

**Articles of Association of  
FN Factory Outlet Public Company Limited  
(in relation to meetings of shareholders)**

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**Chapter 5**

**Board of Directors**

Article 17. At every annual general meeting, one-third (1/3) of directors at that time shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third (1/3) shall retire from office.

The directors retiring from office may be re-elected.

The directors to retire from office in the first and second years after the registration of the Company shall be selected by drawing lots. In subsequent years, the directors having held office longest shall retire.

Article 22. The directors shall be entitled to receive remuneration from the Company in the form of reward, meeting allowance, gratuity, bonus or benefits of other nature as considered and approved by the shareholders meeting by a vote of not less than two-third (2/3) of the total votes of shareholders attending the meeting. The remuneration may be fixed in a certain amount, or be specified from time to time, or be in effect until a change by a resolution of the shareholders meeting. The directors shall also be entitled to receive per diem allowances and other fringe benefits in accordance with the Company's regulations.

The provision in the first paragraph shall not prejudice the rights of the staff or employees of the Company, who have been appointed as directors, to receive the remuneration or benefits as a staff or an employee of the Company.

**Section 6**

**Meetings of Shareholders**

Article 32. The Board shall convene an annual general meeting of shareholders within four (4) months from the end of the Company's accounting year.

Other meetings of shareholders than the annual general meeting specified in paragraph one above shall be referred to as an extraordinary general meeting of shareholders. The Board may convene an extraordinary general meeting of shareholders when deemed appropriate.

Shareholders collectively holding not less than one-fifth of the total sold shares or a group of at least 25 (twenty-five) shareholders collectively holding not less than one-tenth (1/10) of the total sold shares may jointly sign a letter to request the Board to call an extraordinary general meeting of shareholders at any time, provided that supporting reasons for such request be clearly specified in the letter. In such circumstance, the Board shall hold a meeting of shareholders within 1 (one) month from the receipt of such letter from the shareholders.

Article 33. In summoning a meeting of shareholder, the Board shall issue a notice of the meeting of shareholder which must contain details about the venue, date, time, meeting agenda and matters to be proposed to the meeting, which shall be clearly specified whether they are proposed for acknowledgment, for approval or for consideration, including adequate supporting information and the Board's opinions on such matters. The notice shall be submitted to shareholders and the registrar at least seven (7) days before the meeting date and published in newspapers at least three (3) days prior to the meeting date for at least three (3) consecutive days.

The meeting venue may be in the province where the Company's head office is located or any other locations as determined by the Board.

Article 34. At a meeting of shareholders, the number of shareholders and shareholders' proxies (if applicable) present at the meeting must be at least twenty-five (25) or at least one-half of the total shareholders, holding aggregate shares of not less than one-third (1/3) of the total sold shares, to constitute a quorum.

Where the number of shareholders present at the meeting of shareholders after a lapse of one (1) hour from the appointed time of a meeting of shareholders is not sufficient to form a quorum as prescribed in paragraph one, the meeting shall be dissolved if it is convened per the request of shareholders or shall be rescheduled if the meeting is convened without the request of shareholders. In the latter case, a notice of a meeting of shareholders shall be submitted

to shareholders at least seven (7) days in advance of the rescheduled meeting which shall be exempted from the quorum requirement.

Article 35. The Chairman of the Board shall preside as the chairman of the meeting. If the Chairman is absent or unable to perform the duty, the Vice Chairman of the Board shall then preside as the chairman of the meeting. If there is no Vice Chairman or the Vice Chairman is absent or unable to perform the duty, the meeting shall then elect a shareholder present at the meeting to serve as the chairman of the meeting.

Article 36. In voting at a meeting of shareholders, the one-share-one-vote principle shall apply and shareholders shall not have the right to vote on any matters in which they have special interest, except for the election of directors. The number of votes required for resolutions of the meeting of shareholders is as detailed below:

- (1) For general matters, the majority of the votes cast by shareholders who attend the meeting and vote shall be required. If the votes are equally divided, the Chairman shall cast an additional, deciding vote.
- (2) For the following matters, the three-fourths (3/4) majority of the votes cast by shareholders who attend the meeting and vote shall be required:
  - (A) Sale of transfer of entire business or material parts of business of the Company to other parties;
  - (B) The Company's purchase or acceptance of transfer of business of private companies or public limited companies;
  - (C) Execution, amendment or cancellation of contracts relating to renting out entire business or material parts of business of the Company, delegation of authority to other parties to manage the Company's business, or the merger of business for the purpose of profit and loss sharing;
  - (D) Amendment to the Company's Memorandum of Association or Articles of Association;
  - (E) Increase or decrease of the Company's registered capital;
  - (F) Dissolution of the Company;
  - (G) Issuance of the Company's debentures; and
  - (H) Merger.

Article 37. Businesses that are considered at an annual general meeting of shareholders are:

- (1) To consider the report of the Board that covers the Company's performance and business in the prior year;
- (2) To approve the balance sheet and profit and loss account of the prior accounting year;
- (3) To approve the allocation of profit, dividend payment and allocation to reserve;
- (4) To elect directors in replacement for those retiring by rotation;
- (5) To determine remuneration of directors;
- (6) To appoint auditor and fix audit fee; and
- (7) Other businesses.

Article 38. Where the Company or its subsidiaries, per the definitions specified in the securities and exchange laws, agree to enter into related-party transactions or acquire or dispose of the Company's material assets per the criteria specified in the securities and exchange laws, applicable rules and procedures governing such matters shall be complied with.

#### **Chapter 7**

##### **Accounting, Finances and Audits**

Article 41. The board of directors shall arrange for the preparation of the balance sheet or statement of financial position, and the profit and loss account as at the end of the accounting period, and propose them to the annual general meeting of shareholders for consideration and approval. The board of directors shall arrange for the auditor to complete the auditing of the balance sheet or statement of financial position, and the profit and loss account before proposing them to the shareholders meeting.

#### **Chapter 8**

##### **Dividend Payment**

Article 46. Dividends shall not be paid out of any type of funds other than out of profit. In case the Company still has accumulated loss, no dividends shall be paid.

Dividends shall be distributed according to the number of shares on an equal basis, except where the Company has issued preferred shares with a dividend right different to that of ordinary shares, the dividends shall be allocated as specified. Payment of dividends shall be approved by the shareholders meeting.

The board of directors may pay interim dividends to shareholders from time to time, upon viewing that the Company has adequate profit to do so. The payment of interim dividends shall be reported to the shareholders at the next shareholders meeting.

Payment of dividends shall be made within one (1) month from the date the resolution therefor has been passed by the shareholders meeting or by the board of directors, as the case maybe. A written notice of dividend payment shall be sent to the shareholders and also be published in a newspaper for not less than three (3) consecutive days.