

**For consideration of Agenda 4: To consider and approve the non-distribution of dividend payment and non-appropriation of net profit as legal reserve from the operating results of the year 2022**

### **Dividend Policy**

The Company has adopted the dividend payment policy at the minimum rate of 40 percent of the net profit after taxes and legal reserves for each year. Meanwhile, the dividend payment policy can be altered or amended at the discretion of the Board of Directors based on the Company's future plan, liquidity, operational plan and several other terms and conditions specified in the contracts under which the Company has obligations.

Nevertheless, the Company may announce the dividend payment at the rate lower than the said rate or declare the non-distribution of a dividend payment depending on various possible factors but not limited to:

- Amount of cash, liquidity and financial performance estimation;
- Investment cost estimation and investment plan; and
- Other restrictions in dividend payment.

The resolution of the Board of Directors approving of the dividend payment shall be proposed to the shareholders' meeting for further approval unless in the case of interim dividend payment, where the Board of Directors is authorized to grant such approval and is required to report such matter to the next shareholders' meeting.

### **The Relevant Articles of Association of the Company**

According to Article 46 of the Articles of Association of the Company, it is prohibited to pay dividend otherwise than from profit. If the Company has an accumulated loss, the company could not pay any dividend.

The Board of Directors' Meeting No. 1/2023 has approved to propose the shareholders' meeting to consider the non-distribution of dividend payment from the operating results of the year 2022. Although the company has a profit from the operating results of the year 2022, the Company still has loss from operation and accumulated loss in the financial statements .

### **Legal Reserve**

According to Article 48 of the Articles of Association of the Company, the Company must appropriate the annual net profit as reserve fund in the amount of at least 5 percent of the annual net profit less the total accumulated losses brought forward (if any) until the reserve fund reaches an amount of not less than 10 percent of the registered capital of the Company.

The Board of Directors' Meeting No. 1/2023 has considered and approved to propose the shareholders' meeting to consider the non-appropriation of net profit as legal reserve with respect to the operating results of the year 2022 because the Company still has accumulated loss.