

Articles of Incorporation



ARTICLES OF INCORPORATION
OF
ROYAL ASSETS INVESTMENT LIMITED

(Amended as of September, 2018)

CHAPTER I General Provisions

ARTICLE I (Name of the Company)

The name of the Company shall be Royal Assets Investment Limited.

ARTICLE II (Objectives of the Company)

The Company shall operate diversified businesses including investment in cryptocurrency, as well as financial business, new business development, and providing various services, in a broad range of fields including cryptocurrency, cyber security, machinery, chemicals, foodstuffs, consumer goods, infrastructure and real property, either through the Company itself, or through other companies in which the Company holds shares or interests.

The lines of business mentioned in the preceding paragraph shall include the following:

1. Business relating to cryptocurrency.
2. Business relating to coal, petroleum, gas (including high-pressure gas), and other fuels and products processed therefrom.
3. Business relating to real estate.
4. Business relating to forex trading.
5. Business relating to chemical products, cosmetics, drugs (including medical supplies, quasi-medicines, poisons and drastic medicines, gun powder and detonators), fertilizers and raw materials therefor.

6. Business relating to food, liquor and other beverages, oil bearing seeds, oil and fats, resins, salt, agricultural, marine, forestry, livestock and natural products, feedstuffs, industrial materials and consumer goods as well as products therefrom and raw materials therefor.
7. Purchase and sale, trading, development, exploration, production, and manufacturing and processing of products relating to the businesses of the preceding items and other products.
8. Power generation business and business relating to the supply of electricity, steam and other energy sources.
9. Business relating to the treatment and supply of water.
10. Real property business.
11. Construction business as well as construction consultation, surveying, and designing business.
12. Management of medical health facilities, commercial facilities (including lodging facilities, theaters) and restaurants.
13. Leasing business.
14. Financial business such as purchase and sale of negotiable instruments, loans, purchase and sale of claims, guaranteeing and underwriting of obligations, purchase and sale of foreign exchange, etc.
15. Business relating to distribution of and advice on commodity investment.
16. Non-life insurance business, Non-life insurance agency, and life insurance solicitation-related activities.
17. Land, marine and air transportation business as well as consigned freight forwarding business.
18. Warehousing business.
19. Business relating to IT and information.
20. Telecommunications, broadcasting, advertising as well as publishing and printing business.
21. Temporary personnel placement service.
22. Travel business.

23. Waste treatment, recovery and recycling business as well as purchase and sale of used commodities.
24. Planning and consulting business.
25. Agent, broker and wholesaler of the preceding items.
26. All other undertakings in connection with those lines of business mentioned in the preceding items.

ARTICLE III (Location of Head Office)

The head office of the Company shall be situated at Ontario Canada.

ARTICLE IV (Organizational Bodies)

The Company shall have the following organizational bodies in addition to the general meeting of shareholders and Directors.

1. Board of Directors
2. Audit & Supervisory Board Members
3. Audit & Supervisory Board
4. Independent Auditors

ARTICLE V (Method of Public Notices)

Public notices of the Company shall be made by method of electronic notifications.

If electronic notification cannot be implemented due to accidents or other unavoidable causes, public notices shall be placed in the gazette.

CHAPTER II Shares

ARTICLE VI (Total Number of Shares)

The total number of shares authorized to be issued by the Company shall be two billion five hundred million (2,500,000,000) shares.

ARTICLE VII (Acquisition of Treasury Shares)

The Company may purchase (referring to “purchasing” provided for in the Companies Act, Article 165, Paragraph 2) treasury shares through market transactions, etc. based on a resolution of its Board of Directors.

ARTICLE VIII (Number of shares constituting One Unit and the additional purchase of certificates indicating fractions of One Unit)

The number of shares which will constitute one unit of the shares of the Company (“Unit Stock”) shall be one hundred (100) shares.

A shareholder may ask the Company to sell its shares constituting One Unit in exchange for fractions of One Unit of Stock which, when added, constitute One Unit.

ARTICLE IX (Rights of Shareholders Holding Fractions of One Unit of Stock)

A shareholder of the Company cannot exercise any rights other than those shown hereunder for his or her fractions of shares of less than One Unit of Stock:

1. Rights shown in the Companies Act, Article 189, Paragraph 2, items thereof.
2. Rights to request acquisition of shares combined with acquisition claims.
3. Rights to receive allotment of owner-invited shares or owner-invited Stock Acquisition Rights.
4. Rights to make requests as provided for in the preceding Article, Paragraph

ARTICLE X (Transfer Agent)

The Company shall have a transfer agent.

The transfer agent and its office at which the Company shares are handled shall be determined by the Board of Directors, and shall be announced by public notices.

Maintaining and custody of the register of shareholders and the original register of Stock Acquisition Rights of the Company shall be entrusted to the transfer agent, and the Company shall not implement these activities.

ARTICLE XI (Handling of Shares)

The procedures and the fees in connection with the handling of shares, including the entry or record in the register of shareholders and the original register of Stock Acquisition Rights, and the purchase and additional purchase by the Company of fractional shares of less than One Unit of Stock, shall be decided by the Board of Directors taking into consideration general practices.

ARTICLE XII (Record Date)

The Company shall deem any shareholder entered or recorded in the register of shareholders as of the close of business on the last day of each business year to be a shareholder who is entitled to exercise his or her rights as a shareholder at the ordinary general meeting of shareholders concerning such business year.

Unless otherwise provided for in the preceding paragraph or elsewhere in the Articles of Incorporation, the Company may, whenever necessary, by resolution of the Board of Directors and by giving prior public notice, deem any shareholder or pledgee entered or recorded in the register of shareholders as of the close of business on a specified date to be a shareholder or pledgee who is entitled to exercise his or her rights as a shareholder or pledgee.

CHAPTER III General Meeting of Shareholders

ARTICLE XIII (Convening of General Meeting of Shareholders)

An ordinary general meeting of shareholders shall be convened in June of each year, and an extraordinary general meeting of shareholders shall be convened from time to time, whenever necessary.

ARTICLE XIV (Chairman)

The President and Chief Executive Officer shall assume chairmanship of a general meeting of shareholders. In case, however, the President and Chief Executive Officer is prevented by unavoidable circumstances from so acting, or in case the post of the President and Chief Executive Officer is vacant, a surrogate shall act as chairman, according to the order as decided by the Board of Directors.

ARTICLE XV (Exercise of Voting Right by Proxy)

A shareholder may appoint another shareholder (one person only) having voting rights to be his or her proxy in order to exercise his or her voting rights.

ARTICLE XVI (Internet-based Disclosure of Reference Data for General Meeting of Shareholders)

In convening a general meeting of shareholders, the Company may deem to have supplied information about matters to be stated or indicated in reference-documents for the general meeting, business reports, financial statements and consolidated financial statements to shareholders, by disclosing the information via an Internet-used method in accordance with applicable laws and ordinances.

ARTICLE XVII (Resolution)

A special resolution by a general meeting of shareholders (which refers to a resolution stipulated in the Companies Act, Article 309, Paragraph 2) shall be adopted when, at a general meeting of shareholders where shareholders with voting rights surpassing 1/3 of the aggregate voting rights of the total

shareholders capable of exercising such rights are present, it is approved by a vote of 2/3 or more of the voting rights present.

All resolutions other than those provided for in the preceding paragraph shall be adopted by a majority vote of the shareholders present, unless otherwise provided for by laws or ordinances or by the Articles of Incorporation.

CHAPTER IV Directors, Board of Directors and Executive Officers

ARTICLE XVIII (Election of Directors)

Directors shall be elected by resolutions of a general meeting of shareholders.

With respect to resolutions for the election provided for in the preceding paragraph, the attendance of shareholders owning not less than one-third of total voting rights of qualified shareholders shall be required.

Resolutions for the election of Directors shall not be conducted by cumulative voting.

ARTICLE XIX (Term of Office of Directors)

The term of office of each of the Directors shall expire at the close of the ordinary general meeting of shareholders held for the last business year that ends within one year from assumption of office.

ARTICLE XX (Representative Directors)

By resolution of the Board of Directors, Representative Directors shall be elected.

Each of the Representative Directors shall represent the Company severally.

ARTICLE XXI (Chairman of the Board of Directors)

By resolutions of the Board of Directors, the Chairman of the Board of Directors shall be elected.

ARTICLE XXII (Convening of Meetings of the Board of Directors)

The Chairman of the Board of Directors shall convene a meeting of the Board of Directors and shall assume its chairmanship. In case, however, the Chairman of the Board of Directors is prevented by unavoidable circumstances from so acting, or in case the post of the Chairman of the Board of Directors is vacant, one of the other Directors shall act in his stead, according to the order as decided by the Board of Directors.

Each of the Directors and Audit & Supervisory Board Members shall be notified of a meeting of the Board of Directors at least three (3) days before the date set for such meeting.

ARTICLE XXIII (Omission of Resolution by the Board of Directors)

If a Director submits a proposal regarding a matter, which is the subject of a resolution by the Board of Directors, and if all of the Directors indicate their consent to the said proposal, either in writing or in electronic form (excluding instances of opposition to such proposal by an Audit & Supervisory Board Member), the Company shall deem such proposal as having been approved by the Board of Directors .

ARTICLE XXIV (Remuneration for Directors)

Remuneration for Directors (refers to remuneration stipulated in the Companies Act, Article 361) shall be decided by resolution of a general meeting of shareholders.

ARTICLE XXV (Reduction in Liabilities of Directors)

The Company may exempt Directors from their liabilities to the extent permitted by law and ordinances, pursuant to a resolution by the Board of Directors (refers to a resolution based on the Companies Act, Article 426, Paragraph 1).

The Company may conclude an agreement with its Directors (excluding those serving as executive directors, etc.) limiting their liabilities to the amount prescribed by relevant laws or ordinances (refers to an agreement based on the Companies Act, Article 427, Paragraph 1).

ARTICLE XXVI (Executive Officers)

By resolution of the Board of Directors, Executive Officers shall be appointed to carry out their respective duties.

By resolution of the Board of Directors, the President and Chief Executive Officer and other Executive Officers in title shall be elected from among the Executive Officers.

**CHAPTER V Audit & Supervisory Board Members and
Audit & Supervisory Board**

ARTICLE XXVII (Election of Audit & Supervisory Board Members)

Audit & Supervisory Board Members shall be elected by resolution of a general meeting of shareholders.

With respect to a resolution for the election provided for in the preceding paragraph, the attendance of shareholders owning not less than one-third of the total voting rights of qualified shareholders shall be required.

ARTICLE XXVIII (Term of Office of Audit & Supervisory Board Members)

The term of office of each of Audit & Supervisory Board Members shall expire at the close of the ordinary general meeting of shareholders held for the last business year that ends within four year from assumption of office.

ARTICLE XXIX (Full-time Audit & Supervisory Board Members)

Full-time Audit & Supervisory Board Members shall be elected by Audit & Supervisory Board from among Audit & Supervisory Board Members.

ARTICLE XXX (Convening of Meetings of Audit & Supervisory Board)

Each of Audit & Supervisory Board Members shall be notified of a meeting of Audit & Supervisory Board at least three (3) days before the date set for such meeting.

ARTICLE XXXI (Remuneration for Audit & Supervisory Board Members)

Remuneration for Audit & Supervisory Board Members (refers to remunerations, etc. provided for in the Companies Act, Article 387) shall be decided by resolution of a general meeting of shareholders.

ARTICLE XXXII (Reduction in Liabilities of Audit & Supervisory Board Members)

The Company may exempt its Audit & Supervisory Board Members from their liabilities within the limit of laws and ordinances based on a resolution of the Board of Directors (refers to a resolution pursuant to the Companies Act, Article 426, Paragraph 1).

The Company may conclude an agreement with its Audit & Supervisory Board Members limiting their liabilities to the amount prescribed by relevant laws or ordinances (refers to an agreement based on the Companies Act, Article 427, Paragraph 1).

CHAPTER VI Accounts

ARTICLE XXXIII (Business Year)

The business year of the Company shall begin on September 25 of each year and end on September 24 of the following year.

ARTICLE XXXIV (Dividends Based on Surplus)

The Company may, by resolution of a general meeting of shareholders, distribute dividends to those shareholders or pledgees who are entered or recorded in the register of shareholders as of the close of business on the last day of each business year.

In addition to the arrangement in the preceding paragraph, the Company may, by a resolution of the Board of Directors, pay interim dividends to those shareholders or pledgees who are entered or recorded in the register of shareholders as of the close of business on September 30 of each year.

ARTICLE XXXV (Period of Exclusion of Payment of Dividends and Interim Dividends)

If dividends or interim dividends are not received within three (3) full years from the date of commencement of payment thereof, the Company shall be relieved of the obligation to pay such dividends or interim dividends.

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