

**CHARTER**  
**Hoang Anh Gia Lai Joint stock Company**



**Head Office: 15 Truong Chinh Street - Phu Dong Ward - Pleiku  
City, Gia Lai Province - VietNam  
Tel: 059 2222230 Fax: 059 2222250**

**Gia Lai, September 2016**

## TABLE OF CONTENTS

### TABLE OF CONTENTS

I.	DEFINITIONS AND TERMINOLOGIES IN THE CHARTER .....	4
	Article 1 Definitions .....	4
II.	NAME, FORM, HEADQUARTERS, BRANCHES, REPRESENTATIVE OFFICES AND OPERATING TERM OF THE COMPANY .....	4
	Article 2 Name, form, headquarters, branches, representative offices and Operating Term of the Company 4	4
III.	OBJECTIVES, BUSINESS SCOPE AND OPERATIONS OF THE COMPANY ....	5
	Article 3. Objectives of the Company .....	5
	Article 4 Business scope and operations .....	6
IV.	CHARTERED CAPITAL, SHARES AND FOUNDING SHAREHOLDERS .....	7
	Article 5 Chartered Capital, Shares, Founding Shareholders .....	7
	Article 6 Share certificates .....	7
	Article 7 Other securities certificates .....	7
	Article 8 Share transfer .....	7
	Article 9 Share reclamation .....	8
V.	ORGANIZATION, MANAGEMENT AND CONTROL .....	9
	Article 10 Management organizational structure .....	9
VI.	SHAREHOLDERS AND SHAREHOLDERS MEETING .....	10
	Article 11 Rights of Shareholders of the Company .....	10
	Article 12 Obligations of Shareholders .....	10
	Article 13 Shareholders' Meeting .....	11
	Article 14 Rights and tasks of the Shareholders' Meeting .....	12
	Article 15 Authorized representatives .....	13
	Article 16 Changes of rights .....	13
	Article 17 Shareholders Meeting, agenda and announcement .....	14
	Article 18 Conditions for conducting a Shareholders Meeting .....	14
	Article 19 Formality and voting method of the Shareholders' Meeting .....	15
	Article 20 Through Decision of the Shareholders Meeting .....	16
	Article 21 Jurisdiction and formality for Approval of Resolutions via written documents .....	16
	Article 22 Minute of Shareholders Meeting .....	18
	Article 23 Demand for cancellation of resolutions of the Shareholders Meeting .....	18
VII.	BOARD OF DIRECTORS .....	18
	Article 24 Composition and term .....	18
	Article 25 Rights and functions of the Board of Directors .....	19
	Article 26 Chairman, Vice Chairman and members of the Board of Directors .....	21
	Article 27 Alternate members of the Board of Directors .....	21
	Article 28 Meetings of the Board of Directors .....	22
VIII.	GENERAL DIRECTOR, OTHER MANAGERS AND COMPANY SECRETARY	24
	Article 29 Management organization .....	24
	Article 30 Managers .....	24
	Article 31 Appointment, dismissal, tasks and authority of the General Director .....	24
	Article 32 Company Secretary .....	25
IX.	AUTHORIZED TASKS OF MEMBERS OF THE BOARD OF DIRECTORS, GENERAL DIRECTOR AND MANAGERS .....	26
	Article 33 Responsibility of prudence of members of the Board of Directors, General Director and Managers .....	26
	Article 34 Responsibility of honesty and avoidance of conflicts of interests .....	26
	Article 35 Responsibility and compensation .....	27
X.	BOARD OF SUPERVISION .....	27
	Article 36 Members of Board of Supervision .....	27

Article 37	Board of Supervision .....	28
XI.	AUTHORITY TO INVESTIGATE THE COMPANY’S BOOKS AND RECORDS	29
Article 38	Authority to investigate the company’s books and records .....	29
XII.	EMPLOYEES AND UNIONS .....	29
Article 39	Employees and unions .....	29
XIII.	PROFIT SHARING .....	29
Article 40	Dividends .....	29
Article 41	Other issues related to profit distribution.....	30
XIV.	BANK ACCOUNTS, FUND ESTABLISHMENT, FISCAL YEAR, AND ACCOUNTING SYSTEM ..	30
Article 42	Bank accounts .....	30
Article 43	Deduction and fund establishment.....	30
Article 44	Fiscal year .....	30
Article 45	Accounting system.....	30
XV.	ANNUAL REPORTS, RESPONSIBILITY TO PROVIDE REPORTS, PUBLIC ANNOUNCEMENTS .....	30
Article 46	Annual, half-yearly and quarterly reports .....	30
Article 47	Information release and public announcements .....	31
XVI.	COMPANY AUDITING .....	31
Article 48	Auditing .....	31
XVII	SEAL .....	31
Article 49	Seal.....	31
XVIII.	TERMINATION OF OPERATIONS AND LIQUIDATION .....	31
Article 50	Termination of operations.....	31
Article 51	Deadlock between members of the Board of Directors and Shareholders .....	32
Article 52	Extension of Operating Term.....	32
Article 53	Liquidation.....	32
XIX.	SETTLEMENT OF INTERNAL DISPUTES .....	32
Article 54	Settlement of internal disputes.....	32
XX.	CHARTER AMENDMENT .....	33
Article 55	Supplementing and amending the Charter .....	33
XX.	EFFECTIVE DATE.....	33
Article 56	Effective date .....	33
Article 57	Signatures of Founding Shareholders or the legal representative of the company .....	33

# INTRODUCTION

The Charter of Hoang Anh Gia Lai Joint Stock Company is promulgated in accordance with the laws and was passed by the legitimate Resolution of the General Meeting of Shareholders on 15 September 2016

## I. DEFINITIONS AND TERMINOLOGIES IN THE CHARTER

### Article 1 Definitions

1. Terminology in this Charter is defined as follows:
  - a. "Chartered Capital" refers to the capital contributed by all Shareholders as defined in Article 5 of this Charter.
  - b. "Enterprise Law" refers to the Enterprise Law No. **68/2014/QH13** passed by the National Assembly on 26 November 2014.
  - c. "Date of Establishment" refers to the date when the Company was granted a Business Registration Certificate.
  - d. "Managers" refers to the General Director, Deputy Director or Deputy General Director, Chief Accountant, and other key management titles appointed by the Board of Directors.
  - e. "Related Persons" refers to any individual or organization directly or indirectly related to the enterprise as defined in Article 4.17 of the Enterprise Law.
  - f. "Internal Shareholders" refers to the members of the Supervision Board, General Director/Director, Deputy General Director/ Deputy Director, Financial Director, Chief Accountant, Manager of Finance and Accounting Department
  - g. "Term" refers to the operating term of the Company as stipulated in Article 2 of this Charter, and all extensions to this term (if any) which are passed by a resolution of the Shareholders' Meeting.
  - h. "Vietnam" refers to the Socialist Republic of Vietnam.
2. In this Charter, any article or document used for reference will include all subsequent changes or replacement documents.
3. Headings (chapter or article of this Charter) are used for reference only and do not affect the structure of this Charter.
4. Words or terminology defined in the Enterprise Law (if they do not contradict the subject or context) will have the same definitions in this Charter.

## II. NAME, FORM, HEADQUARTERS, BRANCHES, REPRESENTATIVE OFFICES AND OPERATING TERM OF THE COMPANY.

### Article 2 Name, form, headquarters, branches, representative offices and Operating Term of the Company

1. The legal name of the Company :
  - o In Vietnamese is: "Công ty Cổ phần Hoàng Anh Gia Lai"
  - o In English is: "Hoang Anh Gia Lai Joint Stock Company"
  - o Transaction name is: "Hoang Anh Gia Lai Joint Stock Company"
  - o Abbreviation of the Company's name: "HAGL"
2. The Company is a joint-stock company and has a legal status in accordance with the current Law of Viet Nam.
3. The Company is headquartered at:
  - Address: 15 Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Viet Nam
  - Telephone: (84 59) 2222230
  - Fax: (84 59)2222250
  - Website: [www.hagl.com.vn](http://www.hagl.com.vn)
4. The General Director will be the Company's legal representative.
5. The Company can open branches and representative offices in its area of business to carry out the Company's objectives in accordance with the resolutions of the Board of Directors and

within the limits of the prevailing laws.

6. The company has an operating Term for ever from the Date of Establishment, unless the Company terminates its operating Term ahead of schedule in line with Articles 50 in this Charter.

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

#### **Article 3.Objectives of the Company**

- The business activities of the company are:
  - Rubber plantations
  - Producing woodwork used for construction
  - Producing beds, wardrobes, tables, chairs
  - Details: Producing interior office furniture (excluding processing mechanical products, recycling of scraps, electroplating, painting, welding, processing wood, and producing porcelain, pottery and glass products at the head office)
  - Mining iron ores
  - Mining other types of ore not containing metal
  - Producing, transmitting and distributing electricity
  - Details: Producing electricity, transmitting and distributing electricity
  - Building other civil engineering works
  - Details: Building industrial works
  - Other recreational activities not classified in any category
  - Details: trading electronic games, dance club, karaoke, variety shows
  - Hair-cutting, hair-styling, hair-washing
  - Wholesale of construction materials, installing equipment
  - Details: trading bamboos, wood and processed wood (trading timber and forestal products); trading building materials (granite)
  - Wholesale of agricultural and forestry raw materials (excluding wood, bamboo and other species of bamboo) and livestock
  - Details: Trading and exporting rubber latex and products made from rubber latex
  - Design cutting and perfecting stones
  - Details: Processing granite
  - Wholesale of other machines, equipment and spare parts
  - Details: Trading industrial, mining, forestry, constructional machinery equipment (equipment and spare parts for granite processing)
  - Tour operation
  - Details: inbound travel services
  - Casting iron and steel
  - Casting non-ferrous metal
  - Mining stone, sand, pebbles and clay
  - Producing rubber tyres and tubes; mending and recycling rubber tyres
  - Producing other products from rubber
  - Wholesale of solid, liquid, gas fuels and other related products
  - Details: Trading oil and petrol
  - Activities of sporting clubs
  - Details: Running activities of football teams and football club
  - Planting and raising forests
  - Details: Planting and raising forests, trading seedlings (rubber)
  - Producing other products from wood; producing products from straw, thatch and plaited materials
  - Details: Producing other products from wood (processing handicrafts, household wooden products for local sales and export)
  - Advertising
  - Consultancy, brokerage, real estate auction, land use right auction
  - Details: Real estate consultancy service
  - Producing fertilizer and nitrogen compound

- Mining rare and precious ores
- Mining chemical minerals and fertilizer minerals
- Mining and gathering peat
- Cargo road transport
- Producing non-ferrous metal and precious metal
- Building railway and road construction
- Details: Building highways
- Mining other unclassified minerals
- Producing iron, steel, pig-iron
- Mechanical engineering processing; treating and overlaying metal
- Building houses of all types
- Details: Building civil works
- Other uncategorized financial services (excluding insurance and social insurance)
- Details: Foreign currency exchange dealer (in the permission granted by authorized state agency)
- Doing business in real-estate, land use rights of owner, users or leased land
- Details: Trading real estates; leasing warehouses
- Wholesale of food products
- Details: Trading food and foodstuffs
- Wholesale of beverages
- Details: Trading domestic and imported wine
- Activities of sporting establishments
- Details: Sporting activities (gyms)
- Short-time accommodation
- Details: Hotel services
- Restaurants and mobile food services
- Details: Restaurants, food shops, food booths
- Sauna, massage, and similar health improvement services (excluding sport)
- Wholesale of tobacco and rustic tobacco products
- Details: Trading local-made cigarettes
- Retail of other new commodities in specialized stores
- Details: Retail of souvenirs, weaving commodities, handicraft in specialized stores
- Producing products from plastic
- Details: Producing PVC tubes
- Other uncategorized production
- Details: Producing PP, PE packages
- Installing industrial machines and equipment
- Details: Installing cranes and equipment used in construction works
- Other passenger transport
- Details: Passenger transport under contracts
- Other uncategorized specialized wholesale
- Details: Wholesale of fertilizer, pesticide, and other chemical substances used in agriculture
- Wholesale of other household appliances
- Wholesale of agricultural machines, equipment and spare parts
- Wholesale of metals and ore
- Details: Wholesale of iron, steel
- Warehouses and commodity storage
- Details: Warehouses and commodity storage in bonded warehouses
- Post-harvest services
- Details: preliminary treating pepper
- Producing other foodstuffs not yet classified in any other category
- Details: Producing and processing pepper
- Producing products from corn, rice, sweet potato, manioc, green soy, soybean, black beans, peanut
- Orchards (growing fruit trees)

- Details: passion fruit, mango, dragon fruit, durian, avocado, etc.
- Cultivation services activities
- The objectives of the Company are mobilizing and using the capital effectively in its fields of business in order to maximize profits, to increase benefits for Shareholders, to create jobs and income for its employees, and to fulfill its tax obligations to the State as well as to develop the company stronger and greater.
- If any of these objectives needs to be approved by state management agencies, the company only implements such objectives after receiving approval of authorized agencies.

#### **Article 4 Business scope and operations**

1. The Company is allowed to draw up plans and to participate in all business activities which are mentioned in the Business Registration Certificate and this Charter, in accordance with the current Law, as well as to carry out all suitable and useful measures to obtain the objectives of the Company.
2. The Company is able to pursue any other business form permitted by the Law and passed by the Board of Directors.

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

#### **Article 5 Chartered Capital, Shares, Founding Shareholders**

1. The Chartered Capital of company is 7,899,679,470,000 (*seven thousand eight hundred and ninety nine billion, six hundred seventy nine million four hundred and seventy thousand Vietnam Dong only*) Total chartered capital is divided into 789,967,947 shares (*seven hundred and eighty nine million, nine hundred and sixty seven thousand, and nine hundred forty seven*) with the face value of each share of 10,000 (ten thousand) VND.
2. The Company can only increase or decreases its Chartered Capital when the Shareholders Meeting issues its approval in line with the prevailing regulations of the Law.
3. All shares issued by the Company on the date of this Charter's approval are ordinary shares. The rights and obligations attached to ordinary shares are defined in Article 11 and Article 12 of this Charter;
4. If the Shareholders' Meeting approves, the Company can issue other preferential shares in line with the prevailing regulations of the Law.
5. Names, addresses, numbers of shares and other details about the Founding Shareholders as required by the Enterprise Law will be mentioned in the attached Appendix. The Appendix is a part of this Charter.
6. Shareholders will be given priority to buy new ordinary shares scheduled to be issued in proportions corresponding to the percentage of ordinary shares currently held by each shareholder in the company, except for other cases given in Shareholders Meetings' decisions. Company must announce the offering and give clearly details about the number of shares for sale and reasonable timing (not less than 21 days), so that Shareholder can place orders. Any shares which are not purchased following the offering announcement will be decided by Board of Directors. The Board of Directors can allocate the shares to candidates with conditions and methods which Board of Directors deems suitable, but those shares cannot be purchased with the terms that are more advantageous than the terms offered to the Shareholders, unless the Shareholders agree to different conditions or shares are sold via Stock Exchange Department / Securities Trading Center.
7. The Company can buy back its own shares (even returned preferential shares) in any way permitted by this Charter and by the current Law. Any ordinary shares which the Company buys back must be kept and used as treasury shares which the Board of Directors can offer in a way allowed by this Charter and Securities Law and other Related Instruction
8. The Company can issue other securities as Shareholders' Meeting agrees in writing in line with the prevailing regulations of the Law about securities and securities market.

### **Article 6 Share certificates**

1. All Shareholders have the right to be granted a share certificate corresponding to the number and type of their shares, except in cases stipulated in Section 7 of Article 6.
2. All issued certificates must be sealed by the Company and signed by the legal representative of the Company in accordance with the Enterprise Law. The quantity and type of related shares, the name of the holder (if it is a registered share) and the other information required by the Enterprise Law should be mentioned in the certificates. A registered share certificate only represents a type of share.
3. According to the regulations of the Company, within 14 days from the date of submitting enough documents for transfer share, or within two months (or a longer period according to the stipulated terms of issue) after payment in full of the purchasing rights as stipulated in the Company shares' issuance plan, the owner of shares will be given a certificate. Shareholders will not pay to the Company any printing cost or any other fees.
4. In the case that only a few registered shares in a registered share certificate are transferred, the old certificate will be made invalid and a new certificate recognizing the ownership of the remaining shares will be issued for free.
5. If a registered share certificate is torn, erased, lost, stolen or destroyed, a new share certificate will be given to the holder upon request, in the condition that he could give proof on the ownership and pay for all the expenses of the Company.
6. Owners of bearer share certificates must be independently responsible for preserving their certificates. The Company will not bear responsibility in any situation in which these certificates are lost or used for fraudulent purposes.
7. Within the framework of the Enterprise Law and other laws about securities and securities markets, the Company can issue registered shares without share certificates given, and the shares (whether issued in this form or otherwise), can be transferred without transfer documents; or at any time the Board of Directors can enforce other regulations to replace corresponding regulations in this Charter regarding certificates and stock transfer.

### **Article 7 Other securities certificates**

All forms of bonds or other securities of the Company (except sale offer letters, temporary certificates and similar documents), unless current terms and conditions related to the certificates include different regulations, will be issued with the seal and facsimile signature of the legal representative of the Company.

### **Article 8 Share transfer**

1. All shares can be transferred freely unless otherwise stipulated by this Charter or legal regulations. All stocks listed at the Stock Exchange / Securities Trading Center will be transferred in line with the regulations on securities and stock exchange;
2. Shares for which full payment has not yet been made are not transferable and do not receive any benefits including the right to receive dividends;
3. Unless the Board of Directors issues different regulations (in accordance with the Enterprise Law/ Securities Law), all transfers of registered shares can be carried out in writing or in any way which can be accepted by the Board of Directors and possibly a transfer by hand. Listed stocks must be transferred via the Stock Exchange or the Securities Trading Center in accordance with regulations of the State Securities Commission and the Stock Exchange or the Securities Trading Center. Transfer documents are signed by or on behalf of the transfer grantor and (except in case in which the stock is paid in full) by or on behalf of the transferee. The transferor will continue being the concerned owner of the share until the name of the transferee is listed in the Shareholder Register, unless a Shareholders Meeting takes place during that time, in which case the transferor authorizes the transferee to attend the meeting in line with the Enterprise Law.



4. The board of Directors holds the right to decline any transfer of unpaid registered shares.
5. In the event of the death of a Shareholder, those who are the heirs of that shareholder's will or recognized by the law will become the Company's shareholder. In case the shares of the deceased shareholder without a heir or the heir waives the inheritance or the heir is expropriated from inheritance, then the shares are handled in accordance with the Civil law.
6. A shareholder has the right to grant part or all his shares to another; use the shares to pay his debts. In this case, the grantee or receiver of debt payment will become the Company's shareholder.
7. In case part of the shares are transferred, the old stocks are deleted and the company issues new stocks recording the number of shares transferred and the remaining shares
8. The receiver of shares in this article will become the company's shareholder from the time their information as stipulated at Section 2, Article 121 of the Enterprise law is fully recorded in the shareholder register.

#### **Article 9 Share reclamation**

1. If a Shareholder does not make complete and on-schedule payment for his stock purchase, the Board of Directors will send a notice to the Shareholder at any time requiring full payment of the purchase price, along with any accrued interest and fees arising from untimely payment to the Company as stipulated.
2. The notice mentioned above will include a new deadline for payment (a minimum of seven days from the date the notice was sent) and venue for payment, and will clearly state that in the event that payment is not made according to the request, any shares not yet completely paid for will be reclaimed.
3. If any requirement in the notice is not fulfilled, the Board of Directors can reclaim all shares mentioned in the notice at any time before full payment of the purchase price, interest and related fees is made. The reclamation of shares also includes any announced dividends to be paid on the reclaimed shares that have not yet been paid out at the time of reclamation. The Board of Directors can accept the handover of reclaimed shares with the following regulations in Section 4, 5 and 6 and in other cases stipulated by this Charter.
4. A share which is reclaimed will become the property of the Company. The Board of Directors can directly or authorize to sold, redistributed or dealt with in a different way for the person who owned the share before it was reclaimed according to the conditions and methods the Board of Directors deems appropriate.
5. A Shareholder who owns shares which are reclaimed must abandon his Shareholder status in relation to those shares, but still bears the responsibility to pay the Company all sums related to those shares which were not paid at the time of reclamation, plus interest at a rate (not exceeding 12-month loan interest of Bank of Investment and Development of Viet Nam) decided by the Board of Directors from the date of reclamation to the date of payment. In the matter of demanding payment, the Board of Directors retains the right to determine if the entire share value at the date of reclamation must be repaid, or if a reduction in payment or exemption from payment will be allowed.
6. When a share is reclaimed, a notice about the reclamation will be sent to the person who owned the share before the date of reclamation; but in no case will the reclamation be made invalid for reasons of omission or carelessness in the sending of the notice.

## **V. ORGANIZATION, MANAGEMENT AND CONTROL**

### **Article 10 Management organizational structure**

The Company's management organizational structure comprises:

- a. Shareholders Meeting;

- b. Board of Directors;
- c. General Director;
- d. Board of Supervision.

## **VI. SHAREHOLDERS AND SHAREHOLDERS MEETING**

### **Article 11 Rights of Shareholders of the Company**

1. Shareholders are the owners of the Company and have rights and obligations corresponding to the number and types of shares they own. The liability of each shareholder is limited to the share portions they hold. Shareholders have responsibility for debts and other property obligations of the Company within the amount of share capital contributed to the Company.
2. Owners of ordinary shares have the following rights:
  - a. to participate and express opinions in Shareholders' Meetings and to execute voting rights directly or via Proxy;
  - b. to receive dividends at amount as stipulated by Shareholders' Meeting ;
  - c. to freely transfer shares for which payment is completed in accordance with this Charter and the Law;
  - d. to receive the priority in buying new shares offered for sale with an amount corresponding to the number of ordinary shares which they are holding;
  - e. to examine information related to Shareholders on the list of Shareholders to see if they are eligible to participate in Shareholders' Meetings, and to ask for incorrect information to be corrected;
  - f. to consider, to look up and to make an extraction or copy of this Charter, the book of minutes of the Shareholders' Meeting and the resolutions of the Shareholders' Meeting;
  - g. in the case of the Company's dissolution, to receive part of the remaining assets corresponding to their contributed equities, but only after the Company have paid all its debts to the creditors and holders of other shares;
  - h. to request the Company to buy back their shares in cases stipulated in Article 90.1 of the Enterprise Law; the price is decided by the Board of Directors;
  - i. Other rights as stipulated by this Charter and the Law.
3. A Shareholder or a group of Shareholders holding 10% and more of the total number of ordinary shares for six consecutive months or longer will have the following rights:
  - a. to nominate members to the Board of Directors or the Board of Supervision in accordance with the relevant regulations in Articles 24.3 and 36.2 of this Charter;
  - b. to request convening of a Shareholders' Meeting as stipulated in the Enterprise Law.
  - c. to examine and to receive a copy of or excerpt from the list of Shareholders eligible to participate in and to vote at Shareholders' Meetings; and
  - d. to request the Board of Supervision to inspect each particular issue relating to the management and administration of the operations of the Company in cases where it is considered necessary. The request must be in writing, must contain full name, permanent address, nationality, number of identity card, passport or other legal personal identification of an individual shareholder; name, permanent address, nationality, number of the decision on establishment or number of business registration of an organizational shareholder; 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; the issues to be inspected and purposes of the inspection;
  - e. to view and make an extract of the book of minutes and resolutions of the Board of Directors, interim and annual financial statements according to the forms of the accounting system of Vietnam and reports of the Supervision Board
  - f. Other rights as stipulated in this Charter.

### **Article 12 Obligations of Shareholders**

Shareholders have the following obligations:

1. to abide by this Charter and regulations, decisions of the Board of Directors, and

- resolutions of the Shareholders' Meeting;
2. to participate in and to execute voting rights directly or via Proxy at Shareholders' Meetings. A shareholder can give the power to a Board member to act as his/her representative at the Shareholders' Meeting
  3. to fully pay for shares according to the quantity of shares ordered and in accordance with the regulations; and to be liable for debts and other property obligations of the Company within the amount of share capital contributed to the Company.
  4. Not to withdraw the capital contributed by means of ordinary shares from the Company in any form, except where the shares are redeemed by the Company or other persons; in case that a Shareholder withdraws a part or all of his or her shares not in conformity with this clause, the Board of Directors and the legal representative of the Company shall be jointly responsible for debts and other property obligations of the Company respective to value of the withdrawn shares;
  5. to provide exact address when registering to purchase shares;
  6. to fulfill other obligations as stipulated by the current Law;
  7. to take personal responsibility in the event that he or she performs one of the following acts under any form in the name of the Company:
    - a. Breaching of the law;
    - b. Doing business and other transactions for personal benefits of himself or herself or other organizations or individuals;
    - c. Paying debts in advance of term in case the Company is likely to be in financial problem.

### **Article 13 Shareholders' Meeting**

1. The General Meeting of Shareholders has the highest jurisdiction of the Company. The General Meeting of Shareholders must hold an annual (01) meeting. The General Meeting of Shareholders must hold an annual meeting within four (04) months from the end of the financial year. At the suggestion of the Board of Directors, the business registration agency may extend the schedule of the General Meeting of Shareholders, but not exceeding six (06) months from the end of the financial year.
2. The Annual Shareholders' Meeting is convened by the Board of Directors and held at a venue in Vietnam as decided each time by the Board of Directors. The Annual Shareholders, Meeting decides on issues allowed by the Charter and the Law, especially will pass the annual financial statements and the budgets of the Company for the following fiscal year. Independent auditors will be invited to the Meeting to give advisory opinions for the approval of the annual financial statements.
3. The Board of Directors must convene an Extraordinary Shareholders' Meeting in the following cases:
  - a. The Board of Directors deems it necessary for the Company's benefits. Convening a meeting is necessary if independent auditors believe it is important to discuss auditing reports or the financial situation of the Company, and the Board of Directors has the same point of view.
  - b. The annual balance sheet, quarterly or half-yearly reports, or final annual auditing report show that half of the Chartered Capital is lost as compared with that at the beginning of the period;
  - c. The number of members of the Board of Directors is lower than the number required by the Law or less than half the figure as stipulated by the Charter;
  - d. A Shareholder or a group of Shareholders as stipulated in Article 11.3 of this Charter requests the convening of a meeting with a written petition which gives details about the reasons for and purposes of the meeting and gathers signatures of the concerned Shareholders (thus the petition may consist of multiple copies to collect all signatures of concerned Shareholders).
  - e. The Board of Supervision requires convening of a meeting if the Board of Supervision has reason to believe that members of the Board of Directors or Senior Managers are seriously violating their obligations as stipulated in the Enterprise Law

or the Board of Directors is acting or intends to act beyond its power.

- f. Other cases as stipulated in law and in this Charter.
4. Convening an Extraordinary Shareholders' Meeting
  - a. The Board of Directors must convene a Shareholders' Meeting within 30 days from the date the number of remaining members of Board of Directors is less than the number of members as stipulated in Point 3(c) Article 13 above or from the date of receiving the requests mentioned in Point 3(d) or 3(e) Article 13;
  - b. If the Board of Directors does not convene the meeting as stipulated in Point 4a Article 13, within the following 30 days, the Board of Supervision will act on behalf of the Board of Directors to convene the meeting as stipulated in Section 5 Article 136 of the Enterprise Law.
  - c. If the Board of Supervision does not convene the General Meeting of Shareholders as stipulated in Point 4b of Article 13, the Shareholder of group of Shareholders as regulated in Point 3d Article 13 shall have the rights to act on behalf of the Board of Directors and the Board of Supervision to convene the General Meeting of Shareholders, as stipulated in Section 6, Article 136 of Enterprise Law.  
In this case, the Shareholders or the group of Shareholders convening the Shareholders' Meeting may request the business registration bureau to supervise the convening and implementation of the meeting if they consider it necessary
  - d. The Company will pay for all expenses needed to convene and to conduct a Shareholders' Meeting. These expenses do not include the costs incurred by Shareholders while participating in the Shareholders Meeting, such as travel and accommodation charges.

#### **Article 14 Rights and tasks of the Shareholders' Meeting**

1. The annual Shareholders' Meeting has the right to discuss and to approve the following issues:
  - a. annual audited financial reports;
  - b. reports of the Board of Supervision;
  - c. reports of the Board of Directors;
  - d. short-term and long-term development plans of the Company, and
2. Annual and Extraordinary Shareholders' Meeting have decision-making authority by approving the Resolutions related to the following matters:
  - a. The annual financial reports;
  - b. The annual dividend rates for each type of shares in conformity with the Enterprise Law and other rights associated with that type of share providing that these dividend rates do not exceed the rates honestly proposed by the Board of Directors after referring to the opinions of the Shareholders' Meeting;
  - c. The number of the Members of the Board of Directors;
  - d. The selection of an independent auditor;
  - e. The election, dismissal, removal and replacement of members of the Board of Directors and of the Board of Supervision and the approval of the appointment of the General Director from the Board of Directors;
  - f. The total remunerations for the Members of the Board of Directors and the report of these remunerations;
  - g. The amendments and modifications of the Charter, except where there is an adjustment of Charter Capital when offering new share stipulated by the charter
  - h. The types of shares and the quantity of new shares to be issued for each type, and the transfer of shares of the founding shareholders within the first 3 years from the establishment date;
  - i. The division, separation, consolidation, merger or transformation of the Company;
  - j. The re-organization and dissolution (terminations) of the Company and the appointment of liquidators.
  - k. The examination and treatment of violations of the Board of Directors or the Board of Supervision that cause damages to the Company and the shareholders of the Company;

- l. The disposal of assets of the Company or of the Company's branches or the purchases of which the value are equal to or greater than 50% of the total assets of the Company and the Company's branches, based on the most recently audited financial reports;
  - m. The Company's purchases or re-purchases of over 10% each type of shares being issued;
  - n. One person holding the positions of General Director and Chairman of the Board of Management at the same time;
  - o. The contract signing of the Company or of any branch of the Company with those who are defined in Article 162.1 of the Enterprise Law with the contract value of equivalent or over 20% total value of the Company and the Company's branches computed by the most recently audited financial reports;
  - p. Other matters as regulated in this Charter and other stipulations of the Company
3. A Shareholder is not allowed to vote on any resolution to ratify:
    - a. Contracts as stipulated in Article 14.2 if that Shareholder or Related Persons related to that Shareholder are parties in the contract; or
    - b. the share purchase of that Shareholder or of any Related Persons related to that Shareholder except for purchase of shares according to the ownership ratio of all shareholders, or redemption by way of order matching or public offer for purchase on the Stock Exchange.
  4. The Shareholders Meeting must discuss and vote on resolutions about issues raised on the meeting agenda.

#### **Article 15 Authorized representatives**

1. Shareholders who have the right to participate in Shareholders Meetings in accordance with the Law can participate in the meeting directly or delegate Proxy. In the case there is more than one Proxy to be appointed then it is necessary to specify number of share and number of votes of each Proxy. Proxy does not need to be a Shareholder.
2. An document to appoint the Proxy must be made in writing in the common form or another form which is accepted by the Board of Directors and must have signature as follows:
  - a. for individuals, the authorization document must be signed by the proxy grantor or his lawyer and the Proxy;
  - b. In case the Authorized representative for organizational shareholder is the proxy grantor, the power of attorney must be signed and sealed on the organization's behalf by the Authorized representative, the legal representative or lawyer of the Shareholders and the Proxy;
  - c. In other cases the authorization must bear the signatures of the legal representative of the Shareholder and of the Proxy;  
Any Proxy must submit his written authorization prior to entering the meeting room.
3. In the case of an authorization document to appoint a Proxy signed by a lawyer on behalf of the proxy grantor, the letter of proxy for the lawyer or a certified copy (if not registered with the Company before) must be submitted along with the authorization document to appoint the Proxy. If this is not done, the appointment of the Proxy will be deemed invalid.
4. Unless the case as stipulated in Section 3 Article 15, Votes of the Proxy within the limits of authorization will become effective even when the Shareholder who grants the Proxy:
  - a. dies or is unable to control his behavior;
  - b. annuls the authorization; or
  - c. has the proxy's rights annulled.

However, this will not apply if the Company receives a notice about one of the issues mentioned above 48 hours before the meeting or before the meeting is reconvened.

#### **Article 16 Changes of rights**

1. With the approval of the Shareholders' Meeting (as stipulated by Article 14.2 of this Charter, whenever the equity of the Company is divided into different share categories), special rights attached to each share category can be changed or annulled with written agreements from people who are holding at least 75% of the voting rights of issued shares in that category.
2. To organize such a meeting, it is necessary to have at least two Shareholders (or their

Proxies) in attendance, who are holding at least one-third of the face value of shares of the issued share category (but if the meeting does not have the number of delegates as mentioned above, the meeting will be re-organized within 30 days after that, and any persons holding shares in that category who attends directly or through an Proxy will be seen as a sufficient number of attendees). At these private meetings, anyone who is holding shares of that category and is present at the meeting, or has a Proxy at the meeting, has the right to request a secret ballot. Each share of the same type has an equal voting right at the meetings mentioned above.

3. The procedures of the private meetings are implemented similarly to the regulations in Articles 18 and 20 of this Charter.
4. Unless the terms of share issue are defined differently, special rights related to the division of profits or assets of the Company attached to shares with preferential rights will not be changed if more shares of the same category are issued.

**Article 17 Shareholders' Meeting, agenda and announcement**

1. The Board of Directors will convene the Shareholders' Meeting except in cases stipulated by Articles 13.4(b) or 13.4(c) of this Charter.
2. People who convene a Shareholders' Meeting are required to complete the following tasks:
  - a. prepare a list of all Shareholders eligible to participate in and to vote at the not exceeding five (05) days ahead of the opening date of the Shareholders' Meeting; to prepare an agenda for the meeting, and documents in conformity with the Law and the Company's regulations;
  - b. confirm the time and venue of the meeting; and
  - c. inform all Shareholders about the meeting and send them a meeting notice.
3. A notice of a meeting of the General Meeting of Shareholders shall be sent to all shareholders, and at the same time, shall be announced on the means of communications of the Stock Exchange (for listed companies or companies registering for trading), and on the website of the Company. A notice of the General Meeting of Shareholders must be sent at least ten (10) days before the date of the opening day (from the date the notice is properly sent or delivered, the delivery charge is paid, or the notice is put in a post-box). If the Company has a website, the notice of the Shareholders Meeting must be posted on the website and sent to Shareholders at the same time.
4. Shareholders or groups of Shareholders as stipulated by Article 11.3 of this Charter have the right to propose issues for the Shareholders Meeting's agenda. The proposals must be made in writing and sent to the Company at least three working days ahead of the date of the Shareholders' Meeting. The proposal must include details about the name of Shareholder, the number and categories of shares which they are holding, and the issues proposed for the agenda.
5. People convening Shareholders Meetings only have the right to refuse a proposal related to Section 4 of this Article if:
  - a. The proposal is not sent on schedule;
  - b. At the time of proposal, the Shareholder or group of Shareholders has not owned at least 10% of the common shares for six (06) consecutive months;
  - c. The proposal does not contain essential details; and
  - d. Proposed issues are not in the jurisdiction of the Shareholders' Meeting to discuss and to pass resolutions.
6. For each issue in the meeting agenda, the Board of Directors must prepare a resolution draft.
7. If all the Shareholders eligible for voting are attending directly or have Proxies attending the meeting, resolutions passed unanimously by the Shareholders' Meeting are valid even when the Shareholders' Meeting is not convened properly or issues are not put into the agenda rationally.

**Article 18 Conditions for conducting a Shareholders' Meeting**

1. A Shareholders' Meeting can be proceeded when the Shareholders attending own at least 51% of the total voting shares.
2. Where there are not sufficient delegates within thirty (30) minutes from the time set for the opening of meeting, the second meeting must be reconvened within thirty (30) days after the scheduled date of the first meeting. In the second meeting, it is required that all attending Shareholders and authorized representatives who own at least 33% of the total voting shares must be present.

3. If the second meeting fails to open due to insufficient number of delegates within thirty (30) minutes from the times set for the opening of meeting, the third meeting may be convened within twenty (20) days from the scheduled date of the second meeting. At the third and meeting, any number of attending Shareholders and authorized representatives shall be valid and the participants shall be valid and the participants shall be entitled to decide on all issues which were expected to be approved by the first meeting.
4. At the Chairperson's suggestion, the General Meeting of Shareholders have the right to change the meeting agenda as stipulated in Articles 17.3 that are enclosed with the notice of the meeting.

**Article 19. Formality and voting method of the Shareholders' Meeting**

1. At the date of the opening of the Shareholders' Meeting, Shareholder registration procedures must be implemented and continued until all eligible Shareholders complete registration.
2. In the process of Shareholder registration, the Company will give to each Shareholder or Proxy a voting card which includes the registration number and name of the Shareholder, the name of the Proxy, and the number of votes of the Shareholder. The voting process of the Shareholders' Meeting will start by first collecting votes for a resolution and then votes against the resolution. Counting the number of votes for and against a resolution will reveal the result. The chairperson will announce the number of yes and no votes and abstentions right after the voting. The Shareholders' Meeting will choose from among the delegates a number of people responsible for vote check and scrutiny. If the Shareholders Meeting does not choose, the chairperson will choose those people. The number of members of a vote counting committee shall not exceed three (03) members.
3. Shareholders who come to the Shareholders' Meeting late have the right to register immediately and after that have the right to participate in voting at the Shareholders' Meeting. However, the chairperson will not have to pause the Shareholders' Meeting for the Shareholder to complete his registration and the outcome of any votes already completed will not be affected.
4. The Chairman of the Board of Directors will preside over the Shareholders' Meeting. or if the chairman is absent, the Vice Chairman of the Board or any person elected by the Shareholders' Meeting will chair the meeting. If none of them can chair the Shareholders' Meeting, members of the Board of Directors in attendance who hold the highest position will preside at the meeting to choose the chairperson, who does not need to be a member of the Board of Directors. The Chairman, Vice Chairman or elected chairperson will appoint a secretary to take the minutes of the meeting. In case of voting for a chairman, the name of selected person to chair the meeting and the number of votes for him must be announced.
5. The chairperson will be the ultimate authority on decisions about issues related to the meeting's order, procedures and unexpected events outside the agenda of the Shareholders Meeting.
6. Without having to consult the attendees, the chairperson of the Shareholders Meeting can at any time postpone a Shareholders' Meeting with sufficient attendance to another time and at another venue decided by the chairperson if the chairperson finds that (a) attendees do not have convenient seats at the venue for the Shareholders Meeting, (b) the behavior of attendees is obstructing or is likely to obstruct the order of the meeting or (c) a delay is necessary for the tasks of the Shareholders Meeting to be carried out appropriately. Additionally, the chairperson can postpone a Shareholders Meeting with sufficient attendance with the unanimity or demand of that Shareholders Meeting. The maximum time for any adjournment of a meeting shall be three days from the date of the proposed opening of the meeting. A postponed Shareholders' Meeting, when reconvened, will not consider any issues apart from the issues which should have been resolved lawfully at the previous postponed Shareholders' Meeting.
7. Where the chairman adjourns or pauses a Shareholders' Meeting contrary to the provisions in Section 6 Article 19, the Shareholders' Meeting shall elect another person from the attendees to replace the chairman in conducting the meeting until its completion, and the effectiveness of voting conducted at such meeting shall not be affected.
8. The chairperson or secretary of the Shareholders' Meeting can carry out activities which they deem essential to control the Shareholders' Meeting appropriately and orderly; or to let the Shareholders' Meeting reflect the expectations of the majority of the participants.
9. The Board of Directors can request Shareholders or Proxies who want to participate in a

Shareholders' Meeting to submit to inspection or other security measures which the Board of Directors deems appropriate. After careful inspection, the Board of Directors can reject or expel from the Shareholders' Meeting any Shareholder or Proxy for not abiding by inspection regulations or security measures.

10. The Board of Directors can apply measures which they deem appropriate after careful considerations in order to:
  - a. Adjust the number of participants at the venue for the Shareholders' Meeting;
  - b. Ensure safety for participants at the venue;
  - c. Provide conditions for Shareholders to attend the Shareholders' Meeting (or continue attending). The Board of Directors can change the measures at any time. The measures can include and are not limited to issuing admission tickets or using other forms of selection.
11. If the Shareholders' Meeting applies these measures, the Board of Directors, while identifying a venue for the Shareholders Meeting, can:
  - a. Announce that the Shareholders' Meeting will be held at a venue mentioned in the announcement and the chairperson will be present at that location ("The Main Venue for the Meeting");
  - b. Arrange for Shareholders or Proxies who cannot participate in the meeting in line with these terms or those who want to attend the Shareholders' Meeting at a different venue to participate in the meeting at the same time.

The notice of the Shareholders' Meeting does not need to include details about organizational measures in line with these terms;
12. According to this Charter (unless the situation demands otherwise), all the Shareholders will be considered to be participating in the Shareholders' Meeting at the Main Venue for the Meeting. The Company must hold the Shareholders' Meeting at least once a year. The annual Shareholders' Meeting shall not be held by way of collection of written consulting opinions.

#### **Article 20 Passing Decisions of the Shareholders' Meeting**

1. A resolution of the General Meeting of Shareholders on the following issues shall be passed at a meeting when it is approved by 65% or more of the total votes of shareholders with the right to vote who are present at the Meeting:
  - a. Changes in business lines and sectors
  - b. Changes in the Company's organizational structure
  - c. Reorganization or dissolution of the Company
  - d. Investment project valued at 35% or more of the total value of assets of the Company as per the Company's most recent financial statement;
2. Other resolutions are passed when they are approved by at least 51% of the total votes by the shareholders present at the meeting, except the case stipulated in Sections 1 and 3 of this Article
3. Voting to elect members of the Board of Directors and of the Supervisory Board must be implemented by the method of cumulative voting, whereby each shareholder shall have as its total number of votes the total number of shares it owns multiplied by the number of members to be elected to the Board of Directors or the Supervision Board. Each shareholder shall have the right to accumulate all of its votes for one or more candidates. Persons who are elected as members of the Board of Directors or members of the Supervision Board shall be determined on the basis of the number of votes from the candidate with the highest number to the candidate with the lower number until the sufficient number of members stipulated in this Charter is reached. In case two (02) or more candidates have the same number of votes for the last member of the Board of Directors or the Supervision Board, the General Meeting of Shareholders shall conduct re-election among the candidates with the same number of votes or carry out the selection in accordance with the criteria of the election regulations.

#### **Article 21: Jurisdiction and formalities for consultation in writing with shareholders to pass Resolutions of the General Meeting of Shareholders**

Every resolution of the Shareholders' Meeting can be approved by the form of consultation with the shareholders in writing and to be implemented as follows:

1. The Board of Directors take the right to have resolutions of Shareholders passed via written



documents any time they deem that is necessary for the Company' benefit.

2. Board of Directors must prepare written consultation forms, draft resolution of the General Meeting of Shareholders and documents explaining the draft resolution. A written consultation form enclosed with the draft resolution and explaining documents must be sent by register mail to each shareholder at their registered addresses. The Board of Directors must ensure that the documents are sent and published to shareholders in a reasonable period for consideration and voting and they must be sent to all the voting shareholders at least ten (10) days before resending the written consultation forms
3. Consultation forms should include the following principal items:
  - a. Name, head office, number and issued date of business certificate, and registered business address.
  - b. Purpose of consultation
  - c. If the shareholder is individual, the form should mention his/her name and surname, nationality, number of identify card , passport or legal personal certificate or shareholder is an organization, the consultation form will mention its name, address, nationality, number of business certificate, or the organization's legal representative, quantity of shares and the type of shares.
  - d. issues requiring consultation for approval
  - e. The way of voting including favour, against and abstention
  - f. Deadline for filled-out consultation forms to be sent back to the Company;
  - g. Name and surname, signature of the chairman and the legal representative of the Company.
4. Replying form must bear the signature of individual shareholders, Proxy or the organization's legal representative. Shareholders may send their completed written consultation forms by:
  - a. Posting: A written consultation form must be returned to the Company in a sealed envelope and no person is permitted to open the envelope prior to the vote-counting. A completed written form which is returned to the Company after the deadline stated in the written consultation form or any form which has been opened shall be invalid.
  - b. Sending by fax or electronic mail: written consultation forms sent to the company by fax or electronic mail are kept confidential until the time of vote counting.

Written consultation forms are returned to the Company after the deadline stated in the written consultation form or opened when posted or disclosed when sent by fax/email are deemed invalid and. Written consultation forms not returned to the Company are viewed as non-voting forms.
5. Board of Directors will check and count the forms and have the minute in the witness of Board of supervision or non-management shareholders. The form checking minute should mention the followings:
  - a. Name, head office, number and issued date of business certificate, and registered business address.
  - b. Purposes of issues to be passed
  - c. Number of Shareholders with valid forms and invalid forms, together with the list of voting shareholders.
  - d. Total agreeing forms, disagreeing forms and no opinions on each of the issues.
  - e. Approved decisions.
  - f. Name and surname, signature of chairman, legal representative and supervisor of form counting.
  - g. The member of Board of Directors and supervisor are jointly responsible for the minutes.
6. The minutes of form counting must be sent to the shareholders within fifteen (15) days from the date of ending the form counting. If the company has a website, the form counting minutes can be posted there instead of the other forms of sending.
7. The answers, the minutes of the form counting, the full text of resolutions passed and the relevant documents attached must be kept at the head office of the company
8. Decisions which are passed via written documents have the same value as those passed by the Shareholders' Meeting.
9. Decisions which are passed via written documents can be passed by Shareholders representing at least 51% of the approving vote.

**Article 22: Minutes of Shareholders' Meeting**

1. Minutes of the General Meeting of Shareholders must be taken in writing and possibly sound recorded or recorded and saved in other forms
2. The Chairperson of the General Meeting of Shareholders shall be responsible to archive the minutes of the General Meeting of Shareholders and send them to all the shareholders within 15 days since the end date of the meeting; sending of the vote-counting minutes can be replaced by posting on the company website (if there is one)
3. The minutes of a meeting of the General Meeting of Shareholders shall be deemed to be conclusive evidence about the work performed at the General Meeting of Shareholders unless there is an opinion protesting against the content of the minutes which is raised in accordance with the stipulated procedures within ten (10) days from the date on which the minutes are sent. Minutes shall be prepared in Vietnamese and may also be in a foreign language. The minutes must be signed by the Chairperson of the General Meeting of Shareholders and by the secretary for certification and prepared in accordance with the Enterprise Law and this Charter. Minutes prepared in Vietnamese and foreign language shall be of equal validity. In case of any difference in the content between the Vietnamese and foreign language versions, the Vietnamese version shall prevail. The Chairperson and the secretary of the meeting must be jointly responsible for the content of the minutes.
4. The minutes of the General Meeting of Shareholders, the appendix listing the shareholders registered to attend the meeting, the resolution approved and other related documents sent together with the notice of invitation to the meeting must be archived at the company head office.

**Article 23 : Demand for cancellation of resolutions of the Shareholders' Meeting**

Shareholders, members of the Board of Directors, the General Director or the Board of Supervision shall have the right to require a court or an arbitrator to consider and cancel a resolution of the Shareholders' Meeting within ninety (90) days from the date of receipt of minutes of the Shareholders' Meeting or minutes of the results of counting of consultation forms of the Shareholders, in the following cases:

1. The orders and procedures for convening the Shareholders' Meeting do not comply with the Enterprise Law and this Charter;
2. The orders and procedures for issuing a resolution and the content of the resolution breach the law or this Charter.

**VII. BOARD OF DIRECTORS****Article 24 Composition and term**

1. The number of members of the Board of Directors will not be less than five (05) or more than eleven (11). Each member of the Board of Directors has a maximum term of five (05) years and can be re-elected at the next Shareholders' Meeting. The term of the Board of Directors shall be five (5) years, members of the Board of Directors may be re-elected without term limits. At least one third (1/3) of Board members must be independent non-executive members.
2. Criteria to become member of Board of Directors.
  - a. Have at least 3 years managerial experience in business field of the company
  - b. Have enough capacity for civil acts, not subject to being banned from business management in accordance with Enterprise Law.
3. Shareholders who own shares with voting rights for at least six consecutive months are entitled to aggregate each shareholder's voting rights to nominate members to the Board of Directors. Shareholders or a group of Shareholders holding more than 5% to below 10% of the total shares with voting rights have the right to nominate one (01) member to the Board of Directors; holding from 10% to below 30%, they have the right to nominate two (02) members; holding from 30% to below 40%, they have the right to nominate three (03) members; holding from 40% to below 50%, they have the right to nominate four (04) members; holding from 50% to below 60%, they have the right to nominate five (05) members; holding from 60% to below 70%, they have the right to nominate six (06) members ; holding from 70% to below 80%, they

- have the right to nominate seven (07) members; and holding from 80% to below 90%, they have the right to nominate eight (08) members.
4. In case the necessary number of nominated persons and candidates to the election of members of the Board of Directors is insufficient, the current Board of Directors may nominate candidates or organize the nomination in accordance with the regulation defined by the Company. The candidate nomination to the Board of Directors of the actual Board of Directors must be clearly announced and approved by the Shareholders' Meeting before the election procedure.
  5. A member of the Board of Directors will not retain Board membership status in the following cases:
    - a. The member is no longer eligible to be a member of the Board of Directors under regulations of the Enterprise Law or is banned by the Law from being a member of the Board of Directors;
    - b. The member sends a request for resignation to the Company's headquarters;
    - c. The member is affected by a nervous disorder and other members of the Board of Directors have professional evidence that the member does not have the capacity to act;
    - d. The member is absent from and does not participate in meetings of the Board of Directors for six (06) consecutive months without the permission of the Board of Directors, and the Board of Directors concludes that the position of the member is left vacant;
    - e. The member is discharged from the Board of Directors according to a resolution of the Shareholders' Meeting.
  6. The Board of Directors can appoint a new member to fill in a vacancy that arises unexpectedly in the Board of Directors, and the member must receive approval at the next Shareholders' Meeting. After the approval of the Shareholders' Meeting is issued, the appointment is seen to take effect on the date when the member was appointed by the Board of Directors. The term of the new Board member will be from the effective date of appointment to the end of the current term of the Board of Directors. In case the new Board member is not approved by the Shareholders' Meeting, all the decisions of the Board of Directors before the Shareholders' Meeting, which is having the voting of this person, is still considered valid.
  7. The appointment of members of the Board of Directors must be announced in accordance with the laws on securities and the stock exchange.
  8. Member of the Board of Directors is not necessary to be a shareholder of the Company.

#### **Article 25 Rights and functions of the Board of Directors**

1. Business activities and operations of the Company must fall under the management or direction of the Board of Directors. The Board of Directors is the body with complete jurisdiction to execute all rights on behalf of the Company except rights belonging to the Shareholders' Meeting.  
The Members of the Board of Directors are prohibited to transfer Company's shares owned when they are still in office, apart from the case of being accepted by the Board of Directors.
2. The Board of Directors is responsible for supervising the General Director and other Managers' tasks.
3. Rights and obligations of the Board of Directors are stipulated by the Law, this Charter, internal regulations of the Company and resolutions of the Shareholders' Meeting. Particularly, the Board of Directors has the following rights and obligations:
  - a. To decide on the annual budget, business and development plans;
  - b. To identify the objectives of operations and strategies based on strategic aims passed by the Shareholders' Meetings;
  - c. To appoint, to dismiss or to remove, and to sign or to terminate labor contracts with the General Director and any Managers of the Company, and to make decisions on salaries and other benefits of such Managers;
  - d. To decide on the organizational structure of the Company;
  - e. To act on the complaints of the Company about Managers as well as to decide the selection of representatives of the Company in carrying out legal proceedings against those Managers;
  - f. To propose share categories to be issued and the total number of shares for each issuance;

- g. To decide the issuance of ordinary shares, to propose the Shareholders' Meeting to approve the issuance of convertible bonds and rights allowing buyers to own shares at set prices.
  - h. To decide on the selling prices of bonds, shares and convertible securities;
  - i. To appoint, to dismiss or discharge the Chairman of the Board of Directors; appoint, discharge, enter into and terminate contracts with General Director and Manager or any representative of the Company; decides on the salary and other benefits of that manager; assign authorized representative to the members' council or the General Meeting of Shareholders in another company, decide on the remuneration and other benefits of that person. The discharge above must not violate the rights provided in the discharged person's contract (if any).
  - j. To supervise, instruct General Director and other managers in the running of the company's day-to-day business operation;
  - k. To make decisions on the organizational structure and internal management regulations, establishment of subsidiary companies, branches, representative offices and on capital contribution to or purchase of shares in other enterprises;
  - l. To examine the agenda and contents of documents for the General Meetings of Shareholders; to convene meetings of the General Meeting of Shareholders or to consult in order for the Shareholders to pass resolutions;
  - m. To recommend the dividend rates to be paid, to make decisions on the schedule and procedures for payment of dividends or for dealing with losses incurred during the business operation;
  - n. To recommend reorganization or dissolution of the Company, or to file for the Company's bankruptcy.
4. The following issues must be approved by the Board of Directors:
- a. Establishing branches or representative offices of the Company;
  - b. Establishing subsidiaries of the Company;
  - c. Within the scope of Article 149.2 and except for the case provided in 135.2 of the Enterprise Law subject to the approval of the General Meeting of Shareholders, the Board of Directors must decide, at each given time, on the implementation, amendment or cancellation of large contracts of the Company or any branch of the Company (including purchase, sale, merger, takeover or joint-venture contracts)
  - d. Appointing and dismissing people who are authorized by the Company to be commercial representatives and lawyers of the Company;
  - e. Anything relating to loans and fulfilling all mortgages, guarantees and compensation of the Company;
  - f. Investments exceeding 10% of the total value of the annual plan and business budget;
  - g. Buying or selling shares of other companies established in Vietnam or abroad;
  - h. Appraising non-cash assets contributed to the Company related to the issue of shares or bonds of the Company, including gold, land-use rights, intellectual property rights, technology and trade secrets;
  - i. The Company's purchase or withdraw of less than 10% of the shares of each category;
  - j. Other business or transaction issues which the Board of Directors decides needs approval within the scope of the Board's authority and obligations; and
  - k. Deciding on the price to purchase or reclaim shares of the Company.
  - l. Via loan and sales contracts and other contracts valued at 35% or more of the total value of the assets recorded in the most recent financial statements
5. The Board of Directors must submit a report to the Shareholders Meeting about its operations, particularly about the Board's supervision of the General Director and other Managers in the fiscal year. If the report is not submitted, the Company's annual financial report will be deemed invalid and not yet approved by the Board.
6. The Board of Directors can authorize junior employees and Managers to represent and act on behalf of the Company, even when dealing with issues which require assessment and conclusion, unless the Law and this Charter include different regulations.

7. Members of the Board of Directors (excluding authorized alternate representatives) will receive remunerations for their assignments as members of the Board of Directors. The Shareholders Meeting will determine the total remunerations given to the Members of the Board of Directors. These remunerations will be allocated to each Board member as agreed by the Board or will be made into equal allocations in case no agreement can be reached.
8. Total amount of remunerations to the Members of the Board of Directors and the amount received by each member must be detailed in the annual report of the Company.
9. All members holding any position of management (including the position of Chairman or Vice Chairman, regardless of whether those positions are deemed to lie within the scope of management), or members working for committees of the Board, or members executing different work which, in the opinion of the Board, is outside the scope of the normal tasks of a member of the Board of Directors, can get additional compensation in the form of wages, salary, commission, profit-sharing or different forms as decided by the Board of Directors.
10. Members of the Board of Directors have the right to be paid for all travel and accommodation expenses and other fees which they accrue while fulfilling the responsibilities of a member of the Board, including expenses arising from attending meetings of the Board or committees of the Board, or Shareholders Meetings.
11. When performing duties, Board of Directors must have compliance with the provisions of law, charter and the decision of the Shareholders Meeting. In the case decided by the Board of Directors contrary to this regulation caused damage to the company, the members who approved the decision must be jointly responsible and pay compensation for the Company; members opposed the decision will have indemnity. In this case, shareholders owning shares in the company's continuous period of at least one year may request the Board of Directors decided to suspend implementation of the above.
12. The Board of Directors passes a decision by voting at the meeting, consultation in writing or in other forms stipulated by the laws. Each member of the Board of Directors has one vote.

#### **Article 26 Chairman, Vice Chairman and members of the Board of Directors**

1. The Board of Directors must elect a Chairman and a Vice Chairman among the members of the Board. Unless the Shareholders' Meeting issues a different decision, the Chairman of the Board of Directors cannot hold the position of General Director of the Company. The chairman of the Board of Directors to act concurrently as the General Director must be approved at the annual Shareholders' Meeting
2. The Chairman of the Board of Directors must convene and preside over Shareholders' Meetings and meetings of the Board of Directors; and has other rights and responsibilities as stipulated by this Charter and the Enterprise Law. The Vice Chairman has acting rights and obligations equally to the Chairman if authorized by the Chairman, but only when the Chairman informs the Board of Directors of his absence, or is absent for unavoidable reasons, or loses his ability to execute the functions of the Chairman. If the Chairman does not designate a Vice Chairman to act in this way, then the remaining members of the Board of Directors will designate the Vice Chairman. If both the Chairman and Vice Chairman are temporarily unable to fulfill their tasks for any reason, the Board of Directors can appoint, on the principle of absolute majority, another one of its members to execute the tasks of the Chairman.
3. The Chairman of the Board of Directors must submit annual financial reports, reports about the Company's general situation, auditing reports from auditors, and inspection reports from the Board of Directors to Shareholders at the Shareholders' Meeting.
4. When both the Chairman and Vice Chairman resign or are dismissed for any reason, the Board of Directors must elect new persons to these positions within ten (10) days.

#### **Article 27 Alternate members of the Board of Directors**

1. All members of the Board of Directors (but not those authorized to replace them) can appoint any other member of the Board of Directors, or any other person approved by the Board of Directors and ready to assume tasks, to act as their alternates, and can retain the rights to dismiss their alternates.
2. An alternate member of the Board of Directors will have the right to receive notices about all

meetings of the Board of Directors and of committees of the Board of Directors of which the grantor is a member, and is able to participate and vote at any meeting where the grantor is absent, and is authorized to carry out all functions of the grantor as a member of the Board of Directors in case of the absence of the grantor, but the alternate member does not have the right to any compensation from the Company for his work as an alternate member of the Board of Directors. However, it is not compulsory to send notices about the meetings to an alternate member of the Board of Directors who is not present in Vietnam.

3. Alternate members must give up their status as a member of the Board of Directors if the grantor is no longer a member of the Board of Directors. But if a member of the Board of Directors finishes his term and is then reappointed or is already seen to be reappointed at the Shareholders Meeting which witnesses the end of his term, the designation of an alternate member before the end of his term will continue to have effect after the member is reappointed.
4. The designation or dismissal of an alternate member must be done in a written announcement which the grantor signs and sends to the Company or in another form approved by the Board.
5. Apart from other regulations raised in this Charter, an alternate member will be deemed a member of the Board of Directors in all aspects and must take individual responsibility for his behavior and mistakes, and will not be seen as a representative carrying out the authority of the grantor.

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

1. In a case where the Board of Directors is to elect the chairman, then the initial meeting of the term of the Board of Directors in order to elect the chairman and to pass other resolutions in its authority must be conducted within 7 working days from the date of completion of the election of the Board for that term. This meeting shall be convened and chaired by the member who gains the highest number of votes or the highest vote ratio. If more than one member gains the same highest number of votes or the highest vote ratio, such members shall elect a person amongst them to convene the meeting by a majority vote.
2. Regular meetings. The Chairman of the Board of Directors must convene meetings of the Board, and set up the meeting's agenda, time and venue at least seven days ahead of the planned date of the meeting. The Chairman can convene a meeting at any time necessary, but there must be at least one meeting every quarter.
3. Extraordinary meetings. The Chairman must convene a meeting of the Board of Directors without unreasonable delay if one of the following subjects proposes the meeting in a written document which mentions the purpose and issues which need to be discussed:
  - a. The General Director or at least five Managers;
  - b. Two members of the Board of Directors;
  - c. The Chairman of the Board of Directors; or
  - d. A majority of members of the Board of Supervision.
4. A meeting of the Board of Directors as mentioned in Section 3 Article 27 must be organized within seven (07) days after the proposal. If the Chairman does not agree to convene a meeting as proposed, the Chairman of the Board of Directors shall be liable for losses suffered by the Company; those desiring to organize a meeting as mentioned in Section 3 Article 27 are able to convene a meeting of the Board.
5. At the request of independent auditors, the Chairman of the Board of Directors must convene a meeting of the Board to discuss reports about auditing reports and the situation of the Company.
6. Meeting venue. Meetings of the Board of Directors will be held at the registered address of the Company or at other places in Vietnam or abroad as decided by the Chairman and approved by the Board.
7. Notice and meeting agenda. Members of the Board of Directors must be informed of a meeting five days ahead of the planned date so that members can refuse to attend the meeting in writing and the refusal can have retroactive effect. The notice about the meeting of the Board of Directors must be made in writing in Vietnamese, and include the meeting's agenda, time and venue. Necessary documents about issues to be discussed and voted on at the meeting, as well as voting cards for members unable to participate, must also be enclosed.
8. A notice of invitation may be sent by post, fax, electronic mail or by other means, but delivery

must be ensured at the address of each member of the Board of Directors as registered with the Company.

9. Minimum number of participants: A meeting can only take place and pass resolutions when at least three quarters (3/4) of the total members of the Board of Directors are present or have their proxy in attendance at the meeting.  
In case the minimum number of attending members is not sufficient, the meeting must be reconvened within fifteen (15) days since the first tentative meeting. The meeting reconvened shall take place if half (1/2) of the members of the Board of Directors attend.
10. Voting.
  - a. Following the regulations in Point 10b of Article 27, each member of the Board of Directors or his or her authorized person being an individual who is present in person at the meeting will be given one vote.
  - b. A member of the Board of Directors will not be allowed to vote on any contracts or transactions or proposals in which the member has interests (including the interests of any Related Persons) which are considered contradict or possibly contradict the interests of the Company. A member of the Board of Directors will not be counted in the required minimum number of participants present at the meeting regarding the passage of a resolution on which the member does not have the right to vote.
  - c. According to the regulation in Point 10d of Article 27, at a meeting of the Board of Directors, if any issues arise related to the level of interests of a member of the Board of Directors or related to the voting right of any member, and those issues are not resolved by the member voluntarily abandoning his voting right, then those issues will be passed on to the chairperson of the meeting and the decision of the chairperson concerning all other members of the Board of Directors is final, except in cases where the nature or scope of the interests of a concerned member of the Board of Directors has not been announced adequately.
  - d. Any member of the Board of Directors who benefits from a contract as stipulated in Points 34.4a and 34.4b of this Charter will be seen to have considerable interests in the contract.
11. Disclosure of interests. A member of the Board who, in one way or another, directly or indirectly, benefits from a contract or transaction which has been or will be signed with the Company, must disclose the nature and contents of those interests at the meeting in which the Board of Directors first considers the signing of the contract or transaction if the member already knows he has related benefits. Or the member can declare this at the first meeting of the Board organized after the member knows he has or will have related benefits.
12. Voting by majority. The Board of Directors passes resolutions and issues decisions by the approval of a majority of the members of the Board present at the meeting (more than 50%). If the number of yes and no votes are equal, the final decision shall be made in favor of the vote of the Chairman of the Board of Directors.
13. Members who do not directly attend a meeting may vote in writing. Voting cards must be put in sealed envelopes and sent to the chairman of the Board of Directors at least one hour before the opening of the meeting. They may only be opened in front of all participants in the meeting.
14. Telephone meetings or other forms. A meeting of the Board of Directors can be organized in a form in which all or some members are at different locations on the condition that each participating member can:
  - a. Hear every other participating Board member speaking at the meeting;
  - b. If desired, be able to speak to other participating members simultaneously.

Communication among members can be implemented directly, through the telephone or via any other means of communication (whether already in use at the time of the approval of this Charter or coming into use afterward) or in a way combining all the forms. According to this Charter, each member of the Board who participates in such a meeting is deemed "present" at the meeting. A meeting which is held in line with the regulation is deemed to be taking place at the venue where the largest group of members of the Board of Directors gathers, or if there is no such group, the venue where the chairperson of the meeting is present will be seen as the venue of the meeting.

Resolutions passed at a telephone meeting organized in line with regulations will take effect immediately after the meeting concludes, but they must be confirmed by a minutes bearing the

- signatures of all the members of the Board attending this meeting.
15. Resolutions by collection of written consulting opinions. Resolutions by collection of written consulting opinions shall be passed by a majority of votes of members of the Board of Directors with the voting right. Such resolutions shall have the same effect and validity as a resolution passed by the members of the Board of Directors in a meeting which is convened and held in the customary manner.
  16. Meeting minutes. The Chairman of the Board of Directors is responsible for passing on the minutes of the meeting to the members. The minutes must be viewed as concrete evidence of work completed at the meeting unless there are objections to the contents of the minutes within ten (10) days after the forwarding date. The minutes is prepared in Vietnamese (possibly a copy in foreign language) and bears full names, signatures of the chairperson and the minutes taker.
  17. Committees of the Board of Directors. The Board of Directors can establish and grant the rights to act and make decisions to subordinate committees including one or many members of the Board of Directors and one or many people from outside the Board of Directors if suitable. In the process of executing their delegated authority, all committees have to abide by regulations issued by the Board of Directors at any given time. The regulations are able to adjust or allow admission of people who are not members of the Board of Directors to the committees. The newly admitted people have the right to vote as members of the committees but (a) the number of new admissions to a committee must be lower than half of the total members of the committee and (b) resolutions of the committee will not take effect if the majority of the members present at the meeting to pass the resolutions are not members of the Board of Directors.
  18. Legal value of actions. All actions which are carried out in line with the resolutions of the Board of Directors, or of any committee directly under the Board, or by any person with status as a member of that committee, will be seen as having the same legal value as if that person were lawfully appointed, qualified, and will continue as a member of the Board or of the committee with voting rights, although there might be mistakes in the process of appointing the acting person, or the acting person may not be qualified or did not have a position or voting rights before.
  19. Who are invited to meetings for hearing. General Director, other Managers and other experts of a third party may attend the meeting of the Board of Directors at the invitation of the Management Board but cannot vote unless they themselves have the right to vote as members of the Board.

## **VIII. GENERAL DIRECTOR, OTHER MANAGERS AND COMPANY SECRETARY**

### **Article 29 Management organization**

The Company must enforce a management system in which the management will take responsibility for and operate under the leadership of the Board of Directors. The Company has a General Director or some Deputy General Directors and a Chief Accountant who are appointed by the Board of Directors. The General Director and Deputy General Directors can be members of the Board of Directors at the same time, and are appointed or dismissed by a passed resolution of the Board of Directors.

### **Article 30 Managers**

1. At the General Director's suggestion and with the Board of Directors' approval, the Company will have a certain quantity and various types of essential or appropriate Managers to implement the structure and practices of the Company as determined by the Board of Directors at any given time. Managers must have necessary diligence so that the operations and organizations of the Company are able to achieve its stated goals.
2. Salary, honoraria, benefits and other clauses in the employment contract of the General Director must be decided by the Board of Directors. The Board also decides the contracts of other Managers after consulting the General Director.

### **Article 31 Appointment, dismissal, tasks and authority of the General Director**

1. Appointment. The Board of Directors will appoint a member of the Board or another person to be the General Director and will sign an employment contract defining salary, honoraria, benefits and other terms related to recruitment. Information on salary, allowances and benefits



of the General Director must be reported at the annual Shareholders' Meeting as well as presented in the Company's annual report.

2. Term of office. Based on Article 26 of this Charter, the General Director may not be the Chairman of the Board of Directors. The term of the General Director shall not be longer than five (05) years, then the General Director can be reappointed. The appointment can become invalid based on regulations in the employment contract. The General Director cannot be a person who is banned by the law from holding the position, meaning a person who is a minor, does not have the capacity to act, is convicted of a crime, is punished by imprisonment, is a military officer, a State official or has received a verdict that he made a previous company where he was a leader go bankrupt.
3. Standards and conditions: standards and conditions of the General Director to apply under the provisions of Article 65 of the Enterprise Law.
4. Authority and functions. The General Director has the following authority and responsibilities:
  - a. To organize the implementation of decisions of the Board of Directors and the Shareholders' Meeting, and business and investment plans of the Company which are approved by the Board of Directors and the Shareholders' Meeting;
  - b. To make decisions about all issues which need no approval of the Board of Directors, including acting on behalf of the Company to sign financial and commercial contracts that do not exceed twenty percent (20%) of the total value of the assets of the Company and its branches recorded in the latest audited financial statement, and organizing and operating everyday business and production activities of the Company according to the best management practices;
  - c. To propose the number and titles of managers the Company needs to hire for the Board of Directors to appoint or dismiss when necessary to implement the best management practices and structures which the Board of Directors suggests; to play a consulting role so that the Board of Directors can decide on salary, honoraria, and other benefits to be included in employment contracts signed with Managers;
  - d. To consult the Board of Directors to decide the number of employees, salary, pensions, benefits, appointments, dismissals and other terms included in their labor contracts;
  - e. On November 30 of each year, to submit to the Board of Directors for its approval a detailed business plan for the next fiscal year based on appropriate budget requirements; and also five-year plan.
  - f. To organize the implementation of annual business plans which are approved by the Shareholders' Meeting and the Board of Directors;
  - g. To propose measures designed to improve operations and management of the Company;
  - h. To prepare annual long-term and monthly estimates (hereinafter referred to as estimates) serving the annual long-term and monthly management activity of the Company in conformity with the business plan. Annual estimates (including expected balance sheet, income statement and cash flow statement) for each of the fiscal year will be submitted to the Board of Directors for approval and shall contain information as stipulated in the Company's regulations;
  - i. To manage the day-to-day business operations of the Company in line with provisions of the Law, the regulations of this Charter and the regulations of the Company, the resolutions of the Board of Directors, and the General Director's employment contract signed with the Company.
5. Report to the Board of Directors and Shareholders. The General Director is responsible to report to the Board of Directors and the Shareholders' Meeting about the execution of their tasks and delegated authority, and must report to these bodies when demanded.
6. Dismissal. The Board of Directors can dismiss the General Director when at least two-thirds of the members of the Board issue yes votes (excluding the votes of the Chairman or members of the Board of Directors in case the Chairman or the member is the General Director) and appoint a new General Director to replace him. The dismissed General Director has the right to object to the dismissal at the next Shareholders' Meeting.

### **Article 32 Company Secretary**

The Board of Directors will appoint a Company Secretary with tenure and terms as decided by the Board of Directors. The Board of Directors is able to dismiss a Company Secretary at any time but is not allowed to raise any complaint or lawsuit due to a breach of the labor contract between the Secretary and the Company. The Board of Directors can also appoint one or more Assistant Company

Secretaries at any given time. The Company Secretary has the following roles and functions:

- a. To prepare the meetings of the Board of Directors, the Board of Supervision and General Shareholders' Meeting on the order of the Chairman of the Board of Directors or the Board of Supervision;
- b. To take the minutes of meetings;
- c. To provide advice about proceedings of meetings;
- d. To provide financial information and copies of meeting minutes to members of the Board of Directors and Board of Supervision;
- e. To attend the meetings;
- f. To ensure the conformity of Resolutions of the Board of Directors with laws.

The secretary of the Company shall be responsible to keep information confidential in accordance with the law and this Charter.

## **IX. AUTHORIZED TASKS OF MEMBERS OF THE BOARD OF DIRECTORS, GENERAL DIRECTOR AND MANAGERS**

### **Article 33 Responsibility of prudence of members of the Board of Directors, General Director and Managers**

Members of the Board of Directors, the General Director and other Managers are responsible to execute their tasks, including tasks as members of committees of the Board of Directors, honestly and in a way which they believe to bring the best interests to the Company and with a level of prudence which any other careful person would need to undertake an equivalent position in a similar context.

### **Article 34 Responsibility of honesty and avoidance of conflicts of interests**

1. Members of the Board of Directors, members of the Board of Supervision, the General Director and Managers are not allowed to, for individual purposes, take advantage of business which are of benefit to the Company; they cannot also use information they have obtained owing to their positions for their own individual self-interest or for the interests of any other individual or organization.
2. Members of the Board of Directors, members of the Board of Supervision, the General Director and Managers have obligations to inform the Board of Directors of all possible conflicts of interest which they could enjoy via economic legal entities, transactions or other individuals. They can only use these opportunities only when the members of the Board, who do not have related benefits, decide not to investigate this issue.
3. The Company is not allowed to grant loans, guarantees or credit to members of the Board of Directors, the General Director, Managers or their families or any legal entity in which these persons have related financial interests, unless the Shareholders' Meeting decides differently.  
The fact that the parent company gives loans or guarantees to the subsidiaries can only be approved by the Board of Directors.
4. A contract or transaction between the Company and Members of the Board of Directors, the General Director, Managers and their Related Persons; or companies, association or organization in which any member of the Board of Directors, and any other Managers of the Company and their Related Persons thereof, or in cases that member of the Board of Directors or that Manager participates in a related meeting which the Board of Directors or the committee has already allowed, or in cases their voting cards are also counted upon the voting about that purpose, shall not be invalid if:
  - a) Any contracts and transactions are valued at less than twenty percent (20%) of the total value of the assets of the Company and its branches recorded in the latest audited financial statements and the main contents of those contracts or transactions are reported by those parties and these are approved or ratified by the Board of Directors by the majority of the Board members who do not have any related benefits; or
  - b) Other contracts and transactions valued at twenty percent (20%) or more of the total value of the asset of the Company and its branches recorded in the latest audited financial statements and the main contents of those contracts or transactions and other contracts and transactions are reported to the shareholders who do not have benefits, and these are

approved and allowed to be implemented by the those shareholders.

- c) That contract or transaction is considered fair and reasonable by an independent consulting organization, in all aspects relating to the shareholders of the Company as of the date the contract or transaction is approved, passed or allowed to implement by the Board of Directors or the committee belonging to the Board of Directors.

No members of the Board of Directors, nor the General Director, nor any Managers, nor any Related Persons are allowed to buy or sell or carry out any other transactions with shares of the Company or its subsidiaries at any time when they have information which will surely affect the price of shares while other Shareholders are not aware of the information.

### **Article 35. Responsibility and compensation**

1. Responsibility. Members of the Board of Directors, the General Director and Managers who violate their obligations to act honestly, or do not fulfill their tasks with prudence, diligence and professional competence, will bear responsibility for damages caused by their behavior.
2. Compensation. The Company will compensate people who were, are, or could become a concerned party in claims, lawsuits, or prosecutions which were, are, or might be proceeding, whether the cases are civil or administrative or investigative (but not lawsuits lodged by the Company or pertaining to the Company's right to initiate), if that person was or is a member of the Board of Directors, a Manager, an employee or an authorized representative of the Company (or a subsidiary of the Company), or that person was or is working at the request of the Company (or a subsidiary of the Company) with status as a member of the Board of Directors, a Manager, an employee or an authorized representative of another company, partner, joint-venture, trust or legal entity. Compensated expenses include: arising fees (including lawyer fees), verdict fees, fines, and amounts which must be paid in practice or are seen as reasonable while deciding these cases within the framework of the Law, on the condition that the person did act honestly, prudently, diligently and with professional competence in a manner which that person believes was in the best interests, or not opposed to the best interests, of the Company and on the basis of complying with the Law, and there is no discovery or confirmation that the person breached his obligations. The Company has the right to take out insurance for those persons to avoid having to make compensation as described above.

## **X. BOARD OF SUPERVISION**

### **Article 36 Members of Board of Supervision**

1. The Board of Supervision cannot have fewer than 3 members or more than 5 members, whom are not members of the accounting section of the Company or employees of the outside independent auditing company who are providing the audit service to the Company. The Board of Supervision must have at least one member who is accountant or auditor.  
The members of the Board of Supervision must not be a spouse, birth parent, adoptive parent, birth child, adopted child, or sibling of any member of the Board of Directors, Director (General Director), and other Managers of the Company. The members of the Board of Supervision must not hold managerial positions of the company, are not necessarily the shareholders or employees of the company, satisfy other standards and conditions of relevant regulations of law. The Board of Supervision must appoint one (01) member who is the head of the Board. The Head of the Board of Supervision must be a professional accountant or auditor and has to work full-time at the company. The Head of the Board of Supervision has the following authorities and responsibilities:
  - a. To convene the meeting of the Board of Supervision;
  - b. To request the Board of Directors, the Director (General Director) and other Managers to provide relevant information to report to the Board of Supervision; and
  - c. To prepare and to sign the Board of Supervision's reports after consulting with the Board of Directors to present to the Shareholders' Meeting.
2. Shareholders have the right to include the voting cards of each member together to nominate the candidates for the Board of Supervision. Shareholders or a group of Shareholders who hold more than 5% to below 10% of voting shares for a consecutive period of at least six months shall be entitled to nominate one member to the Board of Supervision; in cases of from 10% to below 30%,

they have the right to nominate two members ; in cases of from 30% to below 50%, they have the right to nominate three members; in cases of from 50% to below 65%, they have the right to nominate four members and in cases of at least 65% they have the right to nominate the full number of members.

3. Nominees to the Board of Supervision must have professional qualifications from university or higher and at least five years' experience in business fields of the company.
4. The members of the Board of Supervision are appointed by the Shareholders' Meeting to a maximum term of 5 years and can be re-elected at the next Shareholders' Meeting without any limitation in terms of office.
5. A member of the Board of Supervision will no longer have his/her status as member in the following cases:
  - a. A Supervisor shall be dismissed if he or she:
    - no longer satisfies the standards prescribed in Article 164 of the Corporate Law;
    - fails to perform his/her rights and obligations for six (06) consecutive months, except for force majeure events;
    - tenders a resignation which is accepted.
  - b. A Supervisor shall be discharge from duty if he or she:
    - fails to fulfill the given tasks or duties;
    - commit serious or repeated violations against obligations of Supervisor prescribed by the Corporate Law and this Charter;
    - is discharge under a decision of the General Meeting of Shareholders.

### **Article 37 Board of Supervision**

1. The Company must have a Board of Supervision, and the Board of Supervision have the rights and responsibilities as stipulated in the Enterprise Law and this Charter, including:
  - a. Giving suggestion on appointing independent auditing companies, auditing fees and matters relating to the resignation or dismissal of an independent auditing company;
  - b. Discussing with independent auditors on the scale and nature of the audit prior to the beginning of the auditing work;
  - c. Consulting independent professional auditor or legal consultant, and to ensure the participation of these external experts with appropriate experience and qualification in the business of the Company if necessary;
  - d. Checking the annual financial statements, quarterly and six months before submitting to the Board of Directors;
  - e. Discussing the problems and shortcomings identified in the results of the interim or final audits as well as issues raised by independent auditors;
  - f. Examining the management letters from independent auditors and feedback from the Company's executive board.
  - g. Examining the reports of the Company about the internal control systems before getting the approval of the Board of Directors; and
  - h. Examining the results of internal investigations and feedback from the Company's executive board;
  - i. The rights and responsibilities as stipulated in Article 165 of the Enterprise Law.
2. The Members of the Board of Directors, the General Director and Managers are obliged to provide all the information and documents related to the Company's operations when required by the Board of Supervision. The Company's secretaries must ensure that copies of all financial records as well as other information are to be provided to the Members of the Board of Directors and that copies of the Board's meeting minutes shall be provided to the members of the Board of Supervision and the Board of Directors at the same time.
3. After consulting with the Board of Directors, the Board of Supervision can issue regulations on its meetings and methods of operation, but there must be no fewer than two meetings annually and no fewer than two members at each meeting.
4. Total remunerations to the Board of Supervision will be under the authority of the Shareholders' Meeting. Board of Supervision members will be compensated for travel and accommodation expenses and other legally arising expenses from participating in Board of Supervision meetings or

other activities relating to the Company's operations.

## **XI. AUTHORITY TO INVESTIGATE THE COMPANY'S BOOKS AND RECORDS**

### **Article 38 Authority to investigate books and records**

1. Any Shareholder or group of Shareholders mentioned in **Articles 24.3 and 36.2** in this Charter holds the rights, directly or via lawyers or authorized individuals, to send a written request to check, during working hours and on the premises of the Company, the list of Shareholders and minutes of Shareholders' Meetings, and to obtain copies of or excerpts from these documents. Any request for examination submitted by representative lawyers or other representatives authorized by the Shareholder must present a letter of authorization from the Shareholder or a notarized copy of the letter.
2. Members of the Board of Directors, members of the Board of Supervision, the General Director and Managers have the right to review the Company's Shareholder Register, list of Shareholders and other books and records of the Company for purposes relating to their positions upon the condition that the information is kept confidential.
3. The Company must keep this Charter and its amendments, Business Registration Certificates, statutes, papers certifying asset ownership, minutes of Shareholders Meetings and meetings of the Board of Directors, Board of Supervision reports, annual financial reports, accounting books, and other papers required by the Law at the Company's headquarters or in another place provided that the Shareholders and business registration agencies are informed of the place.
- 4 All Shareholders can have a copy of this Charter free of charge. If the company has a website, this Charter must be accessible via that website.

## **XII. EMPLOYEES AND UNIONS**

### **Article 39 Employees and unions**

The General Director must prepare a plan for the Board of Directors' approval on issues related to recruitment, employment, termination of employment, salaries, social security, bonuses, awards and discipline for the Managers and employees, as well as the Company's relationships with recognized labor unions, according to the highest standards, practices and management policies, the practices and policies stated in this Charter, and the statutes of the Company and the Law.

## **XIII. PROFIT SHARING**

### **Article 40 Dividends**

1. According to a decision of the Shareholders' Meeting and as regulated by the Law, dividends will be announced and paid from the Company's retained profits, but cannot exceed the limits proposed by the Board of Directors after consulting Shareholders at the Shareholders' Meeting.
2. As regulated by the Enterprise Law, the Board of Directors can pay mid-term dividends if it views this payment is in line with the Company's profit-making capability.
3. The Company will not be subject to interest of any dividends or possible amounts payable related to a type of stock.
4. The Board of Directors can propose that the Shareholders' Meeting approve the payment of dividends in full or in part by means of shares, and the Board of Directors is the one to implement the decision.
5. Dividends or other payments in cash for or relating to a share must be done in Vietnamese currency and can be paid by check or postal money order to the registered address of the beneficiary shareholder, and the shareholder will bear all the risk (from the registered address of the shareholder). In addition, all dividends and other payments paid in cash for or relating to a share can be made by bank transfer when the Company has the information about the Shareholder's bank necessary to make a direct transfer. When the Company makes payment with all the correct detailed information as supplied by the Shareholder, the Company is not responsible for any payment paid by the Company but not received by the Shareholder. The dividends payment for shares listed at the Stock Exchange or the Securities Exchange Center can be made via a securities company or custody center.
6. According to the approval of Shareholders at the Shareholders' Meeting, the Board of Directors can decide and announce that owners of common shares have the right to choose to receive their dividends in common shares instead of cash. These additional shares will be recorded as paid-off

shares of which the buying prices are determined equivalent to the amounts of cash payable for dividends paid in cash.

7. According to the Enterprise Law, the Board of Directors, through its resolution, can designate a specific day (closing day) to close the books on the Company's operations. Following that day, people registered as Shareholders or people owning other securities get the right to receive dividends, interest and profit shares, to receive shares, and to receive announcements or other documents. This closing day can be the same day as or any time before the reception of those realized benefits. This does not affect the rights of either party in a related share or securities trade.

**Article 41 Other issues related to profit distribution**

Except where the rights attached to any shares or the terms of any issuance of stock that otherwise, dividend (taking into account the shares are not paid out dividends during the pay) is paid in proportion corresponding to the amount paid for the purchase of shares in the dividend payment period.

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

**Article 42 Bank accounts**

1. The Company will open its accounts in one or more of Vietnamese banks or in foreign banks permitted to operate in Vietnam.
2. With the approval of the relevant State bodies, the Company can open an account abroad as regulated by the Law, if necessary.
3. The Company will make all payments and accounting transactions via the Vietnam dong or foreign currency accounts at the bank where the Company has accounts.

**Article 43 Deduction and fund establishment**

Each year, the company will be deducted from your after-tax profit to a reserve fund account to supplement the charter capital in accordance with the law. Deductions do not exceed 5% profit after tax of the company and will be deducted until the reserve fund equal to 10% charter capital of the company.

**Article 44 Fiscal year**

The Company's fiscal year begins on January 1 and ends on December 31 of the same year.

**Article 45 Accounting system**

1. The Company's accounting system is the Vietnamese Accounting System (VAS) or any other system approved by the Ministry of Finance.
2. The Company must maintain its accounting books in Vietnamese language. The Company will keep its accounting records in accordance with the types of operations which the Company performs. These records must be accurate, up-to-date, systematic and sufficient to prove and explain all the Company's transactions.
3. The Company uses the Vietnam dong (or freely convertible foreign currency in case of the consent of the state competent agency) as the unit of currency used in accounting.

**XV. ANNUAL REPORTS, RESPONSIBILITY TO PROVIDE REPORTS, PUBLIC ANNOUNCEMENTS**

**Article 46 Annual, half-yearly and quarterly reports**

1. The Company must prepare an annual accounting report in line with the legal regulations as well as those of the State Securities Commission and must be audited as stated in Article 48 of this Charter, and within 90 days after the end of each fiscal year, must submit an annual financial report approved by the Shareholders' Meeting to the authorized tax office, the State Securities Commission, the Stock Exchange or the Securities Trading Center and business registration authorities.
2. The annual accounting report must include a report on the income statement reflecting honestly and objectively the profit and loss of the company in the fiscal year; a balance sheet showing honestly and objectively the operation situation of the Company up to the date of the report; a cash flow statement; and an explanation of the financial report. If the Company is a parent

company, the annual accounting report must include the annual accounting report for the Company and a consolidated balance sheet on the operation situations of the Company and its subsidiaries at the end of each fiscal year.

3. The Company shall prepare reports for every six months or on a quarterly basis in accordance with the regulations of the State Securities Commission and submit them to the State Securities Commission and the Stock Exchange or the Securities Trading Center.
4. The audited annual financial statements, half-yearly financial statements and quarterly financial statement (including the opinions of the auditor) must be posted to the website of the Company.
5. Any interested organization or individual will be entitled to examine or make a copy of the annual financial statements already being audited, the quarterly and half-yearly reports during the working hours of the Company, at the Company's headquarters and will be charged a reasonable fee for the copies.

#### **Article 47 Information release and public announcements**

Annual financial reports and other supplementary documents must be publicized according to the regulations (if any) of the State Securities Committee and submitted to the tax authorities and business registration office as requested by the Enterprise Law.

### **XVI. COMPANY AUDITING**

#### **Article 48 Auditing**

1. The Annual General Meeting of Shareholders shall select an independent auditing company or pass a list of independent auditing companies, licensed to legally operate in Vietnam and approved by the State Securities Commission to perform the audits on financial statements of listed companies and authorize the Board of Directors to select one among these auditing companies to perform the audit for the Company for the next fiscal year based on the terms and conditions agreed to by the Board of Directors.
2. The Company must prepare and submit the annual accounting report to the independent auditing company after the end of the fiscal year.
3. The Company's independent auditing company examines, certifies and reports on the annual accounting reports explaining the Company's income and expenditure, generates an Auditing Report and presents that report to the Board of Directors within two months after the fiscal year closes. The auditors of this independent auditing company must get approval from the State Securities Commission
4. A copy of the Auditing Report must accompany each copy of the Company's annual accounting reports.
5. An auditor performing an audit of the Company is permitted to attend all Shareholders' Meetings and has the rights to receive all announcements and other information related to any Shareholders' Meeting which are given to other Shareholders and also has the right to speak at the Shareholders' Meeting regarding matters related to auditing work.

### **XVII. SEAL**

#### **Article 49 Seal**

1. The Board of Directors is entitled to decide the form, quantity, and contents of the Company's seal. A seal must specify:
  - a. The enterprise's name;
  - b. The enterprise's code.
2. Before using the seal, the enterprise must send the seal design to the business registration authority in order for the business registration authority to post it on the National Business Registration Portal.
3. The seal shall be used in the cases prescribed by law or agreed by the parties.
4. The Board of Directors, the General Director shall use, manage and store the seal in accordance with the applicable Law.

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

#### **Article 50 Termination of operations**

1. The Company can dissolve or terminate its operations under the following conditions:
  - a. The Company reaches the end of its Operating Term, including any extensions.
  - b. A court of Vietnam with full authority declares the Company bankrupt as stated by the current Law;
  - c. Dissolved ahead of schedule as decided by the Shareholders' Meeting.
  - d. In other cases as regulated by the Law.
2. Any decision to dissolve the Company before the end of its Operating Term (including extended term) must be approved by the Shareholders' Meeting and implemented by the Board of Directors. This decision must be announced to appropriate authorities to inform or to get approval (if compulsory).

**Article 51 Deadlock between members of the Board of Directors and Shareholders**

Unless otherwise stated in this Charter, Shareholders holding half of the shares in circulation with the rights to vote in an election of members of the Board of Directors have the right to appeal to the Court to request dissolution in accordance with one or more of the following bases:

1. Board of Directors members cannot agree on the management of the Company, leading to a state of not reaching enough votes for the Board of Directors to act.
2. Shareholders cannot agree and do not have enough votes as required to proceed with the election of Board of Directors members.
3. There is internal conflict and the Shareholders are separated into two or more factions, making dissolution the most beneficial plan for all the Shareholders.

**Article 52 Extension of Operating Term**

1. The Board of Directors will convene a Shareholders Meeting' at least 7 months before the termination of its Operating Term so that Shareholders can vote on the extension of the Company's operation for a period proposed by the Board of Directors.
2. The Operating Term will be extended if Shareholders holding at least 65% of the voting rights, present at the Shareholders' Meeting or via authorized proxy, vote for the extension.

**Article 53 Liquidation**

1. At least 6 months before the conclusion of the Company's Operating Term or after a decision to dissolve the Company, the Board of Directors must establish a Liquidation Council of three (3) members. Two of the members are assigned by the Shareholders' Meeting and one is assigned by the Board of Directors from an independent auditing company. The Liquidation Council will prepare its own operating regulations. The members of the Council can be selected from the Company's employees or from independent experts. All expenses incurred during the liquidation will be paid by the Company before the Company's other debts.
2. The Liquidation Council has the responsibility to report to the business registration authorities on its day of establishment and the commencement day of operations. From that day, the Council will represent the Company in all matters relating to the liquidation of the Company before the Court and other administrative authorities.
3. The money collected from liquidation will be paid out in the following order:
  - a. liquidation expenses;
  - b. employees' salaries and social security;
  - c. tax and other tax-related amounts the Company must pay to the government;
  - d. loans, if any;
  - e. other Company debts;
  - f. the remains after the payment of Points from (a) to (e) above will be divided among Shareholders. Common Shareholders will be paid after preferential Shareholders.

**XIX. SETTLEMENT OF INTERNAL DISPUTES**

**Article 54 Settlement of internal disputes**

1. In the event of a conflict or complaint relating to the Company's operations or to Shareholders' rights arising from this Charter or from any rights or obligations regulated by the Enterprise Law or other laws or administrative regulations, between:
  - a. Shareholders and the Company; or
  - b. Shareholders and the Board of Directors, Board of Supervision, General Director or senior Managers.



The concerned parties will try to solve the conflict through negotiation and reconciliation. Except for conflicts concerning the Board of Directors or the Chairman of the Board, the Chairman of the Board will preside over the settlement of the conflict and will ask each party to present the actual factors relating to the conflict within 10 working days after the conflict arises. Where the conflict concerns the Board of Directors or the Chairman of the Board, any party can ask for the assignment of an independent expert to act as an arbitrator for settlement of the conflict.

2. If no settlement decision is made within 6 weeks after the beginning of the settlement process or the settlement decision of the arbitrator is not accepted by the parties, any party can take the case to the competent Court or Arbitrator for settlement.
3. Each party will bear its costs arising from the negotiation and reconciliation procedures.  
The party bearing the legal fees will be decided by the order of the Court.

## **XX. CHARTER AMENDMENT**

### **Article 55 Supplementing and amending the Charter**

1. Any supplement to or amendment of this Charter must be made approved by the Shareholders' Meeting
2. Where any regulations of law are related to the operation of the Company but have not been mentioned in this Charter or where new regulations of law are different from the articles of this Charter, such regulations of law shall be automatically applicable and regulate the operation of the Company.

## **XXI. EFFECTIVE DATE**

### **Article 56 Effective date**

1. The charter contains 57 articles and XXI chapters and was passed by the General Shareholders' Meeting of Hoang Anh Gia Lai Joint Stock Company on 15 September 2016, and the effectiveness of the full contents of this Charter has been fully agreed upon.
2. This Charter is made in 10 copies of equal validity, of which:
  - a. 01 copy is submitted to the local Public Notary office
  - b. 05 copies are registered to the authorized agencies as stipulated by the People's Committee of Gia Lai province.
  - c. 04 copies are filed at the Company's office.
3. This Charter is the unique and official Charter of the Company.
4. Other copies and extracts of the Company's Charter must be signed by the Board Chairman or by at least half of the total number of the Members of the Board of Directors to become valid.

**Article 57** Signatures of Founding Shareholders or the legal representative of the company./.

**LEGAL REPRESENTATIVE**