



**DECREE-LAW No. 70/2022
of 28 September**

**MANAGEMENT OF INDUSTRIAL PARKS, S.A.
(GESPIN - GESTÃO DE PARQUES INDUSTRIAIS, S.A.)**

Article 6 of the Constitution of the Democratic Republic of Timor-Leste recognises the fundamental objective of the State to guarantee the development of the economy, which is reflected in the competence to direct the social and economic sectors of the State, as provided for in Article 115(1)(i) of the Basic Law.

As a corollary to that objective, the Program of the VIII Constitutional Government promotes the creation and development of industrial parks, as a vehicle to attract national and foreign investment and to create employment, whose legal regime was approved by Decree-Law 44/2022 of 8 June.

Under the terms of Decree-Law 44/2022, of 8 June, the management of each industrial park will be attributed to a management entity, to be nominated by the Council of Ministers. With the purpose of promoting private initiative activity in the industrial sector, the Government creates a public limited company, whose corporate purpose is the management of the operation of industrial parks, in respect for the rules of market competition.

Thus, the Government decrees, in accordance with the provisions of paragraphs e) and i) of Article 115(1) of the Constitution of the Republic, to be valid as law, the following:

**Article 1
Constitution**

GESPIN - Gestão de Parques Industriais, S.A., abbreviated to *GESPIN, S.A.*, is hereby established.

**Article 2
Nature and duration**

1. *GESPIN, S.A.* shall be a public limited liability company.
2. *AGESPIN, S.A.*, is formed for an indefinite period of time.

**Article 3
Territorial scope of action and headquarters**

1. GESPIN, S.A. shall carry out its activity throughout the national territory.
2. GESPIN, S.A. shall have its headquarters in Dili, but may be moved to any other location within the national territory, upon resolution of the Board of Directors.
3. By deliberation of the Board of Directors, subsidiaries, branches, agencies, delegations or any other form of local representation may be established or closed in any part of the national territory or in a foreign country, in compliance with the applicable legal formalities.

Article 4

Object

1. The object of GESPIN, S.A. is the management of industrial parks.
2. GESPIN, S.A. shall exercise the powers, namely those of an economic, financial, asset and personnel management nature, necessary for the regular operation of the industrial parks allocated to it, as well as all those activities that are complementary, subsidiary or accessory to the pursuit of its activity.
3. The relations between GESPIN, S.A. and the State or other public entities shall not result in situations which, in any form, may impede, distort or restrict competition.

Article 5

Share capital

1. The share capital of GESPIN, S.A., fully subscribed and paid-up, is US\$ 600,000.00.
2. The share capital shall be represented by USD 120,000.00 of extraordinary shares, each with a nominal value of US\$ 5.
3. All shares are registered and owned by the State of Timor-Leste.
4. Any transfer of shares shall be approved by the Council of Ministers, under reasoned proposal from the Government member responsible for the area of industry.

Section 6

Shareholder Function of the State

1. The rights of the State as shareholder shall be exercised through the person appointed by joint order of the members of the Government responsible for the areas of finance, industry and economic affairs.

2. The members of the Government referred to in the preceding paragraph may, by joint order, issue written guidelines on the exercise of the State's rights as a shareholder.

Article 7

Applicable law

GESPIN, S.A. shall be governed by this decree-law, by its statutes, by its internal regulations, by the law applicable to commercial companies and by all other applicable law.

Article 8

Governing bodies

GESPIN, S.A. comprises the following corporate bodies:

- a) Legal Representative
- b) The General Assembly
- c) Board of Directors
- d) Audit Committee
- e) Company Secretary.

Article 9

General Assembly

The first General Meeting of Shareholders shall take place within 30 days of the date on which this Decree-Law enters into force, for the purpose of electing the members of the corporate bodies and, if so desired, appointing a remuneration committee to set their remuneration.

Section 10

Remuneration of Governing Bodies

The remuneration of the members of the corporate bodies shall be fixed by company resolution, which shall take into account, inter alia, criteria of financial sustainability and medium- and long-term interests of GESPIN, S.A.

Article 11

Incompatibilities and conflicts of interest

1. The following may not be members of the corporate bodies of GESPIN, S.A:
 - a) The President of the Republic in office;
 - b) Members of the National Parliament in office
 - c) Members of the Government in office, except for the purpose of representing the State as shareholder, in accordance with Article 9(1);

- d) The President of the Special Administrative Region of Oe-Cusse Ambeno;
 - e) The members of the municipal bodies in office
 - f) Judges and magistrates of the Public Prosecution Service in office;
 - g) Officers and directors of the direct and indirect administration of the State and of independent entities in office;
 - h) Officers and directors of the Presidency of the Republic, the National Parliament, the Courts and the Public Prosecution Service in office;
 - i) Public officers and agents of the Public Administration in exercise of their functions;
 - j) Those holding financial or other interests that may be incompatible with the performance of duties in GESPIN, S.A;
 - k) Those who are related by consanguinity or legal adoption, up to the second degree, to a member of the corporate body of GESPIN, S.A., in office.
3. A member of a corporate body in office who accepts to hold one of the positions or duties listed in paragraph 1 must, prior to accepting this acceptance, resign his or her mandate in GESPIN, S.A.
4. The members of the corporate bodies may not, during the exercise of their mandates, sign any employment or service contracts with GESPIN, S.A. that are to remain in force after they cease to hold office.

Article 12

Strategic plan

1. The Board of Directors shall prepare a strategic plan annually and submit it to the members of the Government responsible for the areas of finance and industry 30 days prior to the annual General Assembly meeting.
2. The strategic plan shall cover a period of at least three years and shall include the following matters:
- a) The objectives of GESPIN, S.A.;
 - b) The commercial strategies of GESPIN, S.A.;
 - c) The investment and financing programmes of GESPIN, S.A.;
 - d) The quarterly and annual budgets;
 - e) The dividend policy of GESPIN, S.A.;
 - f) The conformity of GESPIN, S.A.'s activities with the legislation applicable to commercial companies
 - g) The analysis of previous performance in relation to previous strategic plans
 - h) Human resources strategies and labour relations.

3. The plan shall also cover other matters and matters required by joint order of the members of the Government responsible for the areas of finance and industry.
4. The Board of Directors shall, within a reasonable period of time, inform the members of the Government responsible for the areas of finance and industry on any significant changes to the strategic plan or on matters and issues that may significantly affect the achievement of its objectives.

Article 13

Obligation to provide information

Without prejudice to the provisions of the law on commercial companies regarding the provision of information to shareholders, GESPIN, S.A. shall submit to the members of the Government responsible for the areas of finance and industry.

- a) A summary of its quarterly balance sheet, no later than 30 days after the end of each quarter;
- b) A summary of its balance sheet, no later than four months after the end of each financial year;
- c) the audit opinion for the preceding financial year not later than four months after the end of the financial year; and
- d) The annual report, not later than two days after its publication.

Article 14

Labour relations

The employees of GESPIN, S.A. shall be subject to the legal provisions governing individual employment contracts.

Article 15

Statutes

The statutes of GESPIN, S.A. shall be published in an annex to this decree-law and shall form an integral part thereof.

Article 16

Registration and publication

1. This document shall constitute sufficient securities for all legal purposes, including registration as a company.
2. Any amendment to the Statutes may only be made by decree-law.

Article 17
Entry into Force

The present decree-law shall enter into force on the day following its publication.

Approved by the Council of Ministers on 13 July 2022.

The Prime Minister,

Taur Matan Ruak

The Minister of Tourism, Commerce and Industry, _____
José Lucas do Carmo da Silva

Promulgated on 19/9/2022.

To be published.

The President of the Republic, _____
José Ramos-Horta

ANNEX
(referred to in Article 15(1))

Statutes of GESPIN - *Gestão de Parques Industriais, S.A.*

CHAPTER I
GENERAL PROVISIONS

Section I
Name, duration, headquarters and object

Article 1
Form and denomination

The company shall adopt the form of a public limited company with the name GESPIN - *Gestão de Parques Industriais, S.A.*, hereinafter referred to as GESPIN, S.A.

Article 2

Duration

GESPIN, S.A. shall be established for an unlimited duration.

Article 3

Headquarters

1. GESPIN, S.A. shall have its headquarters in Dili.
2. By deliberation of the Board of Directors, the headquarters of GESPIN, S.A., may be moved to any other location within the national territory.
3. By deliberation of the Board of Directors, subsidiaries, branches, delegations or any other form of local representation may be set up or closed in any part of the national territory or in a foreign country, in compliance with the applicable legal formalities.

Article 4

Object of the company

1. The object of GESPIN, S.A. is the management of industrial parks.
2. GESPIN, S.A. shall exercise the powers of economic, financial, asset and personnel management necessary for the smooth running of the industrial parks allocated to it, as well as all complementary, subsidiary or ancillary activities related to the pursuit of its business.
3. Relations between GESPIN, S.A. and the State or other public entities shall not give rise to situations that may, in any way, prevent, distort or restrict competition.

Section II

Share capital

Article 5

Share Capital

1. The share capital of GESPIN, S.A., fully subscribed and paid-up, is US\$ 600,000.00.
2. The General Meeting shall decide on any share capital increases and respective payments that may be necessary to carry on the company's business.
3. Any transfer of shares must be approved by the Council of Ministers, under reasoned proposal from the Government member responsible for the area of industry.

Section 6

Representation of Share Capital

1. The share capital shall be represented by 120,000.00 ordinary shares, each with a nominal value of US\$ 5.
2. All shares shall be nominative and shall belong to the State of Timor-Leste.

Section 7

Issue of Bonds

GESPIN, S.A. may issue bonds or any other negotiable securities, provided that it is previously authorised by the General Assembly and that the legal formalities are complied with.

CHAPTER II

STRUCTURE, ORGANISATION AND OPERATION

Section I

Governing Bodies

Section 8

Governing Bodies

GESPIN, S.A., is composed of the following corporate bodies:

- a) Legal Representative;
- b) General Assembly
- c) Board of Directors; d) Supervisory Board
- d) Company Secretary.

Article 9

Duration of Mandates

1. The members of the corporate bodies shall be elected by the General Assembly, at a meeting convened for that purpose.
2. The Legal Representative is appointed for an undetermined period of time, and may be freely dismissed at any time by the General Assembly.
3. The mandates of the Board of Directors, the Company Secretary and the Supervisory Board have a duration of four years and may be renewed.
4. Once their respective mandates expire, the members of the corporate bodies shall remain in office until the General Meeting that replaces them.
5. The remuneration of the members of the corporate bodies depends on the resolution of the General Meeting and the terms defined therein.

Article 10 Meetings

1. The corporate bodies of GESPIN, S.A., shall meet when called by their respective chairmen or their deputies, in the event of impediment.
2. Minutes of each meeting shall be drawn up and signed by those present.
3. The meetings of the corporate bodies may be held in person or through videoconferencing systems that allow the audio and visual identification of the participants and continuous communication between them; the company shall ensure the authenticity of the statements and security of communications, recording their content and the respective participants, under the terms of the regulations to be approved by each of the corporate bodies.
4. Those who participate in meetings by videoconferencing systems shall be deemed present for quorum purposes and shall be entitled to vote.
5. Meetings shall be deemed to be held at the place where the majority of participants are present or, where there is no such majority, at the place where the person chairing the meeting is present.

Section 11 General Obligations of Members of Corporate Bodies

The members of the corporate bodies shall meet the requirements of good repute, professional qualifications and experience, independence and availability adequate to ensure the sound and prudent management of GESPIN, S.A., in accordance with the provisions of the legislation applicable to commercial companies:

- a) Perform their duties with integrity, impartiality, transparency and professionalism;
- b) To act always with loyalty and good faith in the best interest of GESPIN, S.A.;
- c) to promote the good name, reputation and image of GESPIN, S.A.;
- d) to ensure the sufficiency, veracity and reliability of the information concerning GESPIN, S.A.;
- e) Keep confidential all information and documents of a non-public nature obtained in the performance of its duties;
- f) To cooperate closely with the other corporate bodies, in the light of good corporate governance practices.

Article 12
Non-competition and conflicts of interest

1. The members of the corporate bodies shall not, during their term of office and for a period of six months following its expiry, engage in any other temporary or permanent activities in companies competing in the same sector in which GESPIN, S.A., operates.
2. The General Meeting may approve stricter internal rules for the prevention and detection of conflicts of interest.

Article 13
Dismissal

1. The directors and members of the Audit Board shall be subject to the dismissal regime established in the legislation applicable to commercial companies.
2. Subject to the provisions of the preceding paragraph, directors and members of the Audit Committee may also be removed from office by decision of the General Meeting.

Section II
Legal Representative

Section 14
Appointment

The shareholders shall appoint as Legal Representative any natural person who is a permanent resident of East Timor and who has full capacity to exercise and appropriate qualifications to exercise the function, namely any member of another corporate body of GESPIN, S.A.

Article 15
Competences

The Legal Representative shall receive all communications, summonses and notifications addressed to GESPIN, S.A., in accordance with the instructions given to him/her by the Board of Directors.

Section III
The General Assembly

Article 16
Composition

1. The General Meeting is the company's decision-making body.

2. The company's shareholders shall take decisions in writing or at a General Meeting.
3. All members of other corporate bodies in office shall be present at the General Meeting, but their absence shall not prevent the valid holding of meetings.
4. The General Meeting may also be attended by persons whose presence is authorised by the Chairman of the Board of the Shareholders' General Meeting and who do not require the opposition of the shareholders, namely experts or consultants of the company or of the State, for the clarification of specific issues subject to appreciation by the General Meeting.

Article 17 **Board of the General Meeting**

1. The Board of the General Meeting of Shareholders shall be made up of a Chairman and a Secretary.
2. The Board of the General Meeting shall be responsible for:
 - a) Convene and conduct the meetings of this body;
 - b) Conferring office to the members of the corporate bodies.
3. In the absence or impediment of the Secretary, it is the responsibility of the Chairman of the Board to appoint one of those present to exercise such functions.
4. In the absence or impediment of the Chairman, its functions are exercised by any director, who ceases such functions at the end of the meeting.

Article 18 **Convening and meetings**

1. The General Meeting of Shareholders shall hold an ordinary meeting once a year, in the three months following the end of each financial year, in order to deliberate on the company accounts, the management report and the application of results from the previous financial year.
2. The General Meeting convenes extraordinarily whenever duly convened on the initiative of the Chairman of the Board of the Shareholders' General Meeting or whenever its convening is requested by the Board of Directors, by the Supervisory Board or by the shareholders' representative.
3. The Shareholders' General Meeting is convened by the Chairman or whoever replaces him, with a minimum notice period of fifteen working days, by letter or e-mail addressed to the shareholders' representative, which must expressly state all the matters to be dealt with.

4. The General Meeting must be held at the registered office or at the location indicated in the notice of meeting.

Section 19 Cumpetences

It shall be incumbent upon the General Meeting to:

- a) Elect and dismiss the members of the General Meeting Board and the members of the corporate bodies;
- b) Annually discuss and vote, on the proposal of the Board of Directors, on the balance sheet, profit and loss account and management report for the previous financial year;
- c) Deliberate on the proposal for the appropriation of profits;
- d) Deliberate on the proposal for amending the Articles of Association and capital increases;
- e) Deliberate, after favourable opinion from the Board of Directors, on the acquisition, sale and encumbrance of real estate assets;
- f) Deliberate on the remuneration of the members of the corporate bodies, and for this purpose, may appoint a remuneration committee to fix their remuneration;
- g) Propose the dissolution of the company;
- h) Decide on other matters that may be submitted to it by another governing body;
- i) Exercise any other competencies resulting from the law.

Section IV Board of Directors

Section 20 Nature

The Administrative Board is the body responsible for managing and representing GESPIN, S.A.

Article 21 Composition and appointment

1. The Board of Directors is composed of three, five or seven directors appointed by the General Meeting.

2. The General Meeting shall appoint the Chairman and Vice-Chairman of the Board of Directors from among the directors.
3. The selection of the members of the Board of Directors shall obey objective criteria, such as recognised technical capacity and professional experience.
4. The remuneration of the members of the Board of Directors depends on a resolution of the General Meeting.

Article 22

Competences

The Board of Directors shall, within the limits of the law, have the powers to manage and represent the company, namely:

- a) To represent the company, in and out of court, actively and passively, and may confess, withdraw or settle any pleas
- b) To carry out all acts necessary for the pursuit of the company's object;
- c) To approve the company's management objectives and policies, in accordance with the guidelines set by the General Meeting
- d) To draw up and approve the company's strategic and business plan, the annual management report, the annual and multi-annual activity and financial plans and the budgets and respective amendments
- e) To establish the internal organisation of the company and draw up the regulations and instructions it deems appropriate;
- f) To hire employees, establishing the respective contractual conditions, and to exercise the corresponding managerial and disciplinary powers in relation to them;
- g) To acquire, dispose of, lease or exchange or in any way encumber goods or rights, whether movable or immovable, including its own or third-party shares and bonds, as well as stakes in the capital of other companies, even if with a different corporate purpose;
- h) To appoint members of the Board of Directors;
- i) To decide on the acquisition, maintenance, reinforcement and disposal of investments
- j) To decide on means of financing;
- k) To draw up the annual report with complete, accurate, reliable and timely information and to validate all the execution reports and annual financial statements to be

presented to the General Assembly, ensuring that they faithfully reflect the activities of GESPIN, S.A;

- l) To decide on the provision of personal or real guarantees by GESPIN, S.A;
- m) Approve the internal regulations of the Board of Directors and inform the shareholders in the General Meeting of their approval or alteration;
- n) Deliberate on the alteration of the headquarters and the opening or closing of branches, subsidiaries, agencies and other forms of representation;
- o) Deliberate on all matters that are not the reserved competence of the other bodies.

Article 23

Chairman of the Administrative Board

1. The Chairman of the Board of Directors shall:
 - a) represent the Board of Directors of GESPIN, S.A.;
 - b) to convene and chair meetings of the Board of Directors
 - c) to coordinate the Board of Directors' activity and ensure the regularity and implementation of its resolutions, in strict compliance with the law
 - d) To ensure compliance with legal provisions and regulations, supervising the operation of the company
 - e) Exercise any other powers that may be conferred upon it by law or administrative regulation.
2. The Chairman of the Board of Directors shall be substituted in his or her absence or impediments by the member of the Board designated by him or her.
3. The Chairman of the Board of Directors, or his substitute, shall have the casting vote in deliberations that must be taken.

Article 24

Functioning

1. The Board of Directors shall hold ordinary meetings at intervals it shall itself determine and, extraordinarily, when convened by its Chairperson, by the other members or by the Board of Auditors.
2. The meetings shall take place at the head office or at another location that is indicated in the notice convening them.

3. The Board of Directors may only decide by majority vote and minutes of the meetings shall be drawn up, which must be signed by all members present at the meeting.
4. A director who has a personal material interest in an item included in the agenda shall be barred from voting and shall not be counted for quorum purposes in relation to that item, and shall be absent from the meeting during its discussion and voting.
5. Any person may attend meetings of the Board of Directors at the invitation of the Chairman.
6. A director who, during the fiscal year, without an accepted justification, misses two meetings of the Board of Directors or does not attend one meeting of the General Assembly for which he/she has been convened, shall lose his/her position and must be replaced in accordance with the legal and statutory terms.

Article 25

Strategic plan

1. The Board of Directors shall draw up a strategic plan on an annual basis and submit it to the members of the Government responsible for the areas of finance and industry within 30 days prior to the annual General Meeting.
2. The strategic plan shall cover a period of at least three years and shall include the following matters:
 - a) The objectives of GESPIN, S.A.;
 - b) The commercial strategies of GESPIN, S.A.;
 - c) The investment and financing programmes of GESPIN, S.A.;
 - d) The quarterly and annual budgets
 - e) The dividend policy of GESPIN, S.A.;
 - f) The conformity of GESPIN, S.A.'s activities with the legislation applicable to commercial companies
 - g) The analysis of previous performance in relation to previous strategic plans
 - h) Human resources strategies and labour relations.
3. The plan shall also cover other matters and issues required by joint order of the members of the Government responsible for the areas of finance and industry.

4. The Board of Directors shall, within a reasonable time, inform the members of the Government responsible for the areas of finance and industry of any significant changes to the strategic plan or matters and issues that may significantly affect the achievement of the objectives of the plan.

Article 26 **Duty to provide information**

1. Without prejudice to the provisions of the Companies Act concerning the provision of information to shareholders, GESPIN, S.A. shall submit to the members of the Government responsible for the areas of finance and industry:
 - a) A summary of its quarterly balance sheet, within 30 days of the end of each quarter;
 - b) A summary of its balance sheet, no later than four months after the end of each financial year;
 - c) the auditor's opinion for the preceding financial year within a maximum period of four months following the end of the financial year;
2. The annual report, within no more than five days of its publication.

Article 27 **Binding**

GESPIN, S.A. shall be bound before third parties by the joint signature of the Chairman of the Board of Directors and one of the members of the Board of Directors.

Section V **Supervisory Board**

Article 28 **Supervisory body**

The Supervisory Board is the auditing body of GESPIN, S.A., and shall be responsible for ensuring compliance with the legal, statutory and regulatory rules applicable to GESPIN, S.A., and for supervising its financial and asset management.

Article 29 **Composition**

1. The Supervisory Board shall consist of a Chairman and two members appointed by the General Meeting.
2. The appointment of the members of the Supervisory Board shall obey criteria of recognised technical capacity, suitability, impartiality and exemption.
3. Without prejudice to other legal requirements, the members of the Supervisory Board must be independent and cannot simultaneously belong to the Board of Directors.

Article 30 Cumpetences

1. It shall be incumbent upon the Board of Auditors:
 - a) Supervising the financial and budgetary management of GESPIN, S.A.;
 - b) to monitor the implementation of the plan and activity and budget programmes
 - c) to examine periodically the accounting records of GESPIN, S.A., and the implementation of the budget
 - d) to give an opinion on the Board of Directors' balance sheet, activity reports and financial statements
 - e) to give an opinion on the performance and financial management of GESPIN, S.A. and on the achievement of the planned results
 - f) to give an opinion on the acquisition, sale and encumbrance of real estate or assets subject to registration by GESPIN, S.A.;
 - g) to report to the competent bodies any irregularities found in the management of GESPIN, S.A., and to propose the necessary corrective measures;
 - h) to take part in the meetings of the Board of Directors, without voting rights
 - i) Exercising any other powers attributed to it by law.
2. Within the scope of exercising its powers, the Supervisory Board may:
 - a) Require from the Board of Directors the documents, information and all necessary clarifications about the activities of GESPIN, S.A.;
 - b) Propose external audits.

Article 31 Functioning

1. The Supervisory Board shall meet at least once a month, in ordinary session, and extraordinarily whenever convened by its Chairman or at the request of the Chairman of the Board of Directors.
2. The Chair of the Board of Auditors shall be responsible for chairing the meetings of the body, coordinating its activities and ensuring the correct execution of its resolutions.
3. The Chairman of the Supervisory Board is replaced, in his absence or impediments, by the member he indicates.
4. The resolutions of the Supervisory Board shall be taken by majority vote and minutes of the meetings shall be drawn up.

Section VI The Company Secretary

Section 32 Appointment

1. AGESPIN,S.A., has a Company Secretary, appointed by the Board of Directors.
2. The Company Secretary is a natural person with an adequate academic background who is not simultaneously a member of another corporate body of GESPIN, S.A.
3. The Company Secretary is responsible for:
 - a) To act as secretary at the meetings of the corporate bodies and prepare the respective attendance lists;
 - b) Drawing up the minutes and signing them jointly with the members of the respective corporate bodies and the Chairman of the Board of the General Meeting, when this is the case;
 - c) To keep, store and maintain in order the books and sheets of the minutes, the attendance lists and the associated documentation
 - d) Certifying the signatures of the members of the governing bodies on the company's documents;
4. Promote the registration of the corporate acts subject to it.

Section VII Financial Year and Application of Profits

Section 33 Financial Year

The financial year shall coincide with the calendar year.

Article 34
Appropriation of results

1. The net profits calculated in the annual balance sheet, duly approved, shall be applied as follows:
 - a) A minimum of 25% for constitution or reintegration of the legal reserve, without limit;
 - b) The remainder for purposes that the General Meeting may decide upon, following a proposal by the Board of Directors.
2. The legal reserve referred to in paragraph (a) of subsection 1 above may only be used in accordance with the provisions of the Companies Act.
3. The company may, in accordance with the law, advance profits to shareholders.

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