; performance of the right to distribute products made from agricultural products, aquatic products, kinds of biscuits, confectionery, beer and beverage with none-carbonate, carbonate and low alcohol.

2. The Company's objectives are to mobilize and effectively use capital from domestic and overseas investors for development of the business of processing of agricultural products and aquatic products into canned, dried, salted, preserve-in-vinegar products; production of cakes, snack; carbonated fruit-juice, fruit-juice with low alcohol (5%), bottled fine water and PET bottle production serving the operation of the Company, producing package used for foodstuff and beverage; performance of the right to distribute products made from agricultural products, aquatic products, kinds of biscuits, confectionery, beer and beverage with none-carbonate, carbonate and low alcohol. for the purposes of maximizing profits, creating more jobs, increasing dividends for the shareholders, contributing to the State Budget and developing the Company.

#### **Article 4. Scope of business and operation**

1. The Company is permitted to plan and carry out all business activities according to the provisions of the business registration certificate and this Charter and in accordance with the provisions of law, and adopt appropriate measures to attain its objective(s).

2. The Company may carry out other business permitted by law, which the Board deems most beneficial to the Company.

### **IV. CHARTER CAPITAL, SHARES AND FOUNDING SHAREHOLDERS**

#### **Article 5. Charter capital, shares, founding shareholders**

1. The Company's Charter capital is 291,409,920,000 VND (Two hundred and ninety one billion, four hundred and nine million, nine hundred and twenty thousand VND only)

The total Charter capital of the Company is divided into 29,140,992 shares with the par value of one share is VND 10,000 (ten thousand)

2. The Company can increase its charter capital only when it is so approved by the Shareholders' General Assembly in accordance with the provisions of law.

3. The shares of the Company on the day passed this Charter are common shares. The rights and obligations which included the common shares are provided in Article 11

4. The Company may issue other kinds of preference shares after it is so approved by the Shareholders' General Assembly in accordance with the provisions of law.

5. The name, address, the number of the share and details of the founding Shareholders are provided in the enclosed Appendix as prescribed by the Enterprise Law. This appendix is regarded as an integral part of this Charter

6. The new common shares must be issued shall be first offered for sale to shareholders in proportion to their respective sharing ratio shareholder in the Company, except for the other provisions of the Shareholders' General Assembly . The Company must announce the sale offer, clearly stating the volume of shares offered for sale and the reasonable duration (not less than twenty one days) so that the shareholders may place their purchase order. The shares not registered for purchase by shareholders shall be placed under the control of the Board. The Board may distribute those shares to various entities under the conditions and by the modes, which the Board deem appropriate, provided that those shares must not be sold under conditions which are more favourable than the conditions offered for sale to shareholders, unless otherwise agreed upon by the Shareholders' General Assembly or where the shares are sold via Stock Exchange/ Securities Trading centres.

7. The Company may buy shares of its own (including the reimbursed shares) by the modes prescribed in this Charter and relevant laws The common shares repurchased by the Company shall be kept as treasury stocks and may be offered by the Board for sale in the form complied with the provisions of this Charter, the Securities Law and the relevant guidelines.

8. The Company may issue the other kinds of the securities when that such issue is approved in writing by the Shareholders' General Assembly and complied with the laws and regulations on securities and security market.

### **Article 6. Share Certificate**

1. The shareholders of the Company are supplied the share certificate respectively with the numbers of the shares and the kind of shareholders, except for the provisions in Sub-Article 6.7.

2. The share certificate must have the seal of the Company and the signature of the lawful representative of the Company according to the provision of the Enterprise Law. The share certificate must show the number and the kind of share that shareholders keep the name of the keeper (if it is the registered share) and the other information according to the provisions of the Enterprise Law. Each of the registered share only represent for a kind of the share

3. Duration 15 days since from the date of submission of all required documents for the transfer of the share according to the provision of the Company or during two months (or longer) since the day when they pay sufficient money for the share purchase as provided in the share issue plan, the owner of the share will be supplied the share certificate. The owner of the share

does not have to pay the Company the fees for printing the share certificate or any other expenses.

4. In cases where only a number of registered shares in a registered share certificate is transferred, the former certificate shall be abolished and a new certificate acknowledging the remaining share numbers shall be granted free of charge.

5. If a registered share certificate is damaged, erased or crossed, lost, stolen or destroyed, the person who has registered share certificate can request to be supplied a new share certificate provided that the shareholder must follow the procedures to produce the required proofs and pay the Company all the relevant expenses as approved by the Board.

6. The bearer of share certificate holders must take independent responsibility for the preservation of certificates and the Company shall not be responsible in all cases where these certificates are stolen or used for the purposes of deception.

7. The Company may issue registered shares not under the form of certificate. The Board can promulgate the writing which permit all shares (regardless of whether the shares are issued under this form or not) to be transferred without requiring transfer documents. From time to time, the Board may issue other regulations to replace the corresponding regulations in the Enterprise Law, laws on securities and security market and this Charter.

8. Shareholders owning five or more per cent of the total number of shares must be registered with a competent business registration body within seven working days from the date of acquiring such ownership percentage.

#### **Article 7. The other security certificate:**

All forms of share certificates or bonds or other securities of the Company (except sale offer letters, provisional certificates and similar documents) shall be issued with seal and specimen signature of the Company's legal representative, except otherwise provided for by the prevailing provisions and conditions governing the certificates.

#### **Article 8. Share transfer**

1. All shares may be freely transferred except otherwise provided for by this Charter and the laws. All shares listed at the Stock Exchange/ Securities Trading Centres shall be transferred in accordance with the regulations of the Stock Exchange/ the Securities Trading Centres.

2. The share which has not fully paid shall not be allowed to be transferred or entitled to receive dividends.

#### **Article 9. Withdrawal of shares**

1. If a shareholder fails to fully pay on time the money amount to be paid for share purchase, the Board may send a notice to such shareholder at any time,



requesting him/her to pay such amount together with the possible accrual of interests thereon and the expenses incurred by the Company due to the failure of payment.

2. The above-mentioned notice must clearly state the new payment time limit (at least 7 days as from the date of sending the notice) and venue and clearly state that if the payment is not made strictly according to the request; the shares not yet paid up shall be withdrawn.

3. If the requests stated in a notice mentioned above are not satisfied, the Board may withdraw every share already stated in the notice at any time before all payable amounts including interest amounts and relevant expenses are fully paid. The Board may accept the hand-over of withdrawn shares under the Sub-Article 4, 5 and 6 below and in other cases prescribed in this Charter.

4. A withdrawn share shall become the Company's property and may be sold, redistributed or settled in other ways for the person who had once held such share before the withdrawal or hand-over, or for any other person under the conditions and by the ways, which Board of Management deems appropriate.

5. A shareholder who holds the withdrawn shares shall have to abandon his/her capacity as shareholder over such shares but still have to pay to the Company all money amounts related to those shares including the interest (not exceeding ...%/ year) on the date the withdrawal is made, which must be paid to the Company under decision of the Board as from the date of withdrawal to the date of payment and the Board shall have full power to decide the enforcement of the payment of the entire share value by the time of withdrawal or may exempt or partially reduce such payable amount.

6. Notices on the withdrawal shall be sent to the persons who hold such shares before the time of withdrawal; but in all circumstances, the withdrawal shall not be invalidated for the reasons of missing out or carelessness in sending the notices.

## **V. ORGANIZATIONAL STRUCTURE, MANAGEMENT AND CONTROL**

### **Article 10. Structure of management organization**

The Company's management organization is structured to include:

- a. The shareholder's general assembly;
- b. The Board;
- c. The general managing director (or director); and
- d. The Supervisory Committee.

## **VI. SHAREHOLDERS AND SHAREHOLDERS' GENERAL ASSEMBLY**

### **Article 11. Rights of the Company's shareholders**

1. Shareholder is the owner of the Company, having the rights and obligations corresponding to the number of shares and types of shares they own. The shareholders' liabilities for the debt and other asset rights of the Company are limited to the capital contributed to the Company.

2. The person who own the common shares with the following rights:

a. To attend and speak at the Shareholders' General Assembly and exercise the right of voting directly or through the authorized representatives; each common share shall carry one vote;

b. To receive dividends at the rate approved by the Shareholders' General Assembly;

c. To freely transfer the fully paid shares according to the provisions of this Charter and the prevailing laws;

d. To be given priority to buy new shares offered for sale corresponding to the portions of common shares they have owned;

e. To check information related to shareholders specified in the list of those fully qualified to participate in the Shareholders' General Assembly and request the correction of inaccurate information;

f. To sight, look up and make an extract or copy of the Charter of the Company, the book of minutes of meetings of Shareholders' General Assembly and resolutions of the Shareholders' General Assembly;

g. In case the Company is dissolved, to be entitled to receive the Company's property corresponding to the portions of shares they have owned;

h. To request the Company to repurchase their shares in the cases prescribed in Article 90.1 of the Enterprise Law;

i. Other rights prescribed by this Charter and laws.

3. A shareholder or a group of shareholders holding over **5%** of the common shares for six consecutive months or more shall have the following rights:

a. To nominate members of the Board or Supervisory Committee according to the corresponding provisions in Articles 24.3 and 36.2;

b. To request the convening of meeting of Shareholders' General Assembly;

c. To examine and receive the copy or the extract of the list of shareholders entitled to attend and to vote at the meeting of Shareholders' General Assembly;

d. To request the Supervisory Committee to inspect each particular issue relating to the management and administration of the operation of the company where it is considered necessary. The request must be in writing, must contain full name, permanent address, nationality, number of people's identity card, passport or other lawful personal identification of a shareholder being an individual; name, permanent address, nationality, number of the decision on establishment or number of business registration of a shareholder being an organization; number of shares and time of registration of shares of each shareholder, total number of shares of the group of shareholders and the percentage of ownership in the total number of shares of the Company; issues to be inspected and purposes of the inspection;

e. Other rights prescribed in the Enterprise Law and this Charter.

### **Article 12. Obligations of shareholders**

The shareholders shall have the following obligations:

1. To abide by the Company's Charter and regulations; the Board's decisions and the Shareholders' General Assembly's resolutions;

2. To pay for the purchase of shares according to the share volumes already registered for purchase according to the prescribed procedures;

3. To fulfill other obligations prescribed by the prevailing laws.

4. To bear personal responsibility where he or she performs one of the following acts in any forms in the name of the Company:

a. To breach the law;

b. To conduct business and other transactions for the personal benefit of himself or herself or other organizations or individuals;

c. To pay premature debts where the Company is likely to be in financial danger in the Company.

### **Article 13. Shareholders' general assembly**

1. The Shareholders' General Assembly is the highest body of the Company. The ordinary annual meeting of Shareholders' General Assembly shall be organized once a year. The ordinary annual meeting of Shareholders' General Assembly shall be organized during four months, since the last day of fiscal year

2. The ordinary annual meeting of Shareholders' General Assembly shall be convened by the Board at a suitable venue. The ordinary annual meeting of Shareholders' General Assembly decides the issues according to the provisions of the laws and the Charter of the Company; especially approve the report of the annual financial report and the annual financial budget for the following fiscal year. The independent auditors are invited to attend the meeting to give their advice on the approval of the annual financial reports.

3. The Board must convene extraordinary meeting of Shareholders' General Assembly in the following cases where:

a. The Board deems it necessary for the benefits of the Company

b. The annual accounting balance sheet, the quarterly or semi-annual reports or the report on auditing of the fiscal year show that the charter capital has been lost by half.

c. The number of the Board members is smaller than the number prescribed by laws or smaller than half of the number of members prescribed in the Charter;

d. A shareholder or a group of shareholders prescribed in Article 11.3 of this Charter requests the convening of the meeting of Shareholders' General Assembly in a written petition clearly stating the reasons for and purposes of, such meeting, with signatures of concerned shareholders (the written petition can be made in many copies so as to acquire enough signatures of all concerned shareholders); and

e. The Supervisory Committee requests the convening of such meeting if it has grounds to believe that the Board members or the high-ranking managers seriously breach their obligations under Article 86 of the Enterprise Law or the Board acts or intends to act beyond the scope of its powers.

f. The other cases according to the Law and the Charter of the Company

4. Convene extraordinary meeting of Shareholders' General Assembly

a. The Board must convene a meeting of Shareholders' General Assembly within 30 days as provision in Item 3c of Article 13 or from the date of receiving the requests stated at Item 3d or 3e above.

b. Where the Board fails to convene the above-mentioned meeting at provided in Item 4a of Article 13, the Supervisory Committee shall have to convene the meeting of Shareholders' General Assembly within the next 30 day, according to the Item 5 of Article 97 of the Enterprise Law;

c. Where the Supervisory Committee fails to convene the meeting, shareholders or a group of shareholders with requests stated at Item 3d of this Article may convene the meeting of Shareholders' General Assembly according to the Item 6 of Article 97 of the Enterprise Law

In this case, the shareholder or group of shareholders who convene the meeting of Shareholders' General Assembly may request the business registration agency to supervise the convening and the conduct of the meeting if they consider it necessary.

d. All expenses for convening and organizing the meeting of Shareholders' General Assembly shall be paid by the Company. These expenses do not cover shareholders' expenditure incurred when attending the

Shareholders' General Assembly, including expenses for meals, accommodation and travel.

**Article 14. The rights and the obligations of Shareholders' General Assembly**

1. The ordinary annual meeting of Shareholders' General Assembly has the right to discuss and adopt the following:

- a. The audited annual financial reports;
- b. The Supervisory Committee's;
- c. The Board's report;
- d. The reports of auditors; and
- e. The Company's short-term and long-term development plans.

2. The ordinary or extraordinary meeting of Shareholders' General Assembly have the rights to issue decisions by way of adopting resolutions on the following issues:

- a. The ratification of annual financial reports;
- b. The level of dividends to be paid annually for each type of shares in conformity with the Enterprise Law and the rights closely associated with such types of share provided that this dividend level is not higher than the level proposed by the Board after consulting with shareholders at the Shareholders' General Assembly;
- c. The number of members of the Board;
- d. The selection of the auditing firm;
- e. The election, dismissal and replacement of members of the Board and the Supervisory Committee and approval the Board's decision to appoint the Managing Director;
- f. The total amount of remuneration of the Board members and the report on the remuneration of the Board;
- g. The supplementation and amendment of the Charter;
- h. The type of shares and quantity of new shares to be issued for each type of share, and the transfer of shares of the founding members within the first three years as from the Founding Date;
- i. division, separation, merger, consolidation or conversion of the Company;
- j. Re-organization and dissolution (liquidation) of the Company and the designation of the liquidator.
- k. The examination and handling of violations committed by the Board or the Supervisory Committee which cause damages to the Company and the shareholders of the Company;

1. The transaction of selling assets of the Company or any branch or the purchase transactions effected by the Company or branches with the value of 50% or higher of the value of the assets of the Company and its branches, calculated according to the financial statements latest audited;

m. The Company's purchase or re-purchase of more than 10% of the shares or shares of any type being issued;

n. That the managing director is concurrently the Chairman of the Board;

o. The signing of contracts by the Company or branches with the persons prescribed in Article 120.1 of the Enterprise Law with value being equal to or higher than 20% of the total value of the Company and its branches, calculated according to the financial statements latest audited; and

p. The other issues as provided for by this Charter and other regulations of the Company;

3. The shareholders must not vote for any resolution to adopt:

a. The contracts prescribed in Article 14.2 of this Charter if such shareholders or the persons relating to such shareholders are one party to the contract; or

b. The purchase of shares of such shareholders or any person relating to such shareholders.

4. The Shareholders' General Assembly must discuss and vote on resolutions on issues already included in the agenda of the meeting.

#### **Article 15. The authorized representatives**

1. Those shareholders eligible to attend the Shareholders' General Assembly as prescribed by laws may personally attend or authorize their representatives to attend. In case, there are more than one representative person, the number of the share and the number of the vote letter of each representative person must be identified

2. The appointment of the authorized representatives must be made in writing according to a standard form of the Company and must be have the signature according to following provisions:

a. In cases where they are individuals, the written appointment must be signed by the authorizers or the authorized representatives;

b. In cases where they are the authorized persons of the institution shareholders, the written appointment must be signed by the authorized representative, the legal representative of the shareholder and the person authorized to attend the meeting.

c. In other cases, there must be have the signature of the legal representative of the shareholders and the signature of the authorized representative

The person authorized to attend the meeting of the Shareholders' General Assembly must submit the authorization letter before entering the meeting hall

3. In cases where the written appointment of an authorized representative is signed by a lawyer on behalf of the authorizer, the letter of authorization of the lawyer or the valid copy thereof must be (if not yet registered with the Company previously) submitted together with the written appointment of the authorized representative.

4. Except for the case provided in Item 3 of Article 15 thereof, the votes of the authorized representatives within the authorized scopes shall still take effect upon the following cases:

a. the shareholders, who designated such authorized representatives, have died or lost the capacity to control their acts;

b. the shareholders, who designated such authorized representatives, have cancelled the designation of authorized person;

c. the shareholders, who designated such authorized representatives, have cancelled the competence of the person who performs the authorization;

However, the above shall not apply if the Company receives notices on these events 48 hours before the meeting of the Shareholders' General Assembly or before the meeting is re-convened.

#### **Article 16. Change of rights**

1. The decisions of the Shareholders' General Assembly when the Company's share (according to the provision in article 14.2 concerned to the capital is divided into different kinds of shares associated with each kind) may be changed or annulled with the written agreement of the persons who hold at least 75% of the voting rights of the issued shares of such kind.

2. The number of delegates necessary for organizing such a meeting must be at least two shareholders (or their authorized representatives), who hold at least one third of the value of the par values of the issued shares of such kind (but if the above-mentioned number of delegates at the meeting is not enough, the meeting shall be re-organized within 30 subsequent days and if any person who holds shares of such kind is present in person or through the authorized representative, the required number of delegates shall be considered enough). Also at the above-said separate meetings, any persons holding shares of such kind are present in person or via their representatives may request secret ballots and each person, when casting his/her ballot, shall have one voting card for each of the owned shares of such kind.

3. The procedures for such separate meetings shall comply with the provisions in Articles 18 and 20.

4. Except otherwise prescribed in articles on share issuance, the special rights associated with the types of shares enjoying privileges in a number of or all

issues related to the division of profits or assets of the Company shall not be changed when the Company additionally issues shares of the same class.

**Article 17. Convening of meeting of Shareholders' General Assembly, its agenda and notices**

1. The Board shall convene the Shareholders' General Assembly except for cases prescribed in Articles 13.4.b or 13.4.c.

2. The persons who convene the Shareholders' General Assembly must perform the following tasks:

a. Preparing a list of shareholders eligible to attend and vote at the general assembly within 30 days before the opening of the meeting of Shareholders' General Assembly; the agenda and documents must conform to laws and regulations of the Company;

b. Determining time and venue for the meeting of Shareholders' General Assembly;

c. Notifying all shareholders of the general assembly who are eligible to attend the meeting and sending them the notices thereon.

3. The notices on the meeting of Shareholders' General Assembly must contain the meeting agenda and reasonable information on issues to be discussed and voted on at the general assembly. For the shareholders whose shares are kept by the custody organization, the notices may be sent to the custody organization, and published in the information communication system of the Stock Exchange/ Securities Trading Center, in the website of the Company, on 01 central newspaper or local newspaper where the Company locates its head office. For the shareholders whose shares are not kept by the custody, they can be handed to shareholders or sent by post offices according to the latter's registered addresses or the addresses given by such shareholders in service of information sending. If shareholders have notified the Company in writing of their fax numbers or email addresses, the meeting notices can be sent to such fax numbers or email addresses. Where shareholders are employees working in the Company, the notices may be put into closed envelopes and handed to them at their work places. The notices must be sent at least 15 days before the Shareholders' General Assembly opens (as from the date the notices are sent or carried in a lawful manner, paid with postage or put into mail-boxes). If the Company has its own website, the notices on the meeting of the Shareholders' General Assembly must be announced thereon simultaneously with the sending of notices to shareholders.

4. Shareholders or groups of shareholders, mentioned in Article 11.3 of this Charter, are entitled to propose the issues to be included into the meeting agenda of the Shareholders' General Assembly. The proposals must be made in writing and sent to the Company at least 3 days before the opening of the meeting of the Shareholders' General Assembly. The proposals must contain the full



names of the shareholders, the number and type of shares they hold, and the contents of the proposals for inclusion into the meeting agenda.

a. The proposals are not sent within the prescribed time limits, or do not contain the sufficient and required contents,

b. At the time of proposal, the shareholders or groups of shareholders cannot acquire at least 10% of the common shares for a period of six consecutive months or more;

c. The proposed issues do not fall within the scope of the Shareholders' General Assembly's jurisdiction to discuss and adopt resolutions thereon.

5. For each issue in the meeting agenda, the Board must prepare a draft resolution thereon.

6. If all shareholders with the voting right are present in person or via their authorized representatives at meeting of the Shareholders' General Assembly, the resolutions unanimously adopted by the general assembly are all valid even when the Shareholders' General Assembly is convened improperly or the contents of the meeting are not rationally included into the agenda.

#### **Article 18. Conditions for conducting the meeting of Shareholders' General Assembly**

1. The meeting of Shareholders' General Assembly shall be conducted when the number of attending shareholders represents at least 51% of the voting shares.

2. Where quorum is not enough within 30 minutes as from the time set for the meeting to open, the meeting of shareholder's general assembly must be reconvened within 30 days as from the date planned to organize the first meeting of Shareholders' General Assembly. In the re-convened meeting of shareholder's general assembly, the number of attending members being shareholders and authorized representatives must represent at least 30% of the voting shares.

3. When the second meeting of the shareholder's general assembly fails to achieve the necessary number of delegates within 30 minutes as from the time set for the meeting to open, the third meeting of the shareholder's general assembly can be convened within 20 days as from the date planned to organize the second general assembly and in this case the meeting of the Shareholders' General Assembly with any number of participating shareholders and authorized representatives shall be valid and the participants shall all be entitled to decide on all issues expected to be lawfully approved by the first meeting of Shareholders' General Assembly.

4. Based on the suggestion of the Chairperson, the Shareholders' General Assembly have the right to change the meeting agenda included the meeting notice according to the Article 17.3 of this Charter

**Article 19. The proceeding for the meeting and voting at the meeting of the Shareholders' General Assembly**

1. On the date the Shareholders' General Assembly is organized, the shareholder registering procedures must be carried on until the full registration of all shareholders eligible to attend.

2. When carrying out the shareholder registration, the Company shall grant each shareholder or authorized representative with voting right a voting card on which the registration number and full name of such shareholder or authorized representative as well as the serial number of his/her voting card are inscribed. The voting at the meeting of the Shareholders' General Assembly shall be conducted by way of collecting the number of voting cards for a resolution first, then the number of voting cards against it later, and counting the total number of votes for or against to decide. The numbers of votes for, against and blank votes on an issue shall be announced by the Chairperson immediately after the voting. The shareholder's general assembly shall choose among the delegates the persons responsible for counting the votes or supervising the vote counting, and if the Shareholders' General Assembly fails to do so, the chairperson shall choose such persons which shall not exceed 03 people.

3. The shareholders who come to the meeting of the Shareholders' General Assembly late shall have the right to register immediately, then to attend and vote right at the meeting of the Shareholders' General Assembly, but the Chairperson shall not have to stop such meeting of the Shareholders' General Assembly for them to make registration and the effect of the already conducted voting shall not be affected.

4. The Shareholders' General Assembly shall be presided over by the Board Chairman or vice-chairman if the chairman is absent or by any other person elected by the Shareholders' General Assembly. In cases where none of them can preside over the meeting of the Shareholders' General Assembly, the Board member holding the highest position present at the meeting shall organize a meeting to elect chairperson of the meeting of the Shareholders' General Assembly, who must not necessarily be the member of the Board. The chairman or vice-chairman of the Board or the elected chairperson shall appoint a secretary to make the minutes of the general assembly. In case of election of the chairperson, the name of the elected chairperson and the number of votes for him/her must be made public.

5. The Chairperson's decisions on the order and procedures or events arising beyond the agenda of the Shareholders' General Assembly shall be conclusive.

6. Not having to seek the general assembly's opinions, the Chairperson of the Shareholders' General Assembly may, at any time, decide to delay a general assembly with enough necessary number of delegates to another time and at

another venue if he/she deems that a) the participating members cannot have comfortable seats at the venue where the meeting of the Shareholders' General Assembly is organized, b) the acts of the persons present thereat obstruct or possibly obstruct the orderly proceedings of the meeting, or c) the delay is necessary for the works of the Shareholders' General Assembly to proceed regularly. Besides, with the agreement or request of the Shareholders' General Assembly convened with enough necessary number of delegates, the Chairperson may delay the meeting of the Shareholders' General Assembly. The delay shall not exceed 03 days from the planned opening date of the meeting of Shareholders' General Assembly. The re-convened general assembly shall not consider any issues beyond those which would have been settled lawfully at the previously delayed meeting of Shareholders' General Assembly.

7. In case the Chairperson delay or suspend the meeting of the Shareholders' General Assembly not in accordance with item 6 of Article 19, the Shareholders' General Assembly may elect one of the attending delegate to replace the chairperson to preside over the meeting till the end and the effectiveness of the resolutions passed in such meeting shall not be effected.

8. The Chairperson of the meeting of Shareholders' General Assembly or secretary may carry out activities which he/she deems necessary for conducting the meeting of Shareholders' General Assembly in a regular and orderly manner; or for the general assembly to reflect the aspiration of the majority of the participants.

9. The Board may request shareholders or authorized representatives who wish to attend the meeting of the Shareholders' General Assembly to go under the inspection or other security measures which it deems appropriate. After a thorough scrutiny, the Board may refuse the attendance by or expel a shareholder or an authorized representative, who refuses to abide by the regulations on such inspection or security measures, from the general assembly

10. The Board may take measures, which it deems appropriate after careful consideration, to:

- a. Regulate the number of persons present at the main venue for the Shareholders' General Assembly;
- b. Ensure safety for all people present at such venue;
- c. Create conditions for the shareholders to attend the meeting of the Shareholders' General Assembly (or continue to attend it).

The Board may change these measures at any time and apply any measures which the Board deems appropriate, which may include and be not limited to the granting of entrance papers or the use of other options.

11. In cases where at the meeting of the Shareholders' General Assembly these measures are applied, when determining the venue for the general assembly, the Board may:

a. Announce that the meeting of the Shareholders' General Assembly shall be held at the venue inscribed in the notices and the chairperson of the meeting of the Shareholders' General Assembly shall be present there ("the main venue of meeting of Shareholders' General Assembly");

b. Arrange, organize so that shareholders or authorized representatives, who are unable to attend under this Clause or the persons who wish to, attend at places other than the main venue of the meeting of the Shareholders' General Assembly, can simultaneously attend the general assembly.

The notices on organization of the general assembly may not need to specify in details the measures as provided for in this Clause.

12. In this Charter (except otherwise required by circumstances), every shareholder shall be considered as having attended the meeting of the Shareholders' General Assembly at the main venue.

Every year, the company must organise the ordinary meeting of the Shareholders' General Assembly meeting at least one time. The ordinary annual meeting of the Shareholders' General Assembly cannot be made in the form of collecting written opinions.

#### **Article 20. Pass the decisions of the Shareholders' General Assembly**

1. Except for the provision in Item 2 of Article 20 , the resolutions of the Shareholders' General Assembly may be adopted by shareholders representing at least 51% of the voting right in form of documents who presented directly or the authorized representative at the meeting of the Shareholders' General Assembly:

a. Passing the yearly financial report

b. Plan for short or long development of the company

c. Appointment, dismissal and replacement of the members of the Board and the Supervisory Committee and approval the appointment of the Managing Director by the Board.

2. The Shareholders' General Assembly's resolutions related to the amendment and supplementation of the Charter, types and quantity of shares offered for sale, the merger, re-organization or dissolution of the Company, selling of assets by the Company or the branches of the Company with the value from 50% of the total value of the assets of the Company or the respective

branch, calculated under the last audited financial statements must be adopted by 51% or higher of the total votes of the shareholders with voting right, who are present in person or via their authorized representatives at the Shareholders' General Assembly.

**Article 21. The authority and procedures for the collecting the written opinions of the shareholders' to pass the resolutions of the Shareholders' General Assembly:**

The authority and the procedures for collecting the written opinions of the shareholders' to pass the decisions of the Shareholders' General Assembly are conducted as follows:

1. The Board shall have the right to collect the written opinions of the shareholders to pass the resolutions of Shareholders' General Assembly at any time if considered necessary in the interests of the Company;

2. The Board must prepare written opinion forms, a draft of the resolution of the General Meeting of Shareholders and other documents explaining the draft resolution. The written opinion form together with the draft resolution and documents explaining it must be sent by a means which is guaranteed to reach the registered residential address of each shareholder.

3. The written opinion form must have the main contents:

a. Name, head office address, number, date of issuance of the business registration certificate; place of business registration of the Company;

b. Purpose of collecting written opinions;

c. Full name, permanent address, nationality, and the number of people's identity card, of the passport or other lawful personal identification in respect of a shareholder being an individual; name, permanent address, nationality, number of establishment decision or number of business registration of a shareholder or authorized representative in respect of a shareholder being an organisation; number of shares of each class and number of votes of the shareholder;

d. Issue on which it is necessary to obtain opinions in order to pass a resolution;

e. Voting options comprising agreement, non agreement, or no opinion;

f. Time-limit within which the completed written opinion form must be returned to the Company;

g. Full name and signature of the chairman of the Board of Management and of the legal representative of the Company.

4. Any completed written opinion form must bear the signature of a shareholder being an individual, and of the authorized representative or of the legal representative of a shareholder being an organization.

Written opinion form which are returned to the company must be in a sealed envelope and no one shall be permitted to open the envelope prior to counting of the votes. Any completed written form which is returned to the Company after the expiry of the time-limit stipulated in the written opinion form or any form which has been opened shall be invalid.

5. The Board shall conduct counting of the votes and shall prepare minutes of the counting of the votes in the presence of the Supervisory Committee or of shareholder who does not hold a management position in the Company. The minutes of counting of votes shall contain the following basic particulars:

- a. Name, head office address, number, date of issuance of the business registration certificate; place of business registration of the Company;
- b. Purpose of collection of written opinions and issues on which it is necessary to obtain written opinions in order to pass a resolution;
- c. Number of shareholders with total numbers of votes who have participated in the vote, classifying the votes into valid and invalid, and including an appendix being a list of the shareholders who participated in the vote;
- d. Total number of votes for, against and abstentions on each matter voted upon;
- e. Resolutions which have been passed;
- f. Full name and signature of the chairman of the Board of Management, of the legal representative of the company and of the person who supervised the counting of votes.

The members of the Board of Management and the person who supervised the counting of votes shall be jointly liable for the truthfulness and accuracy of the minutes of counting of votes, and shall be jointly liable for any damage arising from a resolution which is passed due to an untruthful or inaccurate counting of votes;

6. The minutes of results of counting of votes must be sent to shareholders within a time limit of fifteen days as from the date the counting of votes ended;

7. Written opinion forms which were returned, the minutes of counting of votes, the full text of the resolution which was passed and related documents sent with all of the written opinion forms must be archived at the head office of the Company.

8. A resolution which is passed by the form of collecting written opinions of shareholders shall have the same validity as a resolution passed by the meeting of the Shareholders' General Assembly and shall be passed when it is approved by a number of shareholders representing at least fifty one (51) per cent of the total voting shares.

## **Article 22. Minutes of meeting of Shareholders' General Assembly**

The Chairperson of the meeting of the Shareholders' General Assembly is responsible to organize the records of the minutes of the meeting of the Shareholders' General Assembly and send the same to all the shareholders within 15 days from the date the meeting of the Shareholders' General Assembly ends. The Minutes of the meeting of the shareholders' general assembly is the true evidence of the affairs conducted at the meeting of the Shareholders' General Assembly except when there are the objection to the contents of the minutes and such objection is made in accordance with the regulations within 10 days from the date the minutes are posted. The minutes must be made in Vietnamese and signed by the Chairperson of the meeting of the Shareholders' General Assembly and the Secretary, and prepared in accordance with the regulations of the Enterprise Law and this Charter. The records, minutes, signature book of the shareholders who attend the meeting and the authorization to attend the meeting must be kept at the head office of the Company. The minutes of the meeting may also be made in English.

## **Article 23. Demand for cancellation of resolutions of Shareholders' General Assembly**

Within ninety days from the date the minutes of the meeting of Shareholders' General Assembly are received or the minutes of the results of counting of votes being written opinions from the Shareholders' General Assembly are received, shareholders, members of the Board, the Managing Director and the Supervisory Committee shall have the right to request a court or an arbitrator to consider and cancel a resolution of Shareholders' General Assembly in the following cases:

1. The order and procedures for convening the General Meeting of Shareholders did not comply with the Enterprise Law and the Charter of the Company;
2. The order and procedures for issuing a resolution and the content of the resolution breach the law or the Charter of the Company.

## **VII. BOARD OF MANAGEMENT**

### **Article 24. Composition and office term of the members of the Board**

1. The number of the Board members shall be five (5) persons. The term of the Board is 5 years. Each member of the Board shall have a maximum term of office of 5 years and may be re-elected without limitation at the subsequent Shareholders' General Assembly. At least one-third of the members of the Board must be non-executive independent members.

2. Members of the Board shall be nominated by the founding shareholders according to the share ownership portion of each founding shareholders. The founding shareholders are entitled to nominate Board members by way of lumping all their share ownership portions for voting.

3. The shareholders holding up to 5% of the shares with the voting right for at least 6 consecutive months may add up the number of each person's voting shares to nominate members of the Board. If the total of their voting shares accounts for more than 5% and under 10% for at least 6 consecutive months, they are entitled to nominate 01 candidate; if between 10% and under 30%, they are entitled to nominate 2 candidates; if between 30% and under 50%, they are entitled to nominate 3 candidates; if between 50% and under 65%, they are entitled to nominate four candidates, and if more than 65%, they are entitled to nominate full number of candidates.

4. In case the number of candidates for the Board nominated by the others or nominated by them does not meet the required numbers, the current Board may nominate more candidates or organize the nomination process under the procedures issued by the Company. The nomination procedure and the procedure for the current Board to nominate more candidates must be clearly announced and must be approved by the Shareholders' General Assembly before the nomination process starts.

5. A member of the Board shall lose his/her membership capacity in the following cases:

a. That member is no longer qualified to be the Board member as provided for by the Enterprise Law or is banned by law from acting as the Board member.

b. That member sends his/her written application to resign to the Company's head office.

c. That member is affected with mental disorder and other members of the Board have professional evidences to show that such person no longer has the act capacity.

d. That member is absent, failing to attend the Board's meetings for 6 consecutive months without the Board's permission and the Board has decided that his/her position is left vacant.

e. That member is dismissed from the Board membership under the resolution of the Shareholders' General Assembly.

6. The Board may appoint a new member to fill in the vacant position arising unexpectedly within the Board and such member must be approved at the next meeting of the Shareholders' General Assembly. Immediately after the approval by the Shareholders' General Assembly, the appointment shall be considered effective on the date of appointment by the Board. The member of the Board, who is appointed to fill in the vacant position unexpectedly arising in the



Board, shall still have to go through a vote of confidence at the subsequent annual general assembly of shareholders.

7. . The appointment of Board members must be announced according to the provision of the law on security and the security market

8. Board members do not have to be the shareholders of the Company.

### **Article 25. Rights and tasks of the Board**

1. The Company's business activities and affairs must be subject to the management or implementation direction of the Board. The Board is the body vested with full power to exercise all rights in the name of the Company except for competence belonging to the Shareholders' General Assembly.

2. The Board shall have the responsibility to supervise the Managing Director and other management officers.

3. The rights and obligations of the Board shall be prescribed by law, the Charter, internal regulations of the Company and resolutions of the Shareholders' General Assembly. Concretely, it shall have the following powers and tasks:

a. To decide on the annual plans for production and business development and budgets;

b. To determine the operation objectives and strategic objectives on the basis of the strategic targets adopted by the Shareholders' General Assembly;

c. To appoint and remove managerial officers at the proposal of the Managing Director and decide on their wage levels;

d. To decide on the organizational structure of the Company;

e. To lodge the Company's complaints about management officers and select representatives of the Company in the legal procedures against such management officers;

f. To propose types of share, which can be issued, and the total number of shares issued according to each type;

g. To implement the issuance of bonds, bonds converted into shares and right certificates permitting the owners to buy shares at a pre-set price;

h. To decide on the selling prices of bonds, shares and converted securities;

i. To appoint, remove from office and dismiss the Managing Director or any managing official or representative of the Company if the Board thinks that such is done for the supreme benefit of the Company. However, such dismissal must not run counter to the contractual rights of the dismissed persons, if any.

j. To propose the annual dividend level and determine the temporary dividend level; to organize the dividend payment;

k. To propose the restructure or dissolution of the Company.

4. The following issues must be approved by the Board:

a. The establishment of branches or representative offices of the Company;

b. The establishment of affiliated companies of the Company;

c. Under the provisions in Article 108.2 of the Enterprise Law, the Board shall decide, from time to time, on the performance, modification or cancellation of big contracts of the Company (including contracts on purchase, sale, merger, acquisition of companies and joint ventures) except for cases prescribed in Article 120.3 of the Enterprise Law, which must be ratified by the Shareholders' General Assembly;

d. The appointment and dismissal of persons authorized by the Company to be its competent trade representatives and lawyers;

e. Borrowings, mortgages, security, collateral and compensations of the Company;

f. The investments which are not included in the business plan or budget exceeding VND ..... or more than 10% of the planned value and annual business budget;

g. The purchase or sale of shares of other companies set up in Vietnam or foreign countries;

h. The valuation of assets contributed to the Company not in cash related to the issuance of shares or bonds of the Company, including gold, the land use right, intellectual property right, technology and technological know-how;

i. The Company's purchase or withdrawal of not more than 10% of the shares according to each type;

j. Any other business or transaction matters which must be approved by the Board within the scope of its powers and responsibility;

k. The levels of prices for purchase or withdrawal of shares of the Company.

5. The Board must submit to the Shareholders' General Assembly reports on its activities, specifically on its supervision over the Managing Director and other management officers in the fiscal year. If there is no report from the Board, the annual financial report of the Company shall be considered as invalid and not yet been approved by the Board.

6. The Board may authorize subordinate employees and management officers to represent and act on behalf of the Company, even when the matters require the assessment and conclusion, except otherwise provided for by law and the Charter.

7. The Board members (excluding their proxies) may receive remuneration for their work as members of the Board. The total remuneration

amount for the Board shall be decided by the Shareholders' General Assembly. This amount shall be divided to the Board members as agreed by the Board or equally if no such agreement is reached.

8. The total amount of remuneration paid to the Board members and the amount received by each member must be specified in detail in the annual reports of the Company.

9. Any member who holds any executive position (including the chairman or vice chairman positions regardless of whether such position is held within the executive scope or not), or members working in various sections of the Board, or members performing other tasks which, according to the Board's view, lie outside the routine tasks of a member of the Board, may be paid with additional remuneration in forms of a package remuneration for each time, wages, commission, percentage of benefits, or in other forms as decided by the Board.

10. The Board members shall be entitled to reimbursement for all expenses for travel, accommodation, meals and other reasonable expenses they had to pay when performing their tasks as a Board member, including all expenses arising from their travel for participation in meetings of the Board, or sub committees of the Board or the Shareholders' General Assembly.

#### **Article 26. Chairman and vice-chairman of the Board**

1. The Board shall have to elect among its members a Chairman and a Vice Chairman. Except where otherwise provided for by the Shareholders' General Assembly, the Board Chairman shall not concurrently hold the post of the Managing Director of the Company. If the shareholders agree that the chairman may be concurrently the Managing Director, such decision should be reconfirmed annually at the ordinary meeting of the Shareholders' General Assembly.

2. The Board Chairman must convene and preside over the meeting of Shareholders' General Assembly and Board meetings, and at the same time have other rights and responsibilities prescribed in this Charter and the Enterprise Law. The Vice-Chairman shall have the rights and obligations to act in his/her capacity as the Chairman if so authorized by the latter but only in cases where the Chairman has notified the Board that he/she is absent or must be absent for force majeure reasons or loss of capacity to perform his/her tasks. If the Chairman does not appoint the Vice-Chairman to act so, the other members of the Board shall designate the vice chairman. In cases where both the Chairman and the Vice-Chairman cannot perform their tasks for any reasons, the Board can appoint by a simple majority vote another person among its members to perform the tasks of the chairman.

3. The Board Chairman must send the annual financial reports, the reports on the overall performance of the Company, the auditing reports of auditors and the examination reports of the Board to shareholders at the meeting of the Shareholders' General Assembly;

4. When both the Chairman and the Vice-Chairman of the Board resign or are dismissed for any reasons, the Board must elect persons to replace them within 10 days.

#### **Article 27. The Board's substitute members**

1. Every member of the Board (other than their proxy) may designate any other Board member or any other person who is approved by the Board and willing to perform this task, to act as his/her proxy and may dismiss such proxy.

2. The Board's proxy shall be entitled to receive notices on every meeting of the Board and of various sections of the Board, where the Board members, who have designated them to act as their proxy, are absent, and are authorized to perform all functions of the designators as members of the Board in cases where the designators are absent, but not entitled to receive any remuneration from the Company for working in the capacity as the Board's proxy members. However, the Company is not obliged to send notices on the above-said meetings to the Board's proxy members who are not present in Vietnam.

3. The proxy members must abandon the Board member capacity if their designators no longer have the Board member capacity. But if a Board member has his/her term of office expired and is re-appointed or considered being re-appointed at the same Shareholders' General Assembly where such member gives up his/her post upon the expiry of his/her term of office, the designation of proxy member made by this person immediately before the expiry of his/her term of office shall continue to be effective when such member is re-appointed.

4. The appointment or dismissal of proxy members must be made by sending written notices sent to the Company by the Board members who have appointed or dismissed the proxy or in other forms approved by the Board.

5. Apart from the other regulations mentioned in this Charter, a proxy member shall be considered as a Board member in all aspects and must bear personal liability for his/her acts and mistakes without being considered as the representative authorised of the Board member who has appointed him/her.

#### **Article 28. Meetings of the Board**

1. If the Board of Management elects the chairman, then the initial meeting of the term of the Board in order to elect the chairman and to pass other resolutions within its authority must be conducted within a time-limit of seven working days from the date of completion of the election of the Board for that term. This meeting shall be convened by the member who gains the highest number of votes. If two or more members gain the same highest number of votes, the elected members shall elect by a majority vote a person amongst them to convene the meeting.

2. Regular meetings: The Board Chairman must convene regular meetings of the Board, work out the agendas, time and venues of the meetings at least 7

days before the expected opening dates of such meetings. The Chairman may convene meetings at any time he/she deems necessary, but at least once a quarter.

3. Extraordinary meetings: The Chairman must convene without any unreasonable delay the Board's meeting when one of the following persons makes a written request therefore, stating the purpose of the meeting as well as issues to be discussed:

- a. The Managing Director or at least five Management Officers;
- b. Two members of the Board;
- c. The Board Chairman; or
- d. The majority of the Supervisory Committee members.

4. The Board meeting express in Item 2 of Article 27 must be held within 15 days after the proposal for meeting is proposed. If the Chairman refuses to convene the meeting at the request then the Chairman shall be held responsible for the damages incurred by the Company; the persons who request to organize such meeting as mentioned in Item 2 of this Article may convene the meeting of the Board by themselves.

5. At the requests of independent auditors, the Board Chairman must convene the Board's meetings to discuss the auditing reports and the situation of the Company.

6. Meeting venues: The Board's meetings shall be held at the registered address of the Company or other venues in Vietnam or foreign countries under decisions of the Board's chairman and the agreement of the Board.

7. Meeting notices and agenda: All meetings must be conducted on the basis of the notices sent to the Board members 5 days before the meetings are organized, provided that members of the Board may waive the written notices of invitation to the meeting and such waiver may be retroactively effective. The notices on the Board's meetings must be made in writing in Vietnamese language and contain the meeting agenda, time and venue, which must be sent together with necessary documents on issues to be discussed and voted on at the Board's meetings as well as voting cards to the Board members who cannot attend the meetings.

The meeting notice shall be sent by post, fax, electronic mail or other means, but they must ensure arrival at the address of each member of the Board as registered with the Company.

8. The quorum: A meeting can proceed and adopt resolutions only when it is attended by at least three-fourths of the number of the Board's members in person or in proxy.

9. Voting:

a. Except as prescribed in Item 9b of this Article, each Board member or their proxy present at the Board's meeting in his/her personal capacity shall be given a voting card.

b. A Board member must not vote on the contracts, transactions or proposals in which such member or any of his relevant persons has interests and such interests may contradict the interests of the Company. A Board member shall not be counted in the quorum at a meeting regarding any resolution which such member is not entitled to vote on.

c. According to the provisions in Item 9d of this Article, in a meeting of the Board, if any issues arise, relating to the extent of interests of the Board members or to the voting right of any member and such issues have not been settled with the voluntary abandonment of the voting right of such members of the Board, they shall be transferred to the meeting chairperson and his/her decisions related to all other members of the Board shall be valid as the final ones, except for cases where the nature or scope of the interests of the concerned members of the Board have not yet been disclosed satisfactorily.

d. Any member of the Board who enjoys benefits from a contract prescribed in Article 34.4a and 34.4b shall be considered as having considerable interests in such contract.

10. Interest disclosure: A Board member who, by this or that way, directly or indirectly enjoys benefits from a contract or transaction already signed or planned to be signed with the Company must disclose the nature and contents of such benefits at the meeting when the Board considers for the first time the conclusion of this contract or transaction if by that time such member has already known that he/she has or shall have interests in the relevant transaction or contract.

11. Voting by majority: The Board shall adopt resolutions and decisions by way of complying with the approval of the majority of the present members of the Board (over 50%). If the number of votes for and the number of votes against are equal, the chairman's vote shall be the casting one.

12. Tele-conference meeting or other forms of meeting: A Board meeting may be organized in form of discussions among the Board members, of whom all or some are in different locations, provided that each member participating in the meeting can:

a. Hear every other participating member of the Board speaking at the meeting;

b. If such person wishes, he/she can speak to all other participating members simultaneously.

The discussions among members may be made directly through telephones or other communications means (whether they have been used at the time of adopting the Charter or at a later time) or through the combination of all those

modes. According to this Charter, each Board member participating in such a meeting shall be considered as being “present” at such meeting. A meeting organized according to this provision shall be considered as having occurred at the place where the largest group of Board members stays or if there is no such group, the place where the meeting chairperson is present shall be considered the venue where the meeting is held.

The resolutions adopted at a via teleconference meeting organized and conducted lawfully shall take effect immediately after the end of the meeting, but must be confirmed with the signature in the minutes by all Board members participating in the meeting.

13. Written resolutions: The written resolutions must be signed by all the following members of the Board:

a. The members who are entitled to vote on the resolutions at the Board’s meetings;

b. The number of members present at the meetings, which must not be lower than quorum as required for conducting the meeting of the Board.

The resolutions of these types are as effective and valid as the resolutions adopted by the Board’s members at meetings convened and organized regularly. A resolution may also be adopted by way of using multiple copies, each of which is signed by at least one member.

14. Minutes of meetings: The Board chairman shall have the responsibility to deliver the minutes of meetings of the Board to all members and these minutes must be considered the true evidences of the activities carried out at such meetings except when there appear object to the content of the minute during 10 days since send. Minutes of meetings must establish by Vietnamese and must have the signature of all of the member of the Board

15. Subcommittees of the Board: The Board may authorize its actions and decisions to its attached subcommittees comprising one or several members of the Board and one or many persons other than the Board members if deeming it appropriate. In the process of exercising the authorized powers, every subcommittee must abide by the regulations set by the Board for each period of time. These regulations can regulate or permit the admission of persons other than members of the Board into the above said subcommittee and permit such persons to vote in the capacity as members of such subcommittee, provided that a) the number of additionally admitted members must be less than half of the total number of members of such a subcommittee, and b) the resolutions of such subcommittees shall be valid if the majority of the members present at the meetings who adopt such resolutions are Board members.

16. Legality of actions: Every action taken to implement the decision of the Board or any of its attached subcommittee or by any person in the capacity as member of such section shall be considered legally valid even though the process

of electing or appointing members of the sections of the Board may witness mistakes.

## **VIII. THE MANAGING DIRECTOR, OTHER MANAGEMENT OFFICERS AND SECRETARY OF THE COMPANY**

### **Article 29. Organization of management structure**

The Company shall have to promulgate a managerial system whereby the managerial structure shall be accountable to and placed under the leadership of the Board. The Company has one Managing Director, a number of Deputy Managing Directors and a chief accountant, who are appointed by the Board. The Managing Director and Deputy Managing Directors may be concurrently members of the Board and shall be appointed or dismissed by the Board under a resolution lawfully adopted.

### **Article 30. Management officers**

1. At the request of the Managing Director and with the approval of the Board, the Company shall be staffed with a certain number of necessary and appropriate management officers of various kinds for effecting the structure and practices of managing the Company, proposed by the Board for each period of time. The management officers must have due diligence in order to attain the objectives set for the operation and organization of the Company.

2. The levels of wage, remuneration, interests and other terms in the labour contract for the Managing Director shall be decided by the Board and those in the labour contracts for other management officers shall be decided by the Board after consulting with the Managing Director.

### **Article 31. Article 30- Appointment, removal from office, tasks and powers of the Managing Director**

1. Appointment: The Board shall appoint one of its member or another person to be the Managing Director and sign a contract prescribing the wage level, remuneration, interests and other terms related to the recruitment. The information on wage level, allowance and interests of the Managing Director must be reported to the annual meeting of the Shareholders' General Assembly and specified in the annual report of the Company.

2. Term of office: Pursuant to Article 26 of the Charter, the Managing Director may not need to be the Board chairman. The term of office of the Managing Director shall be 03 years, except otherwise provided for by the Board. The re-appointment thereof can be made. Such appointment may expire based on the provisions of the labour contract. The Managing Director shall not be the person banned by law from holding this position, namely the minors, persons having no act capacity, persons sentenced to imprisonment, persons serving the imprisonment sentence, armed force personnel, government officers and



employees and the persons who were sentenced for making the companies they once led go bankrupt.

3. Powers and tasks: The Managing Director shall have the following powers and responsibilities:

a. To execute the resolutions of the Board and the Shareholders' General Assembly, business plans and investment plans of the Company, which have been adopted by the Board and the Shareholders' General Assembly;

b. To decide all matters which do not require the resolutions of the Board, including the representation of the Company in concluding financial or commercial contracts, the organization and administration of daily production and business activities according to the best management practices;

c. To propose the quantity and types of management officers to be hired by the Company so that the Board can appoint or relieve them from office when necessary for the implementation of the best management practices as well as the structures proposed by the Board and to advise the Board on deciding the levels of wage, remuneration, interest and other terms of the labour contracts of the management officers;

d. To consult with the Board in order to decide on the number of employees, wage and remuneration levels, interests, the appointment, dismissal and other terms related to their labour contracts;

e. Annually on October 31, the Managing Director shall have to submit to the Board for approval the detailed business plan for the next fiscal year on the basis of meeting the requirements of the corresponding budget as well as the 5-year financial plan.

f. To execute the annual business plans approved by the Shareholders' General Assembly and the Board;

g. To propose measures to enhance the performance and management of the Company;

h. To prepare written long-term, annual and monthly estimates of the Company (hereinafter called the written estimates) in service of its long-term, annual and monthly management activities according to the business plans. The annual written estimate (including the balance sheet, the income statements and the cash flow statement) for each fiscal year must be submitted to the Board for adoption and must contain information prescribed in the regulations of the Company.

i. To carry out all other activities under the provisions of this Charter and the regulations of the Company, resolutions of the Board, the labour contract of the Managing Director and law.

4. Reporting to the Board and shareholders: The Managing Director shall be accountable to the Board and the Shareholders' General Assembly for the

performance of his/her assigned tasks and the exercise of his/her delegated powers and have to report thereon to these bodies when so requested.

5. Dismissal: The Board may dismiss the Managing Director with at least 2/3 of the Board's members voting therefore (excluding the Managing Director's vote in this case) and appoint a new Managing Director to replace him/her. The dismissed Managing Director is entitled to protest against such dismissal at the next meeting of the Shareholders' General Assembly.

### **Article 32. The Company's secretary**

The Board shall designate a person of the Company with his/her term of office and terms to be decided by the Board. The Board may dismiss a secretary of the Company at any time but not contrary to the provisions of the current labour legislation. Two or more persons may be designated to be co-secretaries of the Company. The Board may also appoint one or several assistants to the Company's secretaries, depending on each period of time. The roles and tasks of the secretaries of the Company shall include:

- a. To organize meetings of the Board, the Supervisory Committee and the Shareholders' General Assembly under the instructions of the Board chairman or the Supervisory
- b. Board head;
- c. To make minutes of meetings;
- d. To advise on formalities of the meetings;
- e. To supply information for members of the Board and the Supervisory Committee.

## **IX. ENTRUSTED TASKS OF THE BOARD MEMBERS, THE MANAGING DIRECTOR AND MANAGEMENT OFFICERS**

### **Article 33. The prudence responsibilities of the Board members, the Managing Director and management officers**

The Board members, the Managing Director and the management officers shall be entrusted with the responsibility to perform their tasks, including tasks performed in their capacity as members of subcommittees of the Board in an honest manner and by modes which they deem are for the supreme interests of the Company and with the level of caution which any careful person needs to have when assuming the equivalent posts and under the similar circumstances.

### **Article 34. The responsibilities to be honest and avoid conflicts of interests**

1. The Board members, the Managing Director and the management officers must not use, for personal purposes, business opportunities which may

bring about benefits for the Company; and at the same time must not use the information acquired by their positions for their personal interests or for the interests of any other organizations or individuals.

2. The Board members, the Managing Director and the management officers shall be obliged to disclose the Board of every interest of possible conflict, which they may enjoy through various economic legal persons, transactions or other individuals. These personnel may only use such opportunities when the Board members who have no relevant interests have decided not to investigate into this matter.

3. The Company must not provide loans, guarantees or credits to the Board members, the Managing Director, the management officers and their families or any legal persons where these persons have the financial interests, except otherwise provided for by the Shareholders' General Assembly.

4. A contract or transaction between the Company and one or many members of the Board, the Managing Director, the management officers or their relevant persons or any other company, partner, society or organization, of which one or many members of the Board, management officers or their relevant persons are members or where they have relations in financial interests, shall not be invalidated just only because of the mentioned relations or because such Board members or management officers are present at or participate in relevant meetings or in the Board or subcommittees which have permitted the performance of the contract or transaction or just because their votes are also counted when voting on such purpose, if:

a. For a contract valued at twenty percent (20%) or under of the total asset value recorded in the accounting books of the Company, the important elements on the contract or transaction as well as relations and interests of the management officers or Board members have already been reported to the Board or the concerned subcommittees. At the same time, the Board or such subcommittees have permitted the performance of such contract or transaction in an honest manner with the majority of favour votes of the Board members who have no relevant interests; or

b. For a contract valued at over 20% of the total asset value recorded in the accounting books of the Company, the important elements of such contract or transaction as well as the relations and interests of the management officers or Board members have already been announced to the shareholders who have no relevant interests and are entitled to vote on that matter, and the shareholders who have voted to approve this contract or transaction in an honest manner;

c. Such contract or transaction is considered by an independent consultancy organization as fair and reasonable in all aspects related to the Company's shareholders at the time such transaction or contract is allowed for

implementation, adopted or approved by the Board or a subcommittee of the Board, or the shareholders.

Not any Board member, nor the Managing Director, any management staff or their relevant persons are allowed to buy or sell, or transact in any other forms, shares of the Company or its affiliated companies at any time when they have information that will surely affect the prices of those shares while other shareholders are not aware of such information

### **Article 35. Liability and compensation**

1. Liability for damage: The Board members, the Managing Director and the management officers, who breach the obligation to act honestly, fail to fulfil their obligations with carefulness, industriousness and professional capability shall be held responsible for the damage caused by their acts of breach.

2. Compensation: The Company shall pay compensations to persons who were, are being and will possibly be in danger of becoming an involved party in cases of complaint, lawsuit or prosecution, which were, are being or will possibly be conducted regardless of whether these are civil or administrative cases (other than the lawsuits initiated by the Company or falling under the Company's right to initiate lawsuits, if such persons were or are being Board members, management officers, employees or authorized representatives of the Company (or its affiliated companies) or such persons acted or are acting at the request of the Company (or its affiliated companies) in the capacity of Board members, management officers, employees or authorized representative of another company, partner, joint-venture, trust or legal person. The compensated expenses shall include the arising expenses (including charges for hiring lawyers), jurisdiction expense, fines, payable amounts practically arising or considered reasonable when settling these cases within the framework permitted by law, provided that such persons have acted honestly, cautiously, diligently and with professional capability by modes which they firmly believe are for the interests or do no run counter to the supreme interests of the Company, on the basis of compliance with law and without any detection or certification that such persons have breached their responsibilities. The Company is entitled to buy insurance for such persons in order to avoid the above-mentioned compensation liabilities.

## **X. THE SUPERVISORY COMMITTEE**

### **Article 36. Members of the Supervisory Committee**

1. The Supervisory Committee must have three (03) to five (05) members. The Board must have at least one member who has the professional knowledge on accounting. This member must not be the employee in the finance and accounting department of the Company, nor the member or employee of the independent statutory auditing company who has been engaged to audit the financial statements of the Company. The members of the Supervisory Committee vote to appoint one of them who are the shareholder of Company to

be Head of the Supervisory Committee. The Head of Supervisory Committee has the following rights and obligations:

a. To convene meetings of the Supervisory Committee and act in the capacity as the Supervisory Committee Head;

b. To request the Company to supply relevant information for report to the Supervisory Committee members;

c. To make and sign reports of the Supervisory Committee after consulting with the Board for submission to the Shareholders' General Assembly.

2. The shareholders holding **up to 5%** of the shares with the voting right for at least 6 consecutive months may add up the number of each person's voting shares to nominate members of the Supervisory Committee. If the total of their voting shares accounts for more than 5% and **under 10%** for at least 6 consecutive months, they are entitled to nominate 01 candidate; if between 10% and under 30%, they are entitled to nominate 2 candidates; if between 30% and under 50%, they are entitled to nominate 3 candidates; if between 50% and under 65%, they are entitled to nominate four candidates, and if more than 65%, they are entitled to nominate full number of candidates.

3. The Supervisory Committee members shall be appointed by the Shareholders' General Assembly, has the term of office of 5 years; and can be re-elected at the next Shareholders' General Assembly.

4. A Supervisory Committee member shall no longer have the membership capacity in the following cases:

a. Such member is banned by law from acting as the Supervisory Committee member;

b. Such member resigns by servicing a written notice thereon sent to the Company's head-office.

c. Such member is affected with the mental disorder and other members of the Supervisory Committee have professional evidences showing that such person no longer has act capacity;

d. Such member has been absent for 6 consecutive months, failing to participate in meetings of the Supervisory Committee during that period without permission of the Supervisory Committee and the Supervisory Committee decides that such person's position shall be left vacant.

### **Article 37. Supervisory Committee**

1. The Company must have a Supervisory Committee and the Supervisory Committee members shall have the powers and responsibilities prescribed in Article 123 of the Enterprise Law and this Charter, including the following principal powers and responsibilities:

a. To be consulted on the appointment of the independent auditing firm, the auditing charge level and all matters related to the withdrawal or dismissal of the independent auditing firm;

b. To discuss with independent auditors about the nature and scope of auditing before starting the auditing work;

c. To seek independent professional opinions or legal consultancy and ensure the participation of experts outside the Company who have appropriate professional experiences and qualifications in the Company's affairs if necessary;

d. To examine the annual, biannual and quarterly financial reports before submitting them to the Board;

e. To discuss difficult and existing issues detected from mid-term or term-end auditing results as well as all matters, which the independent auditors wish to discuss;

f. To examine the letter to management of independent auditors and the feedback of the Company;

g. To examine the Company's report on internal auditing systems before it is approved by the Board; and

h. To examine the internal investigation results and the feedback of the managerial board.

2. The Board members, the Managing Director and management officers shall have to supply all information and documents related to activities of the Company at the request of the Supervisory Committee and the Company's secretary must ensure that copies of the financial information, other information supplied to the Board members and copies of the minutes of the meetings of the Board must be supplied to the Supervisory Committee members simultaneously with the time they are supplied to the Board.

3. After consulting with the Board, the Supervisory Committee may promulgate regulations on meetings and mode of operation of the Supervisory Committee, but not less than two (02) meetings a year and the quorum for a meeting is 2 members;

4. The total remuneration amount for the Supervisory Committee members shall not exceed VND ..... each year. The remuneration level may be higher under decisions of the Shareholders' General Assembly. The Supervisory Committee members shall also be paid with expenses for travel, hotels and reasonable expenses arising when they participate in meetings of the Supervisory.

## **XI. RIGHT TO INSPECT BOOKS AND DOSSIERS OF THE COMPANY**

### **Article 38. Right to check books and documents**

1. Every shareholder or group of shareholders mentioned in Articles 24.3 and 36.2 of the Charter shall have the right to send, directly or via lawyers or authorized persons, a written request to check during the working hours and at the principal business location of the Company the list of shareholders, minutes of the Shareholders' General Assembly and to copy, duplicate or extract those dossiers. The request for checking by the lawyer or authorized representative of a shareholder must be enclosed with the authorization letter of the shareholder whom such person represents or a notarized copy of this authorization paper.

2. The Board members, the Supervisory Committee members, the Managing Director and the management officers are entitled to examine books for registration of the Company's shareholders, the list of shareholders and other books as well as documents of the Company for the purposes related to their positions provided that such information must be kept confidential.

3. The Company shall have to keep this Charter, the written amendments and supplements thereto, the business registration certificate, regulations, documents proving ownership right over assets, minutes of the meetings of the Shareholders' General Assembly and the Board, the reports of the Supervisory Committee, the annual financial reports, accounting books and any other papers prescribed by law at the head-office or another places provided that the shareholders and business registration office are informed of the places where those papers are archived.

4. Every shareholder is entitled to be supplied with a copy of the Company's charter free of charge. If the Company has its own website, this Charter must be uploaded into such website.

## **XII. EMPLOYEES AND TRADE UNION**

### **Article 39. Employees and Trade Union**

The Managing Director shall have to work out plans for adoption by the Board on matters related to the recruitment, labour, work dismissal, wage, social insurance, welfare, bonus and discipline of management officers and employees as well as the Company's relations with trade union organizations recognized according to standard, practice and the best management policies, the practices and policies prescribed in this Charter, the Company's regulations and laws.

### **XIII. PROFIT DISTRIBUTION**

#### **Article 40. Dividends**

1. Under the decision of the Shareholders' General Assembly and the provisions of law, dividends shall be announced and paid from the retained profits of the Company, but must not exceed the level proposed by the Board after consulting with the shareholders at the meeting of Shareholders' General Assembly.

2. Under the provisions of the Enterprise Law, the Board may decide on the mid-term dividend payment if deeming that such payment conforms to the Company's profit generating capability.

3. The Company shall not pay interests on dividend amount or other payable sums related to a share.

4. The Board may propose the Shareholders' General Assembly to adopt the full or partial payment of dividends in the form of specific assets (possibly fully paid shares or bonds issued by other companies) and the Board shall be the body to enforce this resolution.

5. Dividends or other money amounts related to a share, if being paid in cash, must be paid in Vietnamese dong and can be paid by checks or payment orders sent via post office to the registered addresses of the benefiting shareholders who shall have to bear all risks if any. Besides, all dividend amounts or other money amounts paid in cash and related to a share may be paid through bank transfer when the Company has acquired detailed information on the banks of the shareholders, which permits the Company to effect the account transfer directly into the shareholders' bank accounts. If the Company has already effected the account transfer strictly according to the detailed information on the banks, provided by the shareholders, the Company shall not bear responsibility for any money amounts transferred by the Company to benefiting shareholders but not received by the latter. The payment of dividends for shares listed at the Stock Exchange/ Securities Trading Centers may be effected through securities companies or custody centers.

6. If approved by the Shareholders' General Assembly, the Board may decide and notify that common share owners may choose to receive dividends in common shares instead of dividends in cash. The additional shares shall be recorded as those already paid up for the purchase thereof on the basis that the value of additional common shares replacing the dividend amounts in cash must be equivalent to the cash amounts of dividends according to the calculation.

7. Pursuant to the Enterprise Law, the Board shall adopt its resolutions on a specific date it may prescribe (the book-closing date) as the book-closing date for business activities of the Company, on which the persons who have registered in the capacity as shareholders or owners of other securities are entitled to receive dividends, interests, divided profits, share certificates, information or other



documents. This book-closing date may be the same date or any time before the date when such benefits are received. This does not affect the benefits of the two parties in the transaction of transfer of relevant shares or securities.

**Article 41. The other issues related to the distribution of profits**

The other issues related to the distribution of profits shall be done in accordance with the laws.

**XIV. BANK ACCOUNTS, RESERVE FUND, FISCAL YEAR AND ACCOUNTING SYSTEM**

**Article 42. Bank accounts**

1. The Company shall open accounts at a Vietnamese bank or at various foreign banks licensed to operate in Vietnam.

2. With the advance approval of the competent body, the Company may open bank accounts overseas under the provisions of law, if necessary.

3. The Company shall make all payments and accounting transactions via Vietnamese-currency accounts or foreign-currency accounts at the banks where the Company opens accounts.

**Article 43. Reserve fund for charter capital supplementation**

Annually, the Company shall have to deduct a sum from its after-tax profits into the reserve fund for charter capital supplementation as provided for by law. This deducted amount must not exceed 5% of the Company's after-tax profits and the deduction shall continue until the reserve fund represents 10% of the charter capital of the Company.

**Article 44. Fiscal year**

The fiscal year of the Company shall begin on the first day of January of every year and end on the 31st day of December of the same year. The first fiscal year shall commence on the date when the business registration certificate (or business license for conditional production and business lines) is issued and end on the 31st of December after the date of issuance of such business registration certificate (or business license).

**Article 45. Accounting system**

1. The accounting system employed by the Company is the Vietnam Accounting System (VAS) or any other system approved by the Finance Ministry.

2. The Company shall establish the accounting books in Vietnamese and English. The Company shall keep the accounting dossiers according to forms of its business activities. These dossiers must be accurate, updated, systematic and adequate to prove and explain the Company's transactions.

3. The Company shall use Vietnamese dong as currency unit used in accounting.

## **XV. ANNUAL REPORTS, RESPONSIBILITY TO NOTICE AND INFORMATION DISCLOSURE TO THE PUBLIC**

### **Article 46. Annual, biannual and quarterly reports**

1. The Company shall have to prepare an annual financial report according to the provisions of law as well as the provisions of the State Securities Commission, which must be audited according to the provisions in Article 48 of this Charter, and within 90 days after the end of a fiscal year, shall have to submit the annual financial report already approved by the Shareholders' General Assembly to the competent tax office, the State Securities Commission, the Securities Trading Center and the business registration agency.

2. The annual financial report must include an income statement reflecting in an honest and objective manner the situation on the Company's losses and profits in the fiscal year, and a balance sheet showing honestly and objectively the status of the Company until the time the report is made, the cash flow statement and the notes on the financial reports. If the Company is a parent company, apart from the annual accounting report, it must also make the consolidated balance sheet on the status of the Company and its affiliated companies at the end of each fiscal year.

3. The Company shall have to make biannual and quarterly reports according to the regulations of the State Securities Commission and submit them to the State Securities Commission and the Stock Exchange/ Securities Trading Center.

4. A written summary of the contents of the annual financial report already audited must also be sent to all shareholders and published on a local daily and a central economic newspaper for three consecutive issues. If the Company has its own website on the net, the audited financial reports, quarterly and biannual reports of the Company must be uploaded into such website.

5. Any interested organization or individual shall be entitled to check or copy the audited annual financial reports, biannual and quarterly reports during the working hours of the Company, at its head-office and have to pay a reasonable charge for the photocopies.

### **Article 47. Disclosure of information and notices to the public**

The annual financial reports and other supporting documents must be announced to the public according to the regulations of the State Securities Commission and submitted to the concerned tax offices as well as the business registration agency according to the provisions of the Enterprise Law.

## **XVI. AUDITING THE COMPANY**

### **Article 48. Auditing**

1. At the ordinary annual meeting general assembly of shareholders, an independent auditing firm which lawfully operates in Vietnam and is accepted by the State Securities Commission for auditing the listed companies shall be designated to audit the Company for the subsequent fiscal year, based on the terms and conditions agreed upon with the Board. For the first fiscal year, the Board shall designate an auditing firm to conduct activities of auditing the Company after it is granted the business registration certificate.

2. The Company shall have to prepare and send the annual financial report to the independent auditing firm after the end of each fiscal year.

3. The independent auditing firm shall examine, certify and report on the annual financial report showing the revenues and expenditures of the Company, make the auditor's report and submit it to the Board within (2) months after the end of each fiscal year. Employees of the independent auditing firm, who conduct the auditing for the Company, must be approved by the State Securities Commission.

4. A copy of the auditor's report must be sent together with a copy of the annual financial report of the Company.

5. The auditors who audit the Company shall be allowed to attend all meetings of the Shareholders' General Assembly and entitled to receive announcements and other information related to the Shareholders' General Assembly, which every shareholder is entitled to receive, and to speak out at the general assembly about matters related to the auditing.

## **XVII. THE SEAL**

### **Article 49. The Seal**

1. The Board shall adopt an official seal of the Company and the seal shall be engraved according to the provisions of law.

2. The Board, the Managing Director shall use and manage the seal according to current law provisions.

## **XVIII. TERMINATION OF OPERATION AND LIQUIDATION**

### **Article 50. Termination of operation**

1. The Company may dissolve or terminate its operation in the following cases:

a. When the operation duration of the Company has expired, including its extension;

b. The Company was declared bankrupt by court according to the prevailing laws;

c. Early dissolution as prescribed by the Shareholders' General Assembly.

d. Other cases prescribed by law.

2. The dissolution of the Company prior to the expiry (including the extension) shall be decided by the Shareholders' General Assembly and shall be implemented by the Board. Such decision must be notified to the competent body for reporting or approval if such approval is compulsory.

### **Article 51. Cases of deadlock between Board members and the shareholders**

Except when otherwise provided for by this Charter, the shareholders who hold more than half of the number of shares being circulated and have the right to elect members of the Board may lodge their written appeal to court to request the dissolution on one or several following grounds:

1. The Board members disagree in managing the affairs of the Company, thus leading to the failure to obtain the prescribed number of votes necessary for the Board to operate.

2. Shareholders disagree, thus resulting in the failure to obtain the prescribed number of votes necessary for conducting the election of Board members.

3. There exists internal disagreement and the shareholders are split up into two or more factions, thus making the dissolution an option more beneficial to the entire shareholders.

### **Article 52. Extension of operation term**

1. The Board shall convene the Shareholders' General Assembly at least seven months before the expiry of operation duration so that the shareholders may vote on the extension of the Company's operation for a period of time at the proposal of the Board.

2. The operation duration shall be extended if the shareholders holding at least 51% of the voting shares and present at meeting of the Shareholders' General Assembly in person or via their proxy vote for the extension.

### **Article 53. Liquidation**

1. At least six (6) months before the end of the duration of the Company's operation or after the issuance of a decision on the dissolution of the Company, the Board shall have to set up the Liquidation Board comprising (3) members, of whom two shall be appointed by the Shareholders' General Assembly and one shall be appointed by the Board from an independent auditing firm. The Liquidation Board shall prepare regulations on its operation. The Liquidation Board's members may be selected from among the employees of the Company or independent specialists. All expenses related to the liquidation shall be prioritized

by the Company with the payment thereof made before the payment of other debt amounts of the Company.

2. The Liquidation Board shall have to report to the business registration offices on the date of its establishment and the date of commencing its operation. As from that time, the Liquidation Board shall act on behalf of the Company in all affairs related to the liquidation of the Company before court and administrative agencies.

3. The proceeds from the liquidation shall be used for payments in the following order:

- a. Liquidation expenses;
- b. Wages and insurance premiums for workers and employees;
- c. Taxes and payments of tax nature to be paid to the State by the Company;
- d. Borrowings (if any);
- e. Other debt amounts of the Company;
- f. The remainder after effecting the payments from Item (a) through (e) above shall be distributed to shareholders. Preferential shares shall be given priority for payment.

## **XIX. SETTLEMENT OF INTERNAL DISPUTES**

### **Article 54. Settlement of internal disputes**

1. Upon the appearance of disputes or complaints related to the operation of the Company or to the shareholders' rights arising from the Charter or from any right or obligation prescribed by the Enterprise Law, other laws or administrative regulations, between:

- a. A shareholder or shareholders and the Company; or
- b. A shareholder or shareholders and the Board, the Supervisory Committee, the Managing Director or senior management officers,

The involved parties shall endeavour to settle those disputes through negotiations and conciliation. Except for disputes related to the Board or its Chairman, the Board Chairman shall preside over the settlement of disputes and request each party to present the practical elements related to the disputes within 60 working days as from the date the disputes arise. If the disputes are related to the Board or its Chairman, any party may request to appoint an independent specialist to act as the arbitrator for the process of settling the disputes.

2. If no conciliation decision is made within 6 weeks as from the time of starting the conciliation process or if the decision of the conciliation mediator is not accepted by the parties, any party may bring the disputes to the Economic Arbitration or Economic Court.

3. Each party shall have to bear its own expenses related to the negotiation and conciliation procedures. The court's expenses shall be paid by a party as decided by the court.

## **XX. AMENDMENTS AND SUPPLEMENTS TO THE CHARTER**

### **Article 55. Amendment and supplements to the Charter**

1. The amendment and supplementation of this Charter must be considered and decided by the shareholders' General Assembly.

2. In cases where the law provisions related to the operation of the Company have not yet been mentioned in this Charter or where the new law provisions are different from the provisions in this Charter, such law provisions shall naturally apply and regulate the operation of the Company.

## **XXI. EFFECTIVE DATE**

### **Article 56. Effective date**

1. This Charter comprising XXI Chapters with 57 articles is adjusted according to approval of amending some articles of Charter by the Shareholders' General Assembly on 12/04/2012 at Dong Nai, and the effect of its full contents is also approved.

2. This Charter is made in 10 copies with the same validity, of which:

- a. One copy is submitted to the State Notary Public in the locality;
- b. Five copies are registered at the local administration according to the stipulations of the provincial/municipal People's Committees.
- c. Four copies are kept at the Company's head-office.

3. This is the unique and official Charter of the Company.

4. The copies or extracts of the Company's Charter must be signed by the Board chairman or at least 1/2 of the total number of the Board members to be valid.

**Article 57.** The signatures of the founding shareholders or the Company's legal representative

CHAIR MAN/GENERAL DIRECTOR

**MICHIO NAGABAYASHI**

## Appendix

### List of founding shareholders of the Company

Item	Name	Registered residential address for individual or head office for organization	Class of share	Number of shares	Value of shares (VND 10,000)	Contributed ratio (%)	ID Card/ Passport no./ Business registration certificate number/ Certificate of incorporation number
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Trade ocean Holdings Sdn.Bhd	c/o Level 21, Suite 21.01 The Gardens South Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur, Malaysia	Ordinary	16.684.646	166.846.460	57,25	Co. No. 230481-X
2	Indochina Beverage Holdings Ltd	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands.	Ordinary	5.499.840	54.998.400.	18.87	1632058
3	Yau Hau Jan	1034, Lorong Shariff, 05200 Alor Setar, Kedah, Malaysia	Ordinary	81.139	811.390	0,28	A15695242