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**If you have sold or transferred** all your shares in **China Conch Venture Holdings Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**CONCH VENTURE**  
**China Conch Venture Holdings Limited**  
**中國海螺創業控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 586)**

**PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS,  
PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE SHARES,  
DECLARATION OF FINAL DIVIDEND,  
PROPOSED AMENDMENTS TO THE EXISTING ARTICLES OF  
ASSOCIATION AND  
ADOPTION OF THE AMENDED AND RESTATED ARTICLES OF  
ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the 2023 Annual General Meeting (the “AGM”) of China Conch Venture Holdings Limited (the “**Company**”) to be held at Meeting Room 582, Conch International Conference Centre, No. 1011 South Jiu Hua Road, Yijiang District, Wuhu City, Anhui Province, the People’s Republic of China on Tuesday, 20 June 2023 at 10:00 a.m. (Hong Kong Time) is set out in this circular.

Whether or not you are able to attend the AGM, please complete and sign the enclosed form of proxy for use at the AGM in accordance with the instructions printed thereon and return it to the Company’s branch share registrar (the “**Branch Share Registrar**”) in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for the AGM or the adjourned meeting thereof. Accordingly, this form of proxy must be delivered to the Company’s Branch Share Registrar in Hong Kong no later than 10:00 a.m. on Sunday, 18 June 2023 (Hong Kong Time). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the AGM if they so wish, and in such event, the form of proxy previously submitted shall be deemed to be revoked.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.conchventure.com>).

26 April 2023

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“2022 AGM”	the 2022 annual general meeting of the Company held on 24 June 2022
“AGM”	the 2023 annual general meeting of the Company to be held at Meeting Room 582, Conch International Conference Centre, No. 1011 South Jiuhoa Road, Yijiang District, Wuhu City, Anhui Province, the People’s Republic of China on Tuesday, 20 June 2023 at 10:00 a.m. (Hong Kong Time) to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 90 to 94 of this circular, or any adjournment thereof
“Amended and Restated Articles of Association”	the amended and restated articles of association of the Company incorporating and consolidating all the Proposed Amendments to be adopted by Shareholders at the AGM
“Audit Committee”	the Audit Committee of the Board
“Board”	the board of Directors
“Close Associate(s)”	has the same meaning as defined under the Listing Rules
“Companies Act”	the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China Conch Venture Holdings Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Core Connected Person(s)”	has the same meaning as defined under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Articles of Association”	the articles of association of the Company currently in force
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

## DEFINITIONS

“Issuance Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of AGM
“Latest Practicable Date”	20 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China (for the purpose of this circular excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Proposed Amendments”	the proposed amendments to the Existing Articles of Association in order to, among other things, (i) bring the Existing Articles of Association in line with amendments made to the applicable laws of the Cayman Islands and the Listing Rules, including but not limited to the Core Shareholder Protection Standards set out in Appendix 3 to the Listing Rules which came into effect on 1 January 2022; and (ii) make other miscellaneous and housekeeping amendments to update and/or clarify certain provisions of the Existing Articles of Association, including consequential amendments in line with the above amendments to the Existing Articles of Association, and to better align the wordings with that of the relevant Listing Rules and the applicable laws of the Cayman Islands, details of which are set out in Appendix III to this circular
“Remuneration and Nomination Committee”	the Remuneration and Nomination Committee of the Board
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to purchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of AGM
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

## DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy, Sustainability and Risk Management Committee”	the Strategy, Sustainability and Risk Management Committee of the Board
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“%”	per cent

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**中國海螺創業控股有限公司**  
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*Executive Directors:*

Mr. JI Qinying

*(Vice-Chairman and Chief Executive Officer)*

Mr. SHU Mao

Mr. LI Jian

Mr. LI Daming

*Registered office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Non-executive Directors:*

Mr. GUO Jingbin *(Chairman)*

Mr. YU Kaijun

*Head office in the PRC:*

1011 Jiuhua South Road

Wuhu City

Anhui Province

China

*Independent Non-executive Directors:*

Mr. CHAN Chi On (alias Derek CHAN)

Mr. CHAN Kai Wing

Mr. LAU Chi Wah, Alex

*Principal place of business in*

*Hong Kong:*

Suite 4018, 40/F, Jardine House

1 Connaught Place

Central

Hong Kong

26 April 2023

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS,  
PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE SHARES,  
DECLARATION OF FINAL DIVIDEND,  
PROPOSED AMENDMENTS TO THE EXISTING ARTICLES OF  
ASSOCIATION AND  
ADOPTION OF THE AMENDED AND RESTATED ARTICLES OF  
ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

## LETTER FROM THE BOARD

### 1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the AGM to be held on 20 June 2023.

### 2. PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS

In accordance with Articles 105(A) and 105(B) of the Existing Articles of Association, Mr. JI Qinying, Mr. LI Daming, Mr. CHAN Chi On (alias Derek CHAN) and Mr. LAU Chi Wah, Alex shall retire from office at the AGM. Mr. JI Qinying, Mr. LI Daming and Mr. CHAN Chi On (alias Derek CHAN), being eligible, will offer themselves for re-election at the AGM.

Reference is made to the announcement of the Company dated 24 April 2023 in relation to the retirement of independent non-executive Director, proposed election of independent non-executive Director and changes in the composition of the Board committees.

Mr. LAU Chi Wah, Alex was first appointed as an independent non-executive Director in December 2013, after having served on the Board for over nine years, he has decided that he will not offer himself for re-election at the AGM and will retire as an independent non-executive Director upon conclusion of the AGM due to his decision to devote more time to his personal endeavors and to make way for new independent non-executive Director(s) who would bring fresh ideas to the Board. Accordingly, Mr. LAU Chi Wah, Alex will cease to be an independent non-executive Director upon the conclusion of the AGM. Following Mr. LAU Chi Wah, Alex's retirement, he will also cease to be the chairman of the Remuneration and Nomination Committee and a member of the Audit Committee.

Mr. LAU Chi Wah, Alex has confirmed that he has no disagreement with the Board and there are no other matters in relation to his retirement that needs to be brought to the attention of the Stock Exchange and the Shareholders.

After considering the recommendation of the Remuneration and Nomination Committee, the Board has nominated Dr. PENG Suping as an independent non-executive Director for election by Shareholders at the AGM. Subject to the approval by Shareholders for the election of Dr. PENG Suping as an independent non-executive Director, Dr. PENG Suping will also be appointed as a member of each of the Remuneration and Nomination Committee and the Audit Committee with effect from the close of the AGM.

Mr. CHAN Chi On (alias Derek CHAN) and Dr. PENG Suping have confirmed their independence with reference to the factors set out in Rule 3.13 of the Listing Rules.

With effect from the close of the AGM, Mr. CHAN Kai Wing, an independent non-executive Director, will be re-designated from a member of the Remuneration and Nomination Committee to the chairman of the Remuneration and Nomination Committee.

## LETTER FROM THE BOARD

Details of all Directors proposed for re-election and the new Director nominated for election at the AGM are set out in Appendix I to this circular. Separate resolutions will be proposed for the re-election of Directors and election of Director.

### **Length of tenure of the independent non-executive Directors**

Pursuant to code provision B.2.4(a) of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, where all the independent non-executive directors of an issuer have served more than nine years on the board, the length of tenure of each existing independent non-executive director on a named basis should be disclosed. Each of Mr. CHAN Chi On (alias Derek CHAN), Mr. CHAN Kai Wing and Mr. LAU Chi Wah, Alex was appointed as an independent non-executive Director on 3 December 2013 and has been serving as an independent non-executive Director for more than nine years as at the Latest Practicable Date.

### **Nomination Procedures and Process**

The re-election of Mr. JI Qinying as an executive Director, Mr. LI Daming as an executive Director and Mr. CHAN Chi On (alias Derek CHAN) as an independent non-executive Director and election of Dr. PENG Suping as an independent non-executive Director have been reviewed by the Remuneration and Nomination Committee. The Remuneration and Nomination Committee is of the view that the aforementioned Directors have extensive experience in different fields and professions that are relevant to the business of the Company. In addition, their respective background, experience and knowledge allow them to provide valuable and relevant insights and contribute to the diversity of the Board.

Mr. CHAN Chi On (alias Derek CHAN), an independent non-executive Director, has served on the Board for more than nine years since 3 December 2013. The Remuneration and Nomination Committee has also reviewed the qualifications, skills and experience, time commitment and contribution of the aforementioned Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy and assessed the independence of each of Mr. CHAN Chi On (alias Derek CHAN) and Dr. PENG Suping based on their confirmations of independence pursuant to the independence guidelines as set out in Rule 3.13 of the Listing Rules. In addition, Mr. CHAN Chi On (alias Derek CHAN) is not involved in the daily management of the Company nor in any relationships which would interfere with the exercise of his independent judgment. Taking into consideration of the diversity perspectives (including but not limited to gender, age, cultural and educational background, professional experience, length of service, skills and knowledge) and the current public directorships held by the relevant individuals, the Remuneration and Nomination Committee is satisfied that (i) Mr. CHAN Chi On (alias Derek CHAN) remains independent notwithstanding he has served as an independent non-executive Director for more than nine years; (ii) Dr. PENG Suping is independent; and (iii) each of Mr. CHAN Chi On (alias Derek CHAN) and Dr. PENG Suping is of such character, integrity and experience commensurating with the office of independent non-executive Director. The Remuneration and Nomination Committee believes that they will be able to devote sufficient time to the Board and are able to provide independent, balanced and objective views to the Company's affairs.

## **LETTER FROM THE BOARD**

Accordingly, the Remuneration and Nomination Committee has proposed to the Board for re-election of Mr. JI Qinying as an executive Director, Mr. LI Daming as an executive Director and Mr. CHAN Chi On (alias Derek CHAN) as an independent non-executive Director and election of Dr. PENG Suping as an independent non-executive Director. The Board concurs with the view of the Remuneration and Nomination Committee and has endorsed the recommendations of the Remuneration and Nomination Committee and recommended re-election or election (as the case may be) of the abovementioned Directors at the AGM.

### **3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES**

At the 2022 AGM, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of the Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the AGM (i.e. a total of 181,298,505 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM).

The Directors will evaluate the trading price of the Shares from time to time and may exercise the Repurchase Mandate when they consider that the Shares are trading at a level which does not reflect the underlying value of the Company.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix II to this circular.

### **4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES**

At the 2022 AGM, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the AGM. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the AGM (i.e. a total of 362,597,011 Shares on the basis that the issued share capital remains unchanged on the date of the AGM).

An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Repurchase Mandate will also be proposed at the AGM.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

## LETTER FROM THE BOARD

### **5. DECLARATION OF FINAL DIVIDEND**

On 29 March 2023, the Company made an announcement in relation to its audited consolidated results and financial positions for the year ended 31 December 2022 whereby the Board has recommended a final cash dividend of HK\$0.40 per Share for the year ended 31 December 2022. Subject to the passing of the resolution approving the payment of such final dividend at the AGM, the above-mentioned final dividend is expected to be paid on 21 July 2023.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Monday, 3 July 2023 to Friday, 7 July 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 30 June 2023 (Hong Kong Time).

### **6. PROPOSED AMENDMENTS TO THE EXISTING ARTICLES OF ASSOCIATION AND ADOPTION OF THE AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

Reference is made to the announcement of the Company dated 24 April 2023 in relation to the Proposed Amendments to the Existing Articles of Association and adoption of the Amended and Restated Articles of Association.

The Board proposes to amend the Existing Articles of Association by adopting the Amended and Restated Articles of Association in substitution for, and to the exclusion of, the Existing Articles of Association in order to, among other things, (i) bring the Existing Articles of Association in line with amendments made to the applicable laws of the Cayman Islands and the Listing Rules, including but not limited to the Core Shareholder Protection Standards set out in Appendix 3 to the Listing Rules which came into effect on 1 January 2022; and (ii) make other miscellaneous and housekeeping amendments to update and/or clarify certain provisions of the Existing Articles of Association, including consequential amendments in line with the above amendments to the Existing Articles of Association, and to better align the wordings with that of the relevant Listing Rules and the applicable laws of the Cayman Islands (i.e. the Proposed Amendments).

Details of the Proposed Amendments brought about by the adoption of the Amended and Restated Articles of Association (marked-up against the Existing Articles of Association) are set out in Appendix III to this circular. The Amended and Restated Articles of Association are available only in English and the Chinese translation of the Amended and Restated Articles of Association is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.

## LETTER FROM THE BOARD

The legal advisers to the Company as to the laws of Hong Kong have confirmed that the Proposed Amendments conform with the applicable requirements under the Listing Rules and the legal advisers to the Company as to the laws of the Cayman Islands have confirmed the Proposed Amendments do not contravene the applicable laws of the Cayman Islands. The Company confirms that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

The Proposed Amendments and the proposed adoption of the Amended and Restated Articles of Association are subject to the approval of the Shareholders by way of a special resolution at the AGM and will take effect upon the approval by the Shareholders at the AGM.

### **7. AGM AND PROXY ARRANGEMENT**

The notice of the AGM is set out on pages 90 to 94 of this circular.

Pursuant to the Listing Rules and the Existing Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution relating purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under the Listing Rules.

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 13 June 2023 to Tuesday, 20 June 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 12 June 2023 (Hong Kong Time).

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.conchventure.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the AGM or the adjourned meeting thereof. Accordingly, this form of proxy must be delivered to the Company's Branch Share Registrar in Hong Kong no later than 10:00 a.m. on Sunday, 18 June 2023 (Hong Kong Time). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

## LETTER FROM THE BOARD

### 8. RECOMMENDATION

The Directors consider that the proposed re-election and election of Directors, granting of the Repurchase Mandate, the Issuance Mandate and the extension of the Issuance Mandate to the Directors, the declaration of final dividend and Proposed Amendments to the Existing Articles of Association and adoption of the Amended and Restated Articles of Association are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of AGM on pages 90 to 94 of this circular.

Yours faithfully,  
For and on behalf of the Board  
**China Conch Venture Holdings Limited**  
**GUO Jingbin**  
*Chairman of the Board*

*The following are details of the Directors standing for re-election and election at the AGM.*

### MR. JI QINYING

Mr. Ji Qinying (紀勤應), aged 66, was appointed as a Director with effect from 18 July 2013. Mr. Ji is currently an executive Director, the Vice-Chairman of the Board, the chief executive officer and a member of the Strategy, Sustainability and Risk Management Committee of the Company. Mr. Ji is primarily responsible for day-to-day management of the Group's business operations. Mr. Ji is currently also a director of certain subsidiaries of the Company. Mr. Ji joined the predecessor group of Anhui Conch Cement Co. Ltd.\* (安徽海螺水泥股份有限公司) (“**Conch Cement**”) after he graduated from Shanghai Construction Materials College in 1980. Mr. Ji held various leading positions including deputy plant operating director of the Ningguo Cement Plant, general manager and executive director of Conch Cement, and general manager and chairman of Wuhu Conch Profiles And Science Co., Ltd.\* (蕪湖海螺型材科技股份有限公司). Mr. Ji served as a director of Anhui Conch Venture Group Co., Ltd.\* (安徽海創集團股份有限公司) (formerly known as Anhui Conch Venture Investment Co., Ltd.\* (安徽海螺創業投資有限責任公司)) (“**CV Group**”) from November 2002 to February 2016. Mr. Ji also served as the general manager of CV Group from May 2013 to April 2015 and the chairman of CV Group from May 2015 to February 2016. Mr. Ji was appointed as a non-executive director of China Conch Environment Protection Holdings Limited (中國海螺環保控股有限公司, “**Conch Environment**”) (a company listed on the Main Board of the Stock Exchange, stock code: 00587) from 17 September 2021 to 9 October 2022. Mr. Ji has over 30 years' experience in the building materials industry specializing in project investment, construction management, market development, production, general operation and industrial management.

Mr. Ji entered into a service contract as an executive Director with the Company for a term of three years commencing from 29 November 2022, which is determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Existing Articles of Association. Pursuant to the service contract, Mr. Ji is entitled to a director's fee (inclusive of discretionary bonus) of RMB1.03 million per annum, provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 10% of the audited combined net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company (which is covered by the service contract). The emoluments of Mr. Ji are determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Ji was deemed to be interested in 35,033,752 Shares held by Ms. Yan Zi, the spouse of Mr. Ji, within the meaning of Part XV of the SFO.

It is disclosed in the Company's prospectus dated 9 December 2013 that pursuant to an administrative sanction decision made by China Securities Regulatory Commission (“**CSRC**”) against (among other parties) Anhui Conch Holdings Co. Ltd.\* (安徽海螺集團有限責任公司)

(“**Conch Holdings**”), The Staff Association of Anhui Conch Holdings Company Limited\* (安徽海螺集團有限責任公司工會委員會) (“**SA Conch Group**”) and Anhui Conch Building Materials Co., Ltd.\* (安徽海螺建材股份有限公司) (“**Conch Building Materials**”, a then subsidiary of Conch Holdings), Conch Holdings, SA Conch Group and Conch Building Materials were found to have carried out securities transactions under the accounts of certain third parties who were individual persons from June 1998 to October 2007 (the “**Securities Trading Incident**”) and income gained by the said parties arising therefrom were confiscated. Mr. Ji was the deputy general manager of Conch Holdings during the period from June 1998 to October 2007. He was not subject to any penalty or sanction imposed by CSRC in connection with the Securities Trading Incident.

#### MR. LI DAMING

Mr. LI Daming (李大明), aged 57, was appointed as a Director with effect from 18 July 2013. Mr. Li is currently an executive Director. Mr. Li is also the Chairman of Anhui Conch Kawasaki Energy Conservation Equipment Manufacturing Co., Ltd.\* (安徽海螺川崎節能設備製造有限公司, “**CK Equipment**”) and Anhui Conch Kawasaki Engineering Co., Ltd.\* (安徽海螺川崎工程有限公司, “**CK Engineering**”). Mr. Li is primarily responsible for energy preservation and environmental protection business including residual heat power generation and waste incineration projects, general operation of CK Equipment and CK Engineering. Mr. Li graduated from Anhui Mechanical and Electrical College\* (安徽機電學院) in July 1986, majoring in manufacture of electrical equipment. Mr. Li joined the Group in December 2006 and has been a director of CK Equipment since September 2007, a director of CK Engineering since November 2006 and deputy general manager of CK Engineering since December 2006, and was a non-executive director of Conch Environment from 17 September 2021 to 22 April 2022. Mr. Li has over 20 years’ experience in the building materials industry. Mr. Li also has extensive experience in residual heat power generation and waste management and has established good cooperation relationship with Kawasaki Heavy Industries Ltd. (川崎重工業株式會社) (a substantial shareholder of CK Engineering and CK Equipment) in developing the residual heat power generation business.

Mr. Li has entered into a service contract with the Company for a term of three years commencing from 29 November 2022, determinable by either party by giving not less than three months’ prior written notice, and Mr. Li is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Existing Articles of Association. Mr. Li is entitled to a basic salary of RMB980,000 per annum plus discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 10% of the audited combined net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company (which is covered by the service contract). The emoluments of Mr. Li are determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Li was beneficially interested in 6,200,563 Shares and was deemed to be interested in 10,000 Shares held by Ms. Zhang Qingmei, the spouse of Mr. Li, within the meaning of Part XV of the SFO.

**MR. CHAN CHI ON**

Mr. CHAN Chi On (陳志安) (alias Derek CHAN), aged 59, was appointed as an independent non-executive Director with effect from 3 December 2013. Mr. Chan is currently the chairman of the Audit Committee and members of the Remuneration and Nomination Committee and the Strategy, Sustainability and Risk Management Committee. Mr. Chan is currently engaging in corporate finance and securities businesses and serving as the chairman of Halcyon Capital Limited and Halcyon Securities Limited respectively. Mr. Chan graduated from the University of Hong Kong with a Bachelor degree in Social Sciences (majoring in Economics) and from the Hong Kong University of Science & Technology with a Master degree in Business Administration. Mr. Chan worked for the Stock Exchange for seven years, and subsequently served as an executive director in Haitong International Securities Group Limited (previously known as Taifook Securities Group Limited) and head of its corporate finance division for 16 years and was responsible for businesses in listing of enterprises, financing and mergers and acquisition. Mr. Chan is currently an independent non-executive director of Yuexiu REIT Asset Management Ltd. (manager of Yuexiu Real Estate Investment Trust which is listed on the Main Board of the Stock Exchange, stock code: 00405) and Longfor Group Holdings Limited (formerly known as Longfor Properties Co. Ltd.) (a company listed on the Main Board of the Stock Exchange, stock code: 00960). Mr. Chan has more than 30 years of experience in financial services industry.

Mr. Chan has signed an appointment letter with the Company for a term of three years commencing from 29 November 2022, determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Existing Articles of Association. He is entitled to a director's fee of HK\$180,000 per annum (which is covered by the appointment letter) as determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

**DR. PENG SUPING**

Dr. PENG Suping (彭蘇萍), aged 63, has long engaged in the teaching and research of mining geology, geophysical prospecting of mine engineering and hydrogen technology, and is engaged in research on the development of hydrogen energy and fuel cell. Dr. Peng obtained a postgraduate degree in coal geology & exploration and a Ph.D degree in geology from the Beijing Postgraduate Department of China University of Mining and Technology (中國礦業大學北京研究生部) in 1988. He was elected as an academician (院士) of Chinese Academy of Engineering (中國工程院) in 2007.

Dr. Peng has been a professor at the China University of Mining and Technology since December 1995 and the director of State Key Laboratory of Coal Resources and Safe Mining (China University of Mining and Technology, Beijing)\* (中國礦業大學(北京)煤炭資源與安全開採國家重點實驗室) since January 2007. Dr. Peng was the vice director and subsequently the director of the Department of Energy and Mining Engineering of Chinese Academy of Engineering from April 2010 to June 2014 and from July 2014 to June 2018, respectively. Dr. Peng was a member of the presidium of the Chinese Academy of Engineering from July 2014 to June 2021.

Dr. Peng was an independent director of Tiandi Science & Technology Co., Ltd.\* (天地科技股份有限公司, a company whose shares are listed on the Shanghai Stock Exchange (stock code: 600582)) from June 2010 to October 2018, an independent director of Beijing LongRuan Technologies Inc.\* (北京龍軟科技股份有限公司, a company whose shares are listed on the Shanghai Stock Exchange (stock code: 688078)) from November 2011 to October 2017, an independent director of Tibet Huayu Mining Co., Ltd.\* (西藏華鈺礦業股份有限公司, a company whose shares are listed on the Shanghai Stock Exchange (stock code: 601020)) from October 2012 to September 2020 and an independent non-executive director of China Shenhua Energy Company Limited\* (中國神華能源股份有限公司, a company whose H shares are listed on the Stock Exchange (stock code: 01088) and A shares are listed on the Shanghai Stock Exchange (stock code: 601088)) from April 2018 to May 2020.

Subject to the approval by Shareholders for the election of Dr. Peng as an independent non-executive Director, Dr. Peng will enter into an appointment letter with the Company for a term of three years commencing from the date of AGM, determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Existing Articles of Association. Pursuant to the appointment letter, he is entitled to a director's fee of HK\$180,000 per annum (which is covered by the appointment letter) as determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

#### **GENERAL MATTERS RELATING TO THE RE-ELECTION OR ELECTION OF DIRECTORS**

Save as disclosed herein, as at the Latest Practicable Date, each of the above Directors did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, as at the Latest Practicable Date, none of the above Directors holds any position with the Company or any other members of the Group, nor have any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, or other major appointments and professional qualifications.

In addition, save as disclosed herein, as at the Latest Practicable Date, none of the above Directors has any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed herein, there is no other matter in relation to the re-election or election (as the case may be) of the above Directors that needs to be brought to the attention of the Shareholders and there is no information relating to them which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

\* *English translation or transliteration of Chinese name for identification purpose only*

## **APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

*The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.*

### **1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such stock exchange is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such Company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

### **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,812,985,059 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the AGM in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the AGM, i.e. being 1,812,985,059 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 181,298,505 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

### **3. REASONS FOR SHARE REPURCHASES**

The Directors believe that the granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders.

Shares repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

### **4. FUNDING OF SHARE REPURCHASES**

Repurchases made by the Company pursuant to the Repurchase Mandate may only be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws of the Cayman Islands and the Listing Rules.

## **5. IMPACT OF SHARE REPURCHASES**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2022) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company and/or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

## **6. MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2022</b>		
April	23.80	19.70
May	21.25	19.46
June	20.60	15.90
July	17.40	15.10
August	17.08	14.78
September	16.34	12.18
October	14.78	11.52
November	17.76	11.56
December	18.34	15.82
<b>2023</b>		
January	17.64	15.10
February	17.46	15.54
March	16.86	13.30
April (up to and including the Latest Practicable Date)	13.88	12.84

## **7. GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any Core Connected Persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

## **APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

### **8. TAKEOVERS CODE**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Company, the Company has no controlling shareholders (as defined in the Listing Rules). The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as a result of an exercise of the proposed Repurchase Mandate.

### **9. REPURCHASE OF SHARES MADE BY THE COMPANY**

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

The following are the Proposed Amendments to the Existing Articles of Association. Unless otherwise specified, clause, article and paragraph numbers referred to herein are clause, article and paragraph numbers of the Amended and Restated Articles of Association. If the serial numbering of the clauses of the Existing Articles of Association is changed due to the addition, deletion or re-arrangement of certain clauses made in these amendments, the serial numbering of the clauses of the Existing Articles of Association as so amended shall be changed accordingly, including cross references, and as such the serial numbering shown below is for illustrative purposes only and will be updated accordingly in the print version of the Amended and Restated Articles of Association to be produced to the AGM for identification purposes.

*Note: The Amended and Restated Articles of Association are prepared in English with no official Chinese version. Chinese translation is for reference only. In the event of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.*

**Article Provisions in the Amended and Restated Articles of Association  
No.**

**PRELIMINARY**

1. (A) The regulations contained or incorporated in Table A of the Schedule to the Companies Law, Chapter 22 (~~Law 3-1961 consolidated and revised~~) Act (As Revised) shall not apply to this Company.

Headings and marginal notes to, and the index of, these Articles do not form part of these Articles and shall not affect their interpretation and, in the interpretation of these Articles, unless there be something in the subject or context inconsistent therewith:

“appointor” shall mean, in relation to an alternate Director, the Director who appointed the alternate to act as his alternate;

“these Articles” or “these presents” shall mean these Articles of Association in their present form and all supplementary, amended or substituted Articles for the time being in force;

~~“associates” in relation to any Director, shall have the meaning as ascribed to it in the Listing Rules;~~

“Auditors” shall mean the persons for the time being performing the duties of that office;

“business day” shall mean a day on which The Stock Exchange of Hong Kong Limited generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where The Stock Exchange of Hong Kong Limited is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a Number 8 or higher Typhoon Signal, Black Rainstorm Warning or other similar event, such day shall for the purposes of these Articles be counted as a business day;

“the Board” or “the Directors” shall mean the Directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of the Directors;

“call” shall include any instalment of a call;

“capital” shall mean the share capital of the Company from time to time;

“clear days” shall mean, in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“close associate” in relation to any Director, shall have the same meaning as defined in the Listing Rules as modified from time to time, except that for purposes of Article 104(H) where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules;

“the Chairman” shall mean, except in Article 129 and except where the context otherwise requires, the Chairman presiding at any meeting of shareholders or of the Directors;

“clearing house” shall mean a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted with the permission of the Company on a stock exchange in such jurisdiction, including but not limited to Hong Kong Securities Clearing Company Limited;

“the Companies ~~LawAct~~” shall mean The Companies ~~LawAct~~ (As Revised), ~~Cap. 22 (Law 3 of 1961, as consolidated and revised)~~ of the Cayman Islands, ~~as amended from time to time;~~

“the Company” or “this Company” shall mean China Conch Venture Holdings Limited (中國海螺創業控股有限公司) incorporated in the Cayman Islands on 24 June 2013;

“Company’s website” shall mean the website of the Company to which any shareholder may have access, the address or domain name of which has been notified to the shareholders at the time the Company seeks the relevant shareholder’s consent for the purposes of Article 177(B) or, as subsequently amended by notice given to the shareholders in accordance with Article 177;

“debenture” and “debenture holder” shall respectively include “debenture stock” and “debenture stockholder”;

“Director” shall mean a director of the Company and includes an alternate in his capacity as a director of the Company;

“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues;

“Head Office” shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;

“HK\$” shall mean Hong Kong dollars;

~~“holding company” and “subsidiary” shall have the meanings ascribed to them by section 2 of the Companies Ordinance (Cap.32) of the laws of Hong Kong as in force at the adoption of these Articles;~~

“Hong Kong” shall mean The Hong Kong Special Administrative Region of the People’s Republic of China;

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

“month” shall mean a calendar month;

“Newspapers” shall mean, in relation to the publication in newspapers of any notice, shall mean in English in one leading English language daily newspaper and (unless unavailable) in Chinese in one leading Chinese language daily newspaper, in each case published and circulating generally in the Relevant Territory and specified or not excluded for this purpose by the stock exchange in the Relevant Territory;

“Notice” shall mean written notice unless otherwise specifically stated and as further defined in these Articles;

“paid” in relation to a share, shall mean paid or credited as paid;

“the Register” shall mean the principal register and any branch register of shareholders of the Company to be maintained at such place within or outside the Cayman Islands as the Board may determine from time to time;

“Registered Office” shall mean the registered office of the Company for the time being;

“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders of the Company in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers of other documents of title for such class of share capital are to be lodged for registration and are to be registered;

“Relevant Period” shall mean the period commencing from the date on which any of the securities of the Company become listed on a stock exchange in the Relevant Territory with the consent of the Company to and including the date immediately before the day on which none of the securities are so listed (and so that if at any time listing of any such securities is suspended, they shall nevertheless be treated, for the purpose of this definition, as listed);

“Relevant Territory” shall mean Hong Kong or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a stock exchange in such territory;

“Seal” shall mean the common seal of the Company and any one or more facsimile seals from time to time of the Company for use in the Cayman Islands or in any place outside the Cayman Islands;

“Secretary” shall mean the person or corporation for the time being performing the duties of that office and includes any assistant, deputy, acting or temporary secretary;

“share” shall mean share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;

“shareholder” shall mean the duly registered holder from time to time of the shares in the capital of the Company;

“Statutes” shall mean the Companies Law Act and every other act, order regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum of Association and/or these presents;

“subsidiary” shall have the meanings ascribed to it by section 15 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as in force at the adoption of these Articles;

“substantial shareholder” shall mean a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the Listing Rules) of the voting power at any general meeting of the Company;

“Transfer Office” shall mean the place where the principal register of shareholders is situate for the time being;

“writing” or “printing” shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form, and including where the representation takes the form of electronic display, provided that the same is available for download onto a user’s computer or for printing through conventional small office equipment or is placed on the Company’s website and, in each case, the shareholder concerned (where the relevant provision of these Articles require the delivery or service of any document or notice on him in his capacity as shareholder) has elected for the receipt of the relevant download or notice through electronic means and both the mode of service of the relevant document or notice and the shareholder’s election comply with all applicable laws and regulations and the requirements of the stock exchange of the Relevant Territory.

- (B) In these Articles, unless there be something in the subject or context inconsistent herewith:

words denoting the singular shall include the plural and words denoting the plural shall include the singular;

words importing any gender shall include every gender and words importing persons shall include partnerships, firms, companies and corporations;

subject to the foregoing provisions of this Article, any words or expressions defined in the Companies Law Act (except any statutory modification thereof not in force when these Articles become binding on the Company) shall bear the same meaning in these Articles, save that “company” shall where the context permits include any company incorporated in the Cayman Islands or elsewhere; and

references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

- (C) At all times during the Relevant Period (but not otherwise) a resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such shareholders as, being entitled so to do, vote in person or by proxy or, in the cases of shareholders which are corporations, by their respective duly authorised representatives at a general meeting of which Notice has been duly given in accordance with Article 65.
- (D) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of such shareholders as, being entitled so to do, vote in person or, in the case of any shareholder being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting held in accordance with these presents and of which Notice has been duly given in accordance with Article 65.

- (E) A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of the persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purpose of these Articles, be treated as an Ordinary Resolution duly passed at a general meeting of the Company duly convened and held and, where relevant as a Special Resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last person to sign, and where the resolution states a date as being the date of his signature thereof by any shareholder the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, and signed by one or more relevant shareholders.
- (F) A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.
- ~~(G) Except during the Relevant Period, an Ordinary Resolution shall be effective of any purpose for which a Special Resolution is expressed to be required under any provision of these Articles.~~
2. Without prejudice to any other requirements of the Statutes and subject to Article 13, a Special Resolution shall be required to alter the memorandum of association of the Company, to approve any amendment of these presents or to change the name of the Company.

#### SHARES, WARRANTS AND MODIFICATION OF RIGHTS

3. Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Directors may determine) and any preference share maybe issued on the terms that it is liable to be redeemed upon the happening of a specified event or upon a given date and either at the option of the Company, or at the option of the holder.
4. The Directors may issue warrants to subscribe for any class of shares or securities of the Company, which warrants may be issued on such terms as the Directors may from time to time determine. Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Directors shall think fit with regard to the issue of any such replacement certificate.

5. (A) If at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Law Act, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class with voting rights or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class with voting rights. ~~To~~For every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum ~~(other than at an adjourned meeting)~~ shall be not less than two persons holding (or, in the case of a shareholder being a corporation, by its duly authorised representative) or representing by proxy one-third in nominal value of the issued shares of that class, ~~that the quorum for any meeting adjourned for want of quorum shall be two shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy (whatever the number of shares held by them).~~
- (B) The provisions of this Article shall apply to the variation or abrogation of the rights attached to the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied or abrogated.
- (C) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking pari passu therewith or in priority thereto.
- (D) No shares shall be issued to bearer.

#### **INITIAL CAPITAL STRUCTURE AND ALTERATIONS OF CAPITAL**

6. The authorised share capital of the Company on the date of its ~~incorporation~~adoption of these Articles is HK\$~~15,000,000~~150,000,000 divided into ~~1,500,000,000~~15,000,000,000 shares of HK\$0.01 each.
7. The Company in general meeting may from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by Ordinary Resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such class or classes and of such amounts in Hong Kong dollars or United States dollars or such other currency as the shareholders may think fit and as the resolution may prescribe.

8. Any new shares shall be issued upon such terms and conditions and with such rights, privileges or restrictions attached thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Statutes and of these Articles, as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special right or without any right of voting. The Company may, subject to the provisions of the Statutes, issue shares which are, or at the option of the Company or the holders are liable, to be redeemed.
9. The Directors may before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, and either at par or at a premium, to all the existing holders of any class of shares in proportion as nearly as may be to the number of shares of such class held by them respectively, or make any other provisions as to the allotment and issue of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.
10. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.
11. (A) All unissued shares and other securities of the Company shall be at the disposal of the Directors and they may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms (subject to Article 9) as they in their absolute discretion think fit, but so that no shares shall be issued at a discount. The Directors shall, as regards any offer or allotment of shares, comply with the provisions of the Companies ~~Law~~Act, if and so far as such provisions may be applicable thereto.

- (B) Neither the Company nor the Directors shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares or other securities of the Company, to make, or make available, and may resolve not to make, or make available, any such offer, option or shares or other securities to shareholders or others with registered addresses in any jurisdiction outside of the Relevant Territory, or in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Directors, be unlawful or impracticable, or the existence or extent of the requirement for such registration statement or special formalities might be expensive (whether in absolute terms or in relation to the rights of the shareholder(s) who may be affected) or time consuming to determine. The Directors shall be entitled to make such arrangements to deal with fractional entitlements arising on an offer of any unissued shares or other securities as they think fit, including the aggregation and the sale thereof for the benefit of the Company. Shareholders who may be affected as a result of any of the matters referred to in this paragraph (B) shall not be, and shall be deemed not to be, a separate class of shareholders for any purposes whatsoever.
12. (A) The Company may at any time pay commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies ~~Law~~Act shall be observed and complied with, and in each case the commission shall not exceed ten (10) per cent. of the price at which the shares are issued.
- (B) If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable within a period of one year, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and, subject to any conditions and restrictions mentioned in the Companies ~~Law~~Act, may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings, or the provision of the plant.

13. The Company may from time to time by Ordinary Resolution:

- (i) increase its share capital as provided by Article 7;
- (ii) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; and on any consolidation of fully paid shares into shares of larger amount, the Directors may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into a consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interest or may be paid to the Company for the Company's benefit;
- (iii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Companies Law Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares;
- (v) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
- (vi) make provision for the issue and allotment of shares which do not carry any voting rights; and
- ~~(vii) change the currency of denomination of its share capital.~~

The Company may apply the share premium account in any manner permitted by the Statutes. The Company shall at all times comply with the provisions of the Statutes in relation to its share premium account.

14. The Company may by Special Resolution reduce its share capital or undistributable reserve in any manner authorised, and subject to any conditions prescribed, by law.

#### PURCHASE OF OWN SECURITIES

15. Subject to the Statutes, the power of the Company to purchase or otherwise acquire its shares (including its redeemable shares) and warrants or other securities for the subscription or purchase of its own shares (including redeemable shares) shall be exercisable by the Directors upon such terms and subject to such conditions as they think fit, ~~provided that, in respect of a purchase of redeemable shares:~~

~~(i) the price per share for purchases proposed to be made otherwise than by tender in the manner prescribed in (ii) below or on or through a stock exchange on which such shares are listed with the consent of the Company shall not exceed one hundred (100) per cent. of the average closing prices for dealings in one or more board lots of such shares on the principal stock exchange on which the shares are traded for the five (5) trading days immediately before the date on which the purchase is made (whether conditionally or otherwise); and~~

~~(ii) where any such purchase is proposed to be made by tender, tenders shall be made available to all holders of such shares on the same terms.~~

#### REGISTER OF SHAREHOLDERS AND SHARE CERTIFICATES

16. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any shares except an absolute right to the entirety thereof of the registered holder.

17. (A) The Directors shall cause to be kept the Register and there shall be entered therein the particulars required under the Companies ~~Law~~Act.

(B) Subject to the provisions of the Companies ~~Law~~Act, if the Directors consider it necessary or appropriate, the Company may establish and maintain a local or branch register of shareholders at such location as the Directors think fit and, while the issued share capital of the Company is, with the consent of the Directors, listed on any stock exchange in Hong Kong, the Company shall keep its principal or a branch register of shareholders in Hong Kong.

- (C) For so long as any part of the share capital of the Company is listed on a stock exchange in Hong Kong, any ~~member~~shareholder may inspect the principal register or branch register of the Company maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and is subject to the Companies Ordinance (~~Cap. 32~~Chapter 622 of the Laws of Hong Kong). The Register including any overseas or local or other branch register of members may, subject to compliance with section 632 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), after notice has been given by advertisement in the Newspapers in accordance with the Listing Rules or by any electronic or other means in such manner as may be accepted by The Stock Exchange of Hong Kong Limited to that effect, be closed for inspection at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by the shareholders by Ordinary Resolution.
18. (A) Every person whose name is entered as a shareholder in the register upon the issue and allotment of a share shall be entitled without payment to receive within ten (10) business days after allotment (or within such other period as the conditions of issue shall provide or is required by the applicable rules of the stock exchange of the Relevant Territory) one certificate for all his shares, and in the case of a transfer or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot for the purposes of the stock exchange on which the shares are listed, upon payment of such sum (not exceeding in the case of any share capital listed on a stock exchange in Hong Kong, HK\$2.50 or such other sum as may from time to time be allowed or not prohibited under the rules of the relevant stock exchange in Hong Kong, and in the case of any other shares, such sum in such currency as the Directors may from time to time determine to be reasonable in the territory in which the relevant register is situated, or otherwise such other sum as the Company may by Ordinary Resolution determine) for every certificate (or in the case an issue and allotment of a share for every certificate after the first certificate) as the Directors may from time to time determine, such number of certificates for shares in stock exchange board lots or whole multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of the joint holders shall be sufficient delivery to all such holders.

- (B) The Company may, in the event of a change in the form of definitive share certificate adopted by the Directors, issue new definitive certificates to all holders of shares appearing on the Register in replacement of old definitive certificates issued to such holders. The Directors may resolve whether or not to require the return of the old certificates as a condition precedent to the issue of replacement certificates and, as regards any old certificates which have been lost or defaced, to impose such conditions (including as to indemnity) as the Directors shall see fit. If the Directors elect not to require the return of the old certificates, the same shall be deemed to have been cancelled and of no further effect for all purposes.
19. Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the Seal of the Company, which for this purpose may be a duplicate Seal.
20. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Directors may from time to time prescribe. A share certificate shall relate to only one class of shares, and where the capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those which carry the general right to vote at general meetings, must include the words “restricted voting” or “limited voting” or some other appropriate designation which is commensurate with the rights attaching to the relevant class of shares.
21. (A) The Company shall not be bound to register more than four persons as joint holders of any share.
- (B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notice and, subject to the provisions of these Articles, all or any other matter connected with the Company, except the transfer of the share.
22. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, (not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, HK\$2.50 or such other sum as may from time to time be allowed or not prohibited under the rules of the relevant stock exchange in Hong Kong, and, in the case of any other capital, such sum in such currency as the Directors may from time to time determine to be reasonable in the territory in which the relevant register is situated, or such other sum as the Company may by Ordinary Resolution determine) as the Directors shall from time to time determine and on such terms and conditions, if any, as to publication of notices, evidence and indemnity as the Directors think fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company all costs and out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

**LIEN**

23. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a shareholder, whether singly or jointly with any other person or persons, for all the debts and liabilities of such shareholder or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such shareholder, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such shareholder or his estate and any other person, whether a shareholder of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Directors may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempt wholly or partially from the provisions of this Article.
24. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given, in the manner in which notices may be sent to shareholders of the Company as provided in these Articles, to the registered holder for the time being of the shares or the person entitled by reason of such holder's death, bankruptcy or winding-up to the shares.
25. The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

**CALLS ON SHARES**

26. The Directors may from time to time make such calls as they may think fit upon the shareholders in respect of any moneys unpaid on the shares held by them respectively (whether on account of the nominal value of shares or by way of premiums) and not by the conditions of allotment thereof made payable at a fixed time. A call may be made payable either in one sum or by instalments.

27. Fourteen (14) clear days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
28. A copy of the notice referred to in Article 27 shall be sent to shareholders in the manner in which notices may be sent to shareholders by the Company as herein provided.
29. In addition to the giving of notice in accordance with Article 28, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the shareholders by notice to be inserted at least once in the Newspapers.
30. Every shareholder upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Directors shall appoint.
31. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
32. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.
33. The Directors may from time to time at its discretion extend the time fixed for any call, and may extend such time as regards all or any of the shareholders, whom due to residence outside the Relevant Territory or other cause the Directors may deem entitled to any such extension but no shareholder shall be entitled to any such extension except as a matter of grace and favour.
34. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding twenty (20) per cent. per annum as the Directors shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Directors may waive payment of such interest wholly or in part.
35. No shareholder shall be entitled to receive any dividend or bonus or to be present or vote (save as proxy for another shareholder) at any general meeting, either personally, or (save as proxy for another shareholder) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a shareholder until all calls or instalments due from him to the Company, whether alone or jointly or jointly and severally with any other person, together with interest and expenses (if any) shall have been paid.

36. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the shareholder sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution of the Directors making the call has been duly recorded in the minute book of the Directors; and that notice of such call was duly given to the shareholder sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
37. (A) Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium, shall for all purposes of these Articles be deemed to be a call duly made and notified and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified.
- (B) The Directors may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment.
38. The Directors may, if they think fit, receive from any shareholder willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty (20) per cent. per annum as the Directors may decide but a payment in advance of a call shall not entitle the shareholder to receive any dividend or to exercise any other rights or privileges as a shareholder in respect of the share or the due portion of the shares upon which payment has been advanced by such shareholder before it is called up. The Directors may at any time repay the amount so advanced upon giving to such shareholder not less than one (1) month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

### TRANSFER OF SHARES

39. Subject to the Companies Law Act, all transfers of shares shall be effected by transfer in writing in the usual or common form or (during the Relevant Period) in such standard form prescribed by the stock exchange in the Relevant Territory or in such other form as the Directors may accept and may be under hand only or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other means of execution as the Directors may approve from time to time.

40. The instrument of transfer of any share shall be executed by or on behalf of the transferor and the transferee provided that the Directors may dispense with the execution of the instrument of transfer by the transferor or the transferee or accept mechanically executed transfers in any case in which they in their absolute discretion think fit to do so. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
41. (A) The Directors may, in their absolute discretion, at any time and from time to time transfer any share on the principal register to any branch register of shareholders or any share on any branch register of shareholders to the principal register or any other branch register of shareholders.
- (B) Unless the Directors otherwise agree (which agreement may be on such terms and subject to such conditions as the Directors in their absolute discretion may from time to time stipulate, and which agreement they shall, without giving any reason therefor, be entitled in their absolute discretion to give or withhold) no shares on the principal register shall be transferred to any branch register nor shall shares on any branch register be transferred to the principal register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the principal register, at the Transfer Office. Unless the Directors otherwise agree, all transfers and other documents of title shall be lodged for registration with, and registered at, the relevant Registration Office.
- (C) Notwithstanding anything contained in this Article, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register and all branch registers in all respects in accordance with the Companies Law Act.
42. The Directors may, in their absolute discretion, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom they do not approve or any share issued under any share option scheme for employees upon which a restriction on transfer imposed thereby still subsists, and they may also refuse to register a transfer of any share (whether fully paid up or not) to more than four joint holders or a transfer of any shares (not being a fully paid up share) on which the Company has a lien.

43. The Directors may also decline to recognise any instrument of transfer unless:
- (i) such sum, if any, (not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, HK\$2.50 or such other sum as may from time to time be allowed or not prohibited under the rules of the relevant stock exchange in Hong Kong, and, in the case of any other capital, such sum in such currency as the Directors may from time to time determine to be reasonable in the territory in which the relevant register is situate, or such other sum as the Company may by Ordinary Resolution determine) as the Directors shall from time to time determine has been paid;
  - (ii) the instrument of transfer is lodged at the relevant Registration Office or, as the case may be, the Transfer Office accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);
  - (iii) the instrument of transfer is in respect of only one class of share;
  - (iv) the shares concerned are free of any lien in favour of the Company; and
  - (v) if applicable, the instrument of transfer is properly stamped.
44. The Directors may refuse to register a transfer of any share to an infant or to a person of unsound mind or under other legal disability.
45. If the Directors shall refuse to register a transfer of any share, they shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal and, except where the subject share is not a fully paid share, the reason(s) for such refusal.
46. Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him as provided in Article 18, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him as provided in Article 18. The Company shall retain the instrument of transfer.

47. The registration of transfers may be suspended and the register closed, on giving notice by advertisement in the Newspapers or by any electronic or other means in such manner as may be accepted by the stock exchange in the Relevant Territory, at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares, provided that subject to compliance with section 632 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) the register shall not be closed for periods exceeding in the whole thirty (30) days in any year. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by the shareholders by Ordinary Resolution.

### TRANSMISSION OF SHARES

48. In the case of the death of a shareholder, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
49. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a shareholder may, upon such evidence as to his title being produced as may from time to time be required by the Directors, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.
50. If the person becoming entitled to a share pursuant to Article 49 shall elect to be registered himself as the holder of such share, he shall deliver or send to the Company a notice in writing signed by him, at (unless the Directors otherwise agrees) the Registration Office, stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such share to his nominee. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the shareholder had not occurred and the notice or transfer were a transfer executed by such shareholder.
51. A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Directors may, if they think fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 77 being met, such a person may vote at general meetings of the Company.

**FORFEITURE OF SHARES**

52. If a shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 35, serve notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.
53. The notice shall name a further day (not earlier than the expiration of fourteen (14) clear days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made such place being the Registered Office or a Registration Office or another place within the Relevant Territory. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
54. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any share liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender.
55. Any share so forfeited shall be deemed to be the property of the Company, and may be re-allotted, sold or otherwise disposed of on such terms and in such manner as the Directors think fit and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.
56. A person whose shares have been forfeited shall cease to be a shareholder in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the forfeited shares, together with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until the date of actual payment (including the payment of such interest) at such rate not exceeding twenty (20) per cent. per annum as the Directors may prescribe, and the Directors may enforce the payment thereof if they think fit, and without any deduction or allowance for the value of the shares at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that such time has not yet arrived be deemed to be payable on the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

57. A certificate in writing that the declarant is a Director or the Secretary, and that a share in the Company has been duly forfeited or surrendered on a date stated in the certificate, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any re-allotment, sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is re-allotted, sold or disposed of and such person shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the subscription or purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, re-allotment, sale or disposal of the share.
58. When any share shall have been forfeited, notice of the forfeiture shall be given to the shareholder in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.
59. Notwithstanding any such forfeiture as aforesaid the Directors may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Directors think fit or permit the shares so forfeited to be bought back or redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares, and upon such further terms (if any) as they think fit.
60. The forfeiture of a share shall not prejudice the right of the Company to any call already made or any instalment payment thereon.
61. (A) The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
- (B) In the event of a forfeiture of shares the shareholder shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect.

## GENERAL MEETINGS

62. At all times during the Relevant Period (but not otherwise) the Company ~~shall in~~must for each financial year hold a general meeting as its annual general meeting ~~in addition to any other meeting in that year~~ and shall specify the meeting as such in the notice calling it; and ~~not more than fifteen months (or such longer period as may be permitted by the rules of the stock exchange on which any securities of the Company are listed with the permission of the Company) shall elapse between the date of one annual general meeting of the Company and that of the next~~such annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any). The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Directors and at such time and place as the Directors shall appoint. A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
63. All general meetings other than annual general meetings shall be called extraordinary general meetings.
64. The Directors may, whenever they think fit, convene an Extraordinary General Meeting. Extraordinary General Meetings shall also be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings (on a one vote per share basis). Such requisition shall be made in writing to the Directors or the Secretary for the purpose of requiring an Extraordinary General Meeting to be called by the Directors for the transaction of any business or resolution specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Directors fail to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the requisitionist(s) by the Company.

65. An annual general meeting ~~shall~~must be called by Notice of not less than twenty-one (21) clear days ~~and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by~~ Notice of not less than twenty-one (21) clear days ~~and not less than ten (10) clear business days~~. All ~~other~~ extraordinary general meetings ~~may~~must be called by Notice of not less than fourteen (14) clear days ~~and not less than ten (10) clear business days~~. The Notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:
- (i) in the case of a meeting called as the annual general meeting, by all the shareholders entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right of the total voting rights at the meeting of all the shareholders.
66. (A) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceedings at any such meeting.
- (B) In the case where forms of proxy or notice of appointment of corporate representative are sent out with any notice, the accidental omission to send such forms of proxy or notice of appointment of corporate representative to, or the non-receipt of such forms by, any person entitled to receive notice of the relevant meeting shall not invalidate any resolution passed or any proceeding at any such meeting.

## PROCEEDINGS AT GENERAL MEETINGS

67. (A) All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting with the exception of sanctioning dividends, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of or delegation of power to the Directors to fix the remuneration of the Auditors, and the voting of or delegation of power to the Directors to fix the ordinary or extra or special remuneration to the Directors, the grant of a general mandate to the Directors to allot, issue or deal with shares and to enter into agreements for such purposes, and the grant of a general mandate authorising Directors to exercise the power of the Company to repurchase its own securities.
- (B) During the Relevant Period (but not otherwise), neither the Memorandum of Association nor these Articles may be altered except by a Special Resolution.
68. For all purposes the quorum for a general meeting shall be two shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy, and entitled to vote. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting.
69. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of shareholders, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Directors, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the shareholder or his representative or proxy present (if the Company has only one shareholder), or the shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and entitled to vote shall be a quorum and may transact the business for which the meeting was called.
70. The Chairman (if any) of the Board or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy or Vice Chairman, or, if at any general meeting neither of such Chairman or Deputy or Vice Chairman is present within fifteen minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Directors present shall choose one of their number as Chairman of the meeting, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the shareholders present shall choose one of their number to be Chairman of the meeting.

71. The Chairman of the meeting may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no notice of an adjournment or of the business to be transacted at any adjourned meeting needs to be given nor shall any shareholder be entitled to any such notice. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
72. (A) At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every shareholder present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a shareholder which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its shareholders; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.
- (B) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
- (i) by at least three shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
  - (ii) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all shareholders having the right to vote at the meeting; or;
  - (iii) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a shareholder or in the case of a shareholder being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the shareholder.

73. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules.
74. In the case of an equality of votes, the Chairman of the meeting, shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive.
75. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman, the proceedings shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

## VOTES OF SHAREHOLDERS

76. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every shareholder present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid or credited as paid on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid on the share). On a poll a shareholder entitled to more than one vote need not use all his votes or cast all his votes in the same way. ~~A resolutions put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may, in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, in which case every Member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.~~
77. Any person entitled under Article 51 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Directors of his right to be registered as the holder of such shares or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
78. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased shareholder, and several trustees in bankruptcy or liquidators of a shareholder in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

79. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be delivered to such place or one of such places (if any) as is specified in accordance with these Articles for the deposit of instruments of proxy or, if no place is specified, at the Registration Office, not later than the latest time at which an instrument of proxy must, if it is to be valid for the meeting, be delivered.
80. Save as expressly provided in these Articles, no person other than a shareholder duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another shareholder) whether personally, by proxy or by attorney or to be reckoned in the quorum, at any general meeting.
81. (A) Subject to paragraph (B) of this Article 81, no objection shall be raised to the qualification of any person exercising or purporting to exercise a vote or the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive.
- (B) At all times during the Relevant Period (but not otherwise), where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder (whether by way of proxy or, as the case may be, corporate representative) in contravention of such requirement or restriction shall not be counted.
- (C) All shareholders shall have the right to (i) speak at a general meeting; and (ii) vote at a general meeting except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.
82. Any shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a shareholder of the Company. On a poll votes may be given either personally (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy shall be entitled to exercise the same powers on behalf of a shareholder who is an individual and for whom he acts as proxy as such shareholder could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a shareholder which is a corporation and for which he acts as proxy as such shareholder could exercise if it were an individual shareholder.

83. No appointment of a proxy shall be valid unless it names the person appointed and his appointor. The Directors may, unless they are satisfied that the person purporting to act as proxy is the person named in the relevant instrument for his appointment and the validity and authenticity of the signature of his appointor, decline such person's admission to the relevant meeting, reject his vote and no shareholder who may be affected by any exercise by the Directors of their power in this connection shall have any claim against the Directors or any of them nor may any such exercise by the Directors of their powers invalidate the proceedings of the meeting in respect of which they were exercised or any resolution passed or defeated at such meeting.
84. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
85. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a ~~notarially~~ certified copy of that power or authority shall be deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office) not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting in a case where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
86. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Directors may from time to time approve, provided that any form issued to a shareholder for use by him for appointing a proxy to attend and vote at ~~a special~~ an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the shareholder, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.
87. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

88. A vote given in accordance with the terms of an instrument of proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its Registration Office, or at such other place as is referred to in Article 85, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.
89. (A) Any corporation which is a shareholder of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise any person as it thinks fit to act as its representative at any meeting of the Company or of any class of shareholders of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual shareholder of the Company. References in these Articles to a shareholder present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a shareholder represented at the meeting by such duly authorised representative.
- (B) Where a shareholder is a clearing house (or its nominee(s)), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of shareholders provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, the right to speak and to vote, and where a show of hands is allowed, the right to vote individually on a show of hands.
90. Unless the Directors agree otherwise, an appointment of a corporate representative shall not be valid as against the Company unless:—
- (A) in the case of such an appointment by a shareholder which is a clearing house (or its nominee(s)), a written notification of the appointment issued by any director, the secretary or any authorised officer(s) of such shareholder shall have been delivered at such place or one of such places(if any) as is specified in the notice of meeting or in the form of notice issued by the Company, or, if no place is specified, at the principal place of business maintained by the Company in the Relevant Territory from time to time before the time of holding the meeting or adjourned meeting at which the person so authorised proposes to vote; and

- (B) in the case of such an appointment by any other corporate shareholder, a copy of the resolution of the governing body of the shareholder authorising the appointment of the corporate representative or a form of notice of appointment of corporate representative issued by the Company for such purpose or a copy of the relevant power of attorney, together with an up-to-date copy of the shareholder's constitutive documents and a list of directors or members of the governing body of the shareholder as at the date of such resolution (or, as the case may be, power of attorney), in each case certified by a director, secretary or a member of the governing body of that shareholder and notarised (or, in the case of a form of notice of appointment issued by the company as aforesaid, completed and signed in accordance with the instructions thereon or in the case of a power of attorney a notarised copy of the relevant authority under which it was signed), shall have been deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the form of notice issued by the Company as aforesaid (or, if no place is specified, at the Registration Office) not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the corporate representative proposes to vote.
91. No appointment of a corporate representative shall be valid unless it names the person authorised to act as the appointor's representative and the appointor is also named. The Directors may, unless they are satisfied that a person purporting to act as a corporate representative is the person named in the relevant instrument for his appointment, decline such person's admission to the relevant meeting and no shareholder who may be affected by any exercise by the Directors of their power in this connection shall have any claim against the Directors or any of them nor may any such exercise by the Directors of their powers invalidate the proceedings of the meeting in respect of which they were exercised or any resolution passed or defeated at such meeting.

#### REGISTERED OFFICE

92. The Registered Office of the Company shall be at such place in the Cayman Islands as the Directors shall from time to time appoint.

#### BOARD OF DIRECTORS

93. The number of Directors shall not be fewer than one. The Company shall keep at its Registered Office a register of its directors and officers in accordance with the Companies ~~Law~~Act.

94. A Director may at any time, by notice in writing signed by him delivered to the Registered Office or at the Head Office or at a meeting of the Directors, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director such appointment unless previously approved by the Directors shall have effect only upon and subject to being so approved. The appointment of an alternate Director shall determine on the happening of any event which were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director. An alternate Director may act as alternate to more than one Director.
95. (A) An alternate Director shall (subject to his giving to the Company an address, telephone and facsimile number within the territory of the Head Office for the time being for the giving of notices on him and except when absent from the territory in which the Head Office is for the time being situate) be entitled (in addition to his appointor) to receive and (in lieu of his appointor) to waive notices of meetings of the Directors and of any committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from the territory in which the Head Office is for the time being situate or otherwise not available or unable to act, his signature to any resolution in writing of the Directors or any such committee shall be as effective as the signature of his appointor. His attestation of the affixing of the Seal shall be as effective as the signature and attestation of his appointor. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
- (B) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the ordinary remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- (C) A certificate by a Director (including for the purpose of this paragraph (C) an alternate Director) or the Secretary that a Director (who may be the one signing the certificate) was at the time of a resolution of the Directors or any committee thereof absent from the territory of the Head Office or otherwise not available or unable to act or has not supplied an address, telephone and facsimile number within the territory of the Head Office for the purposes of giving of notice to him shall in favour of all persons without express notice to the contrary, be conclusive of the matter so certified.

96. A Director or an alternate Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and all meetings of any class of shareholders of the Company.
97. The Directors shall be entitled to receive by way of ordinary remuneration for their services as Directors such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the ordinary remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid or payable in respect of Directors' fees.
98. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from Directors' meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.
99. The Directors may grant special remuneration to any Director who shall perform or has performed any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.
100. Notwithstanding Articles 97, 98 and 99, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or an Executive Director or a Director appointed to any other office in the management of the Company may from time to time be fixed by the Directors and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.
101. (A) Payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director or past Director is contractually or statutorily entitled) must be approved by the Company in general meeting.

- (B) ~~The Company shall not make any loan, directly or indirectly, to a Director or a body corporate controlled by a Director or his close associate(s) if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated in Hong Kong. Except with the approval of, or ratified by, the Company in general meeting, the Company may not make any loans to, or provide any guarantee, indemnity or security in respect of any loan to a Director or any of his associates, provided that this Article does not prohibit the granting of any loan or the provision of any guarantee, indemnity or security:~~
- ~~(i) to be applied for, or is in respect of a liability incurred for, any business of the Company;~~
  - ~~(ii) for the purchase by a Director (or the repayment of a loan for his purchase) of a residence where the amount of the loan, the liability under the guarantee or indemnity or the value of the security does not exceed eighty (80) per cent. of the fair market value of such residence nor five (5) per cent. of the consolidated net asset value of the Company as shown in its latest audited accounts; provided that any such loan is on normal commercial terms and is secured by a legal charge over the residence; or~~
  - ~~(iii) of any amount to, or in respect of a liability of, a company in which the Company has an equity interest, and the amount of such loan, or the liability assumed by the Company under such guarantee, indemnity or security, does not exceed its proportional interest in such company.~~
- (C) ~~†~~The prohibitions prescribed by paragraphs (A) and (B) of this Article shall only apply during the Relevant Period.

102. A Director shall vacate his office:

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ii) if he becomes a lunatic or of unsound mind;
- (iii) if he absents himself from the meetings of the Directors during a continuous period of six months, without special leave of absence from the Directors, and his alternate Director (if any) shall not during such period have attended in his stead, and the Directors pass a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited by law from acting as a Director;

- (v) if he has been validly required by the stock exchange of the Relevant Territory to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement;
  - (vi) if by notice in writing delivered to the Company at its Registered Office or at the Head Office he resigns his office; or
  - (vii) if he shall be removed from office by an Ordinary Resolution of the Company under Article 111.
103. No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director by reason only of his having attained any particular age.
104. (A) A Director may hold any other office or place of profit with the Company (except that of Auditors) in conjunction with his office of Director for such period and upon such terms as the Directors may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Directors may determine, and such extra remuneration shall be in addition to any remuneration provided for, by or pursuant to any other Article.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditors) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (C) A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested, and shall not be liable to account to the Company or the shareholders for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Directors may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (D) A Director shall not vote or be counted in the quorum on any resolution of the Directors concerning his own appointment or the appointment of any of his close associates as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).

- (E) Where arrangements are under consideration concerning the appointment (including the arrangement, remuneration or variation of the terms thereof, or the termination thereof) of two or more Directors or any of the close associates of any such Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director or, as the case may be, the close associates of such Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment or the appointment of any of his close associates (or the arrangement or variation of the terms thereof, or the termination thereof) and (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director and his close associates in aggregate own five (5) per cent. or more of the issued shares of any class of the voting equity share capital of such company or of the voting rights of any class of shares of such company (other than shares which carry no voting rights at general meetings and no or nugatory dividend and return of capital rights).
- (F) Subject to the next paragraph of this Article, no Director or proposed or intended Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract with regard thereto or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the shareholders for any remuneration, profit or other benefits realised by any such contract or arrangement, by reason only of such Director holding that office or the fiduciary relationship thereby established.

- (G) If to the knowledge of a Director, he or any of his close associates, is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company, he shall declare the nature of his or, as the case may be, his close associate(s)' interest at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest or that of his close associates then exists, or in any other case at the first meeting of the Directors after he knows that he or his close associates is or has become so interested. For the purposes of this Article, a general notice to the Directors by a Director to the effect that (a) he or his close associates is a shareholder of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm or (b) he or his close associates is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him or any of his close associates, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Directors or the Director takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given.
- (H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Directors approving any contract or arrangement or proposal in which he or any of his close associates ~~is to his knowledge materially interested~~ has a material interest, and if he shall do so his vote shall not be counted (nor is he counted in the quorum for that resolution). Such Director shall physically absent himself from the relevant session of the meeting of the Directors at which matters relating to such contract or arrangement or proposal shall be considered by the Directors, before the other Directors discuss and decide on such matters, unless such Director is required to be present at that session of the meeting of the disinterested Directors by resolution of the remaining disinterested Directors (provided always that such Director may not vote and will not be counted in the quorum for the voting of the resolution relating to such contract or arrangement or proposal). The prohibition of this paragraph (H) shall not apply to any of the following matters namely:
- (i) ~~any contract or arrangement for the giving by the Company of any security or indemnity either:~~
- (a) ~~to the Director or his close associate(s) in respect of money lent or obligation incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any company in which the Company has interest of its subsidiaries; or~~

- ~~(b) (ii) any contract or arrangement for the giving by the Company of any security or indemnity to a third party in respect of a debt or obligation of the Company or any company of its subsidiaries for in which the Company has interest which the Director or his close associate(s) has himself/themselves guaranteed or secured or otherwise assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;~~
- ~~(iii) any contract or arrangement by the Director or his associates to subscribe for shares or debentures or other securities of the Company to be issued pursuant to any offer or invitation to the shareholders or debenture or securities holders of the Company or to the public which does not provide the Director or his associates any privilege not accorded to any other shareholders or debenture or securities holders of the Company or to the public;~~
- ~~(ivii) any contract or arrangement proposal concerning an offer of the shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer and/or for the purposes of making any representations, the giving of any covenants, undertakings or warranties or assuming any other obligations in connection with such offer;~~
- ~~(v) any contract or arrangement in which the Director or his associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their respective interest in shares or debentures or other securities of the Company and/or his/their being the offeror or one of the offerors or is interested in one of the offerors for the purchase or effective acquisition of such shares, debentures or other securities;~~
- ~~(vi) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme or personal pension plan under which a Director, his associate(s) and employees of the Company or of any of its subsidiaries may benefit and which has been approved by or is subject to and conditional on approval by the relevant taxing authorities for taxation purposes or relates both to Directors, associate(s) of Directors and employees of the Company or of any of its subsidiaries and does not give the Director or his associates any privilege not accorded to the class of persons to whom such scheme or fund relates;~~
- ~~(viii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:~~

- (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of the employees of the Company or its subsidiaries under which the Director or his associates may benefit; or
- (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (viiiiv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company any contract, transaction or proposal concerning the purchase and/or maintenance of any insurance policy for the benefit of any Director, his associate(s), officer or employee pursuant to these Articles.
- (I) If any question shall arise at any meeting of the Directors as to the materiality of the interest of a Director or any of his close associates as to the entitlement of any Director to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question (unless it relates to the Chairman) shall be referred to the Chairman and his ruling in relation to such Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned or his close associates as known to such Director has not been fairly disclosed to the other Directors. If any question as aforesaid shall arise in respect of the Chairman such question shall be decided by a resolution of the Directors (for which purpose the Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of the Chairman or his close associates as known to him has not been fairly disclosed to the other Directors.

- (J) The provisions of paragraphs (D), (E), (H) and (I) of this Article 104 shall apply during the Relevant Period but not otherwise. In respect of all periods other than the Relevant Period, a Director may vote in respect of any contract, arrangement or transaction or proposed contract, arrangement or transaction notwithstanding that he or any of his close associates is or may be interested therein and, if he does so, his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which any such contract, arrangement or transaction or proposed contract, arrangement or transaction shall come before the meeting for consideration provided that he has, where relevant, first disclosed his interest in accordance with paragraph (G).
- (K) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent permitted by the Listing Rules and any other applicable law or to ratify any transaction not duly authorised by reason of a contravention of this Article to the extent permitted by the Listing Rules and any other applicable law.

#### APPOINTMENT AND ROTATION OF DIRECTORS

105. (A) At each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Company at the general meeting at which a Director retires may fill the vacated office.
- (B) The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- (C) A Director is not required to retire upon reaching any particular age.
106. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:
- (i) it shall be determined at such meeting to reduce the number of Directors; or
  - (ii) it is expressly resolved at such meeting not to fill such vacated offices; or

- (iii) in any such case the resolution for re-election of a Director is put to the meeting and lost; or
- (iv) such Director has given notice in writing to the Company that he is not willing to be re-elected.
107. The Company in general meeting shall from time to time fix and may from time to time by Ordinary Resolution increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall not be fewer than one.
108. Subject to the Statutes and the provisions of these Articles, the Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an additional Director.
109. The Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed shall hold office only until the ~~next following~~first annual general meeting of the Company after his appointment and shall then be eligible for re-election ~~at the meeting~~ but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.
110. No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office at least seven (7) clear days before the date of the general meeting and the period for lodgement of such notices shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and shall be at least seven (7) clear days in length.
111. ~~The Company~~shareholders may, at any general meeting convened and held in accordance with these Articles, by Ordinary Resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may elect another person in his stead. Any person so elected shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

**BORROWING POWERS**

112. The Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.
113. The Directors may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular but subject to the provisions of the Companies ~~Law~~Act, by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
114. Debentures, debenture stock, bonds and other securities (other than shares which are not fully paid) may be made assignable free from any equities between the Company and the person to whom the same may be issued.
115. Any debentures, debenture stock, bonds or other securities (other than shares) may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment or subscription of or conversion into shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.
116. The Directors shall cause a proper register to be kept, in accordance with the provisions of the Companies ~~Law~~Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with such provisions of the Companies ~~Law~~Act with regard to the registration of mortgages and charges as may be specified or required.
117. If the Company issues a series of debentures or debenture stock not transferable by delivery, the Directors shall cause a proper register to be kept of the holders of such debentures.
118. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.

**MANAGING DIRECTORS, ETC.**

119. The Directors may from time to time appoint any one or more of them to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the business of the Company as they may decide for such period and upon such terms as they think fit and upon such terms as to remuneration as they may decide in accordance with Article 100.
120. Every Director appointed to an office under Article 119 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company, be liable to be dismissed or removed therefrom by the Directors.
121. A Director appointed to an office under Article 119 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
122. The Directors may from time to time entrust to and confer upon a Chairman, Deputy Chairman, Vice Chairman, Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Directors that they may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Directors may from time to time make and impose, and, subject to the terms thereof, the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.
123. The Directors may from time to time appoint any person to an office or employment having a designation or title including the word “Director” or attach to any existing office or employment with the Company such a designation or title. The inclusion of the word “Director” in the designation or title of any office or employment with the Company (other than the office of Managing Director or Joint Managing Director or Deputy Managing Director or Executive Director) shall not imply that the holder thereof is a Director nor shall such holder be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles.

**MANAGEMENT**

124. The management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities by these Articles expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Statutes expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Statutes and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
125. Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Directors shall have the following powers:
- (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium and on such other terms as may be agreed; and
  - (b) to give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

**MANAGERS**

126. The Directors may from time to time appoint a general manager, manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.
127. The appointment of such general manager, manager or managers may be for such period as the Directors may decide and the Directors may confer upon him or them all or any of the powers of the Directors and such title or titles as they may think fit.
128. The Directors may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as they may in their absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

**CHAIRMAN AND OTHER OFFICERS**

129. The Directors may from time to time elect or otherwise appoint one of them to the office of Chairman of the Company and another to be the Deputy or Vice Chairman (or two or more Deputy or Vice Chairman) and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy or Vice Chairman shall preside as chairman at meetings of the Directors, but if no such Chairman or Deputy or Vice Chairman be elected or appointed, or if at any meeting the Chairman or Deputy or Vice Chairman is not present within five minutes after the time appointed for holding the same and willing to act, the Directors present shall choose one of their number to be chairman of such meeting. All the provisions of Articles 100, 120, 121 and 122 shall mutatis mutandis apply to any Directors elected or otherwise appointed to any office in accordance with the provisions of this Article.

**PROCEEDINGS OF THE DIRECTORS**

130. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum separately in respect of himself (if a Director) and in respect of each Director for whom he is an alternate and his voting rights shall be cumulative and he need not use all his votes or cast all his votes in the same way. A meeting of the Directors or any committee of the Directors may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. Notwithstanding any common law rule to the contrary, a meeting of the Directors may be constituted by one Director.
131. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors which may be held in any part of the world but no such meeting shall be summoned to be held outside the territory in which the Head Office is for the time being situate without the prior approval of the Directors. Notice of a Directors' meeting shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or in such other manner as the Directors may from time to time determine. A Director absent or intending to be absent from the territory in which the Head Office is for the time being situate may request the Directors or the Secretary that notices of Directors' meetings shall during his absence be sent in writing to him at his last known address, facsimile or telex number or any other address, facsimile or telex number given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Directors' meeting to any Director who is for the time being absent from such territory.

132. Questions arising at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes the chairman of the meeting shall have a second or casting vote.
133. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Directors generally.
134. The Directors may delegate any of their powers to committees consisting of such member(s) of them and such other person(s) as they think fit, and they may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Directors.
135. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Directors, and the Directors shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
136. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not replaced by any regulations imposed by the Directors pursuant to Article 134.
137. All acts bona fide done by any meeting of the Directors or by any such committee or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.
138. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.
139. (A) A resolution in writing signed by all the Directors (or their alternate Directors) shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. Any such resolutions in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

- (B) Where a Director is, on the date on which a resolution in writing is last signed by a Director, absent from the territory in which the Head Office is for the time being situated, or cannot be contacted at his last known address or contact telephone or facsimile number, or it temporarily unable to act through ill-health or disability and, in each case, his alternate (if any) is affected by any of these events, the signature of such Director (or his alternate) to the resolution shall not be required, and the resolution in writing, so long as such a resolution shall have been signed by at least two Directors or their alternates who are entitled to vote thereon or such number of Directors as shall form a quorum, shall be deemed to have been passed at a meeting of Directors duly convened and held, provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors (or their alternates) for the time being entitled to receive notices of meetings of the Directors at their respective last known address, telephone or facsimile number or, if none, at the Head Office and provided further that no Director is aware of or has received from any Director any objection to the resolution. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.
- (C) A certificate signed by a Director (who may be one of the signatories to the relevant resolution in writing) or the Secretary as to any of the matters referred to in paragraph (A) or (B) of this Article shall in the absence of express notice to the contrary of the person relying thereon, be conclusive of the matters stated on such certificate.

#### MINUTES AND CORPORATE RECORDS

140. (A) The Directors shall cause minutes to be made of:
- (i) all appointments of officers made by them;
  - (ii) the names of the Directors present at each meeting of the Directors and the names of the members present at each meeting of managers and committees appointed pursuant to Articles 126 and 134; and
  - (iii) all resolutions and proceedings at all meetings of the Company and of the Directors and of such managers and committees.
- (B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting.

- (C) The Directors shall duly comply with the provisions of the Companies ~~Law~~Act in regard to keeping a register of shareholders and to the production and furnishing of copies of or extracts from such register.
- (D) Any register, index, minute book, book of account or other book required by these presents or the Statutes to be kept by or on behalf of the Company may be kept in writing on one or more sheets in bound or unbound books.

### SECRETARY

141. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may, without prejudice to his right under any contract with the Company, be removed by the Directors. Anything by the Statutes or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially on behalf of the Directors. If the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised.
142. The Secretary shall attend all meetings of the shareholders and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Companies ~~Law~~Act and these Articles, together with such other duties as may from time to time be prescribed by the Directors.
143. A provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

### GENERAL MANAGEMENT AND USE OF THE SEAL

144. (A) Subject to the Statutes, the Company shall have one or more Seals as the Directors may determine, and may have a Seal for use outside the Cayman Islands. The Directors shall provide for the safe custody of each Seal, and no Seal shall be used without the authority of the Directors or a committee authorised by the Directors in that behalf.
- (B) Every instrument to which a Seal shall be affixed shall be signed autographically by one Director and the Secretary, or by two Directors, or by some other person(s) appointed by the Directors for the purpose, provided that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature other than autographic as specified in such resolution.

145. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, indorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Directors shall from time to time determine.
146. (A) The Directors may from time to time and at any time, by power of attorney under the Seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to subdelegate all or any of the powers, authorities and discretions vested in him.
- (B) The Company may, by writing under its Seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the Seal duly affixed by the Company.
147. The Directors may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Relevant Territory or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or agent any of the powers, authorities and discretions vested in the Directors (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any regional or local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

148. The Directors may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds or personal pension plans for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the spouses, widows, widowers, families and dependants of any such persons. The Directors may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Directors may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

#### AUTHENTICATION OF DOCUMENTS

149. (A) Any Director or the Secretary or other authorised officer of the Company shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies of extracts; and where any books, records, documents or accounts are elsewhere than at the Registered Office or the Head Office, the local manager or such other officer of the Company having the custody thereof shall be deemed to be the authorised officer of the Company as aforesaid.

(B) A document purporting to be a document so authenticated or a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any local board or committee, or of any books, records, documents or accounts or extracts therefrom as aforesaid, and which is certified as aforesaid, shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that the document authenticated (or, if this be authenticated as aforesaid, the matter so authenticated) is authentic or, as the case may be, that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting or, as the case may be, that the copies of such books, records, documents or accounts were true copies of their originals or, as the case may be, the extracts of such books, records, documents or accounts have been properly extracted and are true and accurate records of the books, records, documents or accounts from which they were extracted.

**CAPITALISATION OF RESERVES**

150. (A) The Company in general meeting may, upon the recommendation of the Directors, resolve to capitalise any sum standing to the Company's reserves (including any share premium account or undistributable reserve;) or any undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, by appropriating such sum or profits to the holders of shares on the register at the close of business on the date of the relevant resolution (or such other date as may be specified therein or determined as provided therein) in the proportion in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend on shares either in or towards paying up any amounts for the time being unpaid on any shares held by such shareholders respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such shareholders in the proportion aforesaid, or partly in one way and partly in the other.
- (B) Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Article, the Directors may settle any difficulty which may arise in regard to a capitalisation issue as they think fit, and in particular may disregard fractional entitlements or round the same up or down and may determine that cash payments shall be made to any shareholders in lieu of fractional entitlements or that fractions of such value as the Directors may determine may be disregarded in order to adjust the rights of all parties or that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the shareholders concerned, and no shareholders who are affected thereby shall be deemed to be, and they shall be deemed not to be, a separate class of shareholders for any purposes whatsoever. The Directors may authorise any person to enter on behalf of all shareholders interested in a capitalisation issue any agreement with the Company or other(s) providing for such capitalisation and matters in connection therewith and any agreement made under such authority shall be effective and binding upon all concerned. Without limiting the generality of the foregoing, any such agreement may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.
- (C) The provisions of paragraph (E) of Article 157 shall apply to the power of the Company to capitalise under this Article as it applies to the grant of election thereunder mutatis mutandis and no shareholder who may be affected thereby shall be, and they shall be deemed not to be, a separate class of shareholders for any purpose whatsoever.

**DIVIDENDS AND RESERVES**

151. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Directors.
152. (A) The Directors may subject to Article 153 from time to time pay to the shareholders such interim dividends as appear to the Directors to be justified by the financial conditions and the net realisable value of the assets of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer to the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.
- (B) The Directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Directors are of the opinion that the financial conditions and the net realisable value of the assets of the Company justify the payment.
- (C) The Directors may in addition from time to time declare and pay special dividends of such amounts and on such dates and out of such distributable funds of the Company (including share premium) and as they think fit, and the provisions of paragraph (A) of this Article as regards the power and exemption from liability of the Directors as relate to the declaration and payment of interim dividends shall apply, mutatis mutandis, to the declaration and payment of any such special dividends.
153. (A) No dividend shall be declared or paid ~~shall be made~~ otherwise than in accordance with the Statutes.
- (B) Subject to the provisions of the Companies ~~Law~~Act (but without prejudice to paragraph (A) of this Article), where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company, and be available for dividend accordingly. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof or to apply the same towards reduction of or writing down the book cost of the asset, business or property acquired.

- (C) Subject to paragraph (D) of this Article all dividends and other distributions in respect of shares in the Company shall be stated and discharged, in the case of shares denominated in Hong Kong dollars, in Hong Kong dollars, and in the case of shares denominated in United States dollars, in United States dollars, provided that, in the case of shares denominated in Hong Kong dollars, the Directors may determine in the case of any distribution that shareholders may elect to receive the same in United States dollars or any other currency selected by the Directors, converted at such rate of exchange as the Directors may determine.
- (D) If, in the opinion of the Directors, any dividend or other distribution in respect of shares or any other payment to be made by the Company to any shareholder is of such a small amount as to make payment to that shareholder in the relevant currency impracticable or unduly expensive either for the Company or the shareholder then such dividend or other distribution or other payment may, at the absolute discretion of the Directors, be, if this be practicable, converted at such rate of exchange as the Directors may determine and paid or made in the currency of the country of the relevant shareholder (as indicated by the address of such shareholder on the Register).
154. ~~[Reserved] Notice of the declaration of an interim dividend shall be given by advertisement in the Relevant Territory and in such other territory or territories and in such manner as the Directors shall determine.~~
155. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

156. Whenever the Directors have or the Company in general meeting has resolved that a dividend be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, with or without offering any rights to shareholders to elect to receive such dividend in cash, and where any difficulty arises in regard to the distribution the Directors may settle the same as they think expedient, and in particular may disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any shareholders upon the footing of the value so fixed in order to adjust the rights of all parties and may determine that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the shareholders concerned, and may vest any such specific assets in trustees as may seem expedient to the Directors and may authorise any person to sign any requisite instruments of transfer and other documents on behalf of all shareholders interested in the dividend and such instrument and document shall be effective. The Directors may further authorise any person to enter into on behalf of all shareholders having an interest in any agreement with the Company or other(s) providing for such dividend and matters in connection therewith and any such agreement made under such authority shall be effective. The Directors may resolve that no such assets shall be made available or made to shareholders with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Directors, be unlawful or impracticable or the legality or practicality of which may be time consuming or expensive to ascertain whether in absolute terms or in relation to the value of the holding of shares of the shareholder concerned and in any such event the only entitlement of the shareholders aforesaid shall be to receive cash payments as aforesaid. Shareholders affected as a result of exercise by the Directors of their discretion under this Article shall not be, and shall be deemed not to be, a separate class of shareholders for any purposes whatsoever.
157. (A) Whenever the Directors or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Directors may further resolve:
- either
- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:
- (a) the basis of any such allotment shall be determined by the Directors;

- (b) the Directors, after determining the basis of allotment, shall give not less than fourteen (14) clear days' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, or share premium account (if there be any such reserve)) as the Directors may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis;

or

- (ii) that shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply:
  - (a) the basis of any such allotment shall be determined by the Directors;
  - (b) the Directors, after determining the basis of allotment, shall give not less than fourteen (14) clear days' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company’s reserve accounts (including any special account, contributed surplus account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Directors may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.
- (B) The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the shares then in issue and held by the allottee in respect of which they were allotted, save only as regards participation:
- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
  - (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Directors of their proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Directors shall have specified that the shares to be allotted pursuant to the provisions of paragraph (A) of this Article shall rank for participation in such distribution, bonus or rights.
- (C) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article with full power to the Directors to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the shareholders concerned), and no shareholders who will be affected thereby shall be, and they shall be deemed not to be, a separate class of shareholders for any purposes whatsoever. The Directors may authorise any person to enter into on behalf of all shareholders interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

- (D) The Company may upon the recommendation of the Directors by Ordinary Resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (E) The Directors may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful or impracticable or the legality or practicability of which may be time consuming or expensive to ascertain whether in absolute terms or in relation to the value of the holding of shares of the shareholder concerned, and in such event the provisions aforesaid shall be read and construed subject to such determination and no shareholder who may be affected by any such determination shall be, and they shall be deemed not to be, a separate class of shareholders for any purposes whatsoever.
158. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think fit as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (including in the repurchase by the Company of its own securities or the giving of any financial assistance for the acquisition of its own securities) as the Directors may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to distribute by way of dividend.
159. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

160. (A) The Directors may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (B) The Directors may deduct from any dividend or other money payable to any shareholder all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.
161. Any general meeting sanctioning a dividend may make a call on the shareholders of such amount as the meeting fixes, but so that the call on each shareholder shall not exceed the dividend payable to him, and so that the call shall be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the shareholder, be set off against the call.
162. A transfer of shares shall not, as against the Company but without prejudice to the rights of the transferor and transferee inter se, pass the right to any dividend or bonus declared thereon before the registration of the transfer.
163. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends and other moneys payable and bonuses, rights and other distributions in respect of such shares.
164. Unless otherwise directed by the Directors, any dividend or other moneys payable or bonuses, rights or other distributions in respect of any share may be paid or satisfied by cheque or warrant or certificate or other documents or evidence of title sent through the post to the registered address of the shareholder entitled, or, in the case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque, warrant, certificate or other document or evidence of title so sent shall be made payable to the order of the person to whom it is sent or, in the case of certificates or other documents or evidence of title as aforesaid, in favour of the shareholder(s) entitled thereto, and the payment on any such cheque or warrant by the banker upon whom it is drawn shall operate as a good discharge to the Company in respect of the dividend and/or other moneys represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Every such cheque, warrant, certificate or other document or evidence of title as aforesaid shall be sent at the risk of the person entitled to the dividend, money, bonus, rights and other distributions represented thereby.

165. All dividends, bonuses or other distributions or the proceeds of the realisation of any of the foregoing unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and, notwithstanding any entry in any books of the Company or otherwise howsoever, the Company shall not be constituted a trustee in respect thereof. All dividends, bonuses or other distributions or the proceeds of the realisation of any of the foregoing unclaimed for six years after having been declared may be forfeited by the Directors and, upon such forfeiture, shall revert to the Company and, in the case where any of the same are securities of the Company, may be re-allotted or re-issued for such consideration as the Directors think fit and the proceeds thereof shall accrue to the benefit of the Company absolutely.

#### **RECORD DATE**

166. Any resolution declaring a dividend or other distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable or made to the persons registered as the holder of such shares at the close of business on a particular date or at a particular time on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or other distribution shall be payable or made to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend or other distribution between the transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to bonuses, capitalisation issues, distributions of realised and unrealised capital profits or other distributable reserves or accounts of the Company and offers or grants made by the Company to the shareholders. Notwithstanding any other provision of these Articles, the Company may fix any date as the record date for determining the shareholders entitled to receive notice of and to vote at any general meeting of the Company.

#### **DISTRIBUTION OF REALISED CAPITAL PROFITS**

167. The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same and not required for the payment or provision of any fixed preferential dividend instead of being applied in the purchase of any other capital assets or for other capital purposes be distributed amongst its shareholders on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided that no such surplus moneys as aforesaid shall be so distributed unless the Company will remain solvent after the distribution, or the net realisable value of the assets of the Company will after the distribution be greater than the aggregate of its liabilities, share capital and share premium account.

**ANNUAL RETURNS**

168. The Directors shall make or cause to be made such annual or other returns or filings as may be required to be made in accordance with the Statutes.

**ACCOUNTS**

169. The Directors shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place; and of the property, assets, credits and liabilities of the Company and of all other matters required by the Statutes or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.
170. The books of account shall be kept at the Head Office or at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors.
171. No shareholder (not being a Director) or other person shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Directors or the Company in general meeting.
172. (A) The Directors shall from time to time cause to be prepared and laid before the Company at its annual general meeting profit and loss accounts, balance sheets, group accounts (if any) and reports and, so long as any shares in the Company are with the consent of the Company listed on The Stock Exchange of Hong Kong Limited, the accounts of the Company shall be prepared and audited based on the generally accepted accounting principles of Hong Kong, the International Financial Reporting, or such other standards as may be permitted by the stock exchange in the Relevant Territory on which any of the shares in the Company are with the consent of the Company listed on such exchange, and the accounting principles or standards adopted shall be disclosed in the financial statements and the report of the Auditors.

- (B) Every balance sheet of the Company shall be signed on behalf of the Directors by two of the Directors and a copy of every balance sheet (including every document required by law to be comprised therein or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the Auditors' report thereon, shall not less than twenty-one (21) days before the date of the meeting be sent to every shareholder of, and every holder of debentures of, the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of these Articles, provided that this Article shall not affect the operation of paragraph (C) of this Article, or require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures, but any shareholder or holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Head Office or the Registration Office. If all or any of the shares or debentures or other securities of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange or market, there shall be forwarded to such stock exchange or market such number of copies of such documents as may for the time being be required under its regulations or practice.
- (C) Subject to due compliance with the Statutes and the rules of the stock exchange in the Relevant Territory, and to obtaining all necessary consents, if any, required thereunder and such consents being in full force and effect, the requirements of Article 172(B) shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes and instead of such copies, a summary financial statement derived from the Company's annual financial statements and the directors' report thereon, which shall be in the form and containing the information required by applicable laws and regulation, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the directors' report thereon.

## AUDITORS

173. (A) The Company shall at each annual general meeting by Ordinary Resolution appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Directors, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of the Company or of any of its subsidiaries or a partner, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditor or Auditors (if any) may act. The remuneration of the Auditors shall be fixed by ~~or on the authority of the Company~~ Ordinary Resolution in the annual general meeting except that in any particular year the Company in general meeting may by Ordinary Resolution delegate the fixing of such remuneration to the Directors and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.
- (B) The shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditor or Auditors by ~~Special~~ Ordinary Resolution at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint another Auditor in its place for the remainder of the term.
174. The Auditors of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information as may be necessary for the performance of his or their duties, and the Auditors shall make a report to the shareholders on the accounts examined by them and on every balance sheet, consolidated balance sheet and consolidated profit and loss account intended to be laid before the Company in the annual general meeting during their tenure of office.
175. No person other than the retiring Auditors shall be appointed as Auditors at an annual general meeting unless notice of an intention to nominate that person to the office of Auditors has been given to the Company not less than fourteen (14) clear days before the annual general meeting, and the Company shall send a copy of any such notice to the retiring Auditors and shall give notice thereof to the shareholders not less than seven (7) days before the annual general meeting provided that the above requirement for sending a copy of such notice to the retiring Auditors may be waived by notice in writing by the retiring Auditors to the Secretary.
176. All acts done by any person acting as Auditors shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in their appointment or that they were at the time of their appointment not qualified for appointment or subsequently became disqualified.

## NOTICES

177. (A) Subject to Article 177(B), any notice or document to be given or issued under these Articles shall be in writing, and may be served by the Company on any shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by delivering or leaving it at such registered address as aforesaid or ~~(in the case of a notice)~~ by advertisement in the Newspapers or displaying the relevant notice conspicuously at the Registered Office and the Head Office. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

(B) Subject to due compliance with the rules of the stock exchange in the Relevant Territory, and to obtaining all necessary consents, if any, required and such consents being in full force and effect, any notice or document (including any document or notice issued or to be issued by the Company for the information and/or action of holders of any of its securities and whether or not given or issued under these Articles) may also be served by the Company on any shareholder or holder of other securities of the Company by electronic means:

- (i) at his electronic address or website as appearing in the Register (if any); or
- (ii) at any other electronic address or website supplied by him to the Company for the purpose of such transmission; or
- (iii) by placing it on the Company's website provided that where the relevant documents are the Company's directors' report, annual financial statements, auditors' report, interim report (and, where applicable, summary interim report) and, where Article 172(C) applies, a summary financial statement, any service of such documents by placing on the Company's website shall also be accompanied by a notice of the publication ("**notice of publication**") of such documents on the Company's website given to the shareholder concerned in the manner referred to in Article 177(A) or in any other manner agreed between the shareholder concerned and the Company;

provided that (aa) in the case of joint holders of share, any consent required from the shareholder concerned for the purposes of this Article 177(B) shall be given by that one of the joint holders who is entitled to receive notice pursuant to Article 177(A); and (bb) the Company may, for the purposes of this Article 177(B), propose to its shareholders any one or more or all of the above means of electronic communication.

178. (A) Any shareholder whose registered address is outside the Relevant Territory may notify the Company in writing of an address in the Relevant Territory which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the shareholder is outside the Relevant Territory, notice, if given through the post, shall be sent by prepaid airmail letter where available.

- (B) Any shareholder who fails (and, where a share is held by joint holders, where the first joint holder named on the register fails) to supply his registered address or electronic address (as the case may be) or a correct registered address or electronic address (as the case may be) to the Company for service of notices and documents on him shall not (and where a share is held by joint holders, none of the other joint holders whether or not they have supplied a registered address or electronic address (as the case may be) shall) be entitled to service of any notice or documents by the Company and any notice or document which is otherwise required to be served on him may, if the Directors in their absolute discretion so elect (and subject to them re-electing otherwise from time to time), be served, in the case of notices, by displaying a copy of such notice conspicuously at the Registered Office and the Head Office or, if the Directors see fit, by advertisement in the Newspapers, and, in the case of documents, by posting up a notice conspicuously at the Registered Office and the Head Office addressed to such shareholder which notice shall state the address within the Relevant Territory at which he may obtain a copy of the relevant document, or by displaying or otherwise making available the relevant notice or document on the Company's website and stating the address within the Relevant Territory at which he may obtain a copy of the notice or document. Any notice or document served in the manner so described shall be sufficient service as regards shareholders with no registered or electronic address (as the case may be) or incorrect addresses, provided that nothing in this paragraph (B) shall be construed as requiring the Company to serve any notice or document on any shareholder with no or an incorrect registered address or electronic address (as the case may be) for the service of notice or document on him or on any shareholder other than the first named on the register of members of the Company.
- (C) If on three consecutive occasions notices or other documents have been sent through the post to any shareholder (or, in the case of joint holders of shares, the first holder named on the register) at his registered address or by electronic means to his electronic address or website (in the event that the shareholder concerned has elected for service of any notice or document at this electronic address or website pursuant to Article 177(B)) but have been returned undelivered, such shareholder (and, in the case of joint holders of a share, all other joint holders of the share) shall not thereafter be entitled to receive or be served (save as the Directors may elect otherwise pursuant to paragraph (B) of this Article) and shall be deemed to have waived the service of notices and other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or electronic address (in the event that the shareholder concerned has elected for service of any notice or document at his electronic address or website pursuant to Article 177(B)) for the service of notices on him.

- (D) Notwithstanding any election by a membershareholder, if the Company is advised that the sending of any notice or other document to any electronic address supplied by a shareholder may or might infringe the law of any relevant jurisdiction, or if the Company cannot verify the location of the server at which the electronic address of the membershareholder located, the Company may in lieu of the sending of any notice or other document to the electronic address supplied by the shareholder concerned, place the same on the Company's website, and any such placement shall be deemed effective service on the shareholder, and the relevant notice and document shall be deemed to be served on the shareholder on which the same is first placed on the Company's website.
- (E) Notwithstanding any election by a membershareholder from time to time to receive any notice or document through electronic means, such membershareholder may, at any time require the Company to send to him, in addition to an electronic copy thereof a printed copy of any notice or document which he, in his capacity as shareholder, is entitled to receive.
179. (A) Any notice or document sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office situated within the Relevant Territory and in proving such service it shall be sufficient to prove that the envelope or wrapper containing notice or document was properly prepaid (and in the case of an address outside the Relevant Territory where airmail service is available, airmail postage prepaid), addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Directors that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof.
- (B) A notice served by advertisement in the Newspapers shall be deemed to have been served on the day on which the notice is first published.
- (C) Any notice or document sent by electronic transmission shall be deemed to have been served on the day on which the notice is sent.
- (D) Any notice or document placed on the Company's website is deemed given by the Company to a shareholder on the day the notice or document is placed on the Company's website except where the document is the Company's directors' report, annual financial statements or auditors' report and, where applicable, summary financial statement, then such document shall be deemed to be served on the day following that on which a notice of publication is deemed served on the shareholder.
- (E) A notice served by display of the same at the Registered Office and Head Office shall be deemed to have been served 24 hours after the notice was first so displayed.
- (F) Any notice or document served pursuant to Article 178(B) shall be deemed duly served 24 hours after the relevant notice was first displayed.

180. A notice or document may be given by the Company to the person entitled to a share in consequence of the death, mental disorder, bankruptcy or liquidation of a shareholder by sending it through the post in a prepaid envelope or wrapper addressed to him by name, or by the title of representative of the deceased, the trustee of the bankrupt or the liquidation of the shareholder, or by any like description, at the address (including electronic address), if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice or document in any manner in which the same might have been given if the death, mental disorder, bankruptcy or winding up had not occurred.
181. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly served or deemed to have been duly served to the person from whom he derives his title to such share.
182. Any notice or document delivered or sent by post or electronic means to, or left at the registered address of any shareholder in pursuance of these presents, shall notwithstanding that such shareholder be then deceased, bankrupt or wound up and whether or not the Company has notice of his death, bankruptcy or winding up, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such shareholder until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.
183. The signature to any notice or document to be given by the Company may be written or printed.

#### INFORMATION

184. No shareholder (not being a Director) shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company which in the opinion of the Directors it will be inexpedient in the interests of the shareholders of the Company to communicate to the public.

#### WINDING UP

185. A resolution that the Company be wound up by the Court or be wound up voluntarily shall be passed by way of a Special Resolution.

186. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the shareholders in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed, subject to the rights of any shares which may be issued on special terms and conditions, so that, as nearly as may be, the losses shall be borne by the shareholders in proportion to the capital paid on the shares held by them respectively.
187. If the Company shall be wound up (whether the liquidation is voluntary or ordered or sanction by the court) the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Companies Law Act, divide among the shareholders in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders and the shareholders within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of shareholders as the liquidator, with the like sanction, shall think fit, but so that no shareholder shall be compelled to accept any shares or other assets upon which there is a liability.

#### INDEMNITY

188. The Directors, Managing Directors, alternate Directors, Auditors, Secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own fraud or dishonesty, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may arise in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own fraud or dishonesty. The Company may take out and pay the premium and other moneys for the maintenance of insurance, bonds and other instruments for the benefit either of the Company or the Directors (and/or other officers) or any of them to indemnify the Company and/or the Directors (and/or other officers) named therein for this purpose against any loss, damage, liability and claim which they may suffer or sustain in connection with any breach by the Directors (and/or other officers) or any of them of their duties to the Company.

## UNTRACEABLE SHAREHOLDERS

189. The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered. The provisions of this Article shall apply to certificates of and other documents or evidence of title to, and proceeds of realisation of, distributions on shares other than money.
190. (A) The Company shall have the power to sell, in such manner as the Directors think fit, any shares of a shareholder who is untraceable, but no such sale shall be made unless:
- (i) during the period of twelve (12) years prior to the date of publication of the advertisements referred to in sub-paragraph (ii) below (or, if published more than once, the first thereof) at least three dividends or other distributions in respect of the shares in question have become payable or been made and no dividend or other distribution in respect of the shares has been claimed;
  - (ii) the Company has caused an advertisement to be inserted in the Newspapers of its intention to sell such shares and a period of three months has elapsed since the date of such advertisement (or, if published more than once, the first thereof);
  - (iii) the Company has not at any time during the said periods of twelve years and three months received any indication of the existence of the shareholder who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
  - (iv) the Company has notified the stock exchange in the Relevant Territory of its intention of such sale.
- (B) To give effect to any such sale the Directors may authorise any person to transfer the said shares and the instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such proceeds it shall become indebted to the former shareholder for an amount equal to such net proceeds. Notwithstanding any entries made by the Company in any of its books or otherwise howsoever, no trusts shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the shareholder holding the shares sold is dead, bankrupt, wound up or otherwise under any legal disability or incapacity.

**DESTRUCTION OF DOCUMENTS**

191. The Company may destroy:

- (a) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date on which such mandate, variation, cancellation or notification was recorded by the Company;
- (c) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
- (d) any other document, on the basis of which any entry in the register of members of the Company is made, at any time after the expiry of six years from the date on which an entry in the register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (ii) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
- (iii) references in this Article to the destruction of any document include reference to its disposal in any manner.

**SUBSCRIPTION RIGHT RESERVE**

192. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Statutes:

- (A) If, so long as any of the rights attaching to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions applicable under the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:
- (i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the “Subscription Right Reserve”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full the amount of the shortfall referred to in sub-paragraph (iii) in respect of such additional shares as and when the same are allotted;
  - (ii) the Subscription Right Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than the share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;
  - (iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the shortfall between:
    - (aa) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and

- (bb) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par; and
  - (cc) immediately upon such exercise so much of the sum standing to the credit of the Subscription Right Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holder; and
  - (iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such shortfall as aforesaid to which the exercising warrant holder is entitled, the Directors shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted or not prohibited by law, share premium account) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Directors may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.
- (B) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted or which ought to be allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (A) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights.
- (C) The provisions of this Article as to the establishment and maintenance of the Subscription Right Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating, the provisions for the benefit of any warrant holder or class of warrant holders under this Article without the sanction of a Special Resolution of such warrant holder(s) or class of warrant holders.

- (D) A certificate or report by the Auditors as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

### STOCK

193. The following provisions shall have effect at any time and from time to time that they are not prohibited by or inconsistent with the Statutes:
- (i) The Company may by Ordinary Resolution convert any fully paid shares into stock, and may from time to time by like resolution reconvert any stock into fully paid shares of any denomination.
  - (ii) The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or prohibit the transfer of fractions of that minimum, but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.
  - (iii) The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such rights, privileges or advantages (except participation in the dividends and profits and in the assets on winding up of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such rights, privileges or advantages.
  - (iv) Such of the provisions of these Articles as are applicable to fully paid shares shall apply to stock, and the words “share” and “shareholder” herein shall include “stock” and “stockholder” and “member”.

### FINANCIAL YEAR

194. Unless otherwise determined by the Directors, the financial year of the Company shall end on the 31st day of December in each year.

**CONCH VENTURE**  
**China Conch Venture Holdings Limited**

中國海螺創業控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 586)**

**NOTICE OF 2023 ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2023 annual general meeting (the “**AGM**”) of China Conch Venture Holdings Limited (the “**Company**”) will be held at Meeting Room 582, Conch International Conference Centre, No. 1011 South Jiuhua Road, Yijiang District, Wuhu City, Anhui Province, the People’s Republic of China on Tuesday, 20 June 2023 at 10:00 a.m. for the following purposes:

**ORDINARY RESOLUTIONS**

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2022.
2. To declare a final dividend of HK\$0.40 per share for the year ended 31 December 2022.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) To re-elect Mr. JI Qinying as an executive Director.
  - (b) To re-elect Mr. LI Daming as an executive Director.
  - (c) To re-elect Mr. CHAN Chi On (alias Derek CHAN) as an independent non-executive Director.
  - (d) To elect Dr. PENG Suping as an independent non-executive Director.
  - (e) To authorise the board of Directors (the “**Board**”) to fix the respective Directors’ remuneration.
4. To re-appoint KPMG as auditors of the Company and to authorise the Board to fix their remuneration.

## NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph 5(b) below, a general and unconditional mandate be and is hereby granted to the directors of the Company during the Relevant Period (as hereinafter defined) to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by The Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the SFC and the Stock Exchange or of any other stock exchange as amended from time to time;
  - (b) the total number of shares of the Company to be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph 5(a) above during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the approval pursuant to paragraph 5(a) shall be limited accordingly; and
  - (c) for the purpose of this resolution, “Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
    - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph 6(b) below, a general and unconditional mandate be and is hereby granted to the directors of the Company during the Relevant Period (as hereinafter defined) to allot, issue and deal with the additional shares of the Company and to make and grant offers, agreements and options which would or might require the exercise of such powers, whether during the continuance of the Relevant Period or thereafter;

## NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate number of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued pursuant to the approval in paragraph 6(a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly:
  - (i) a rights issue where shares are offered for a period fixed by the Directors to shareholders on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard, as appropriate, to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or stock exchange in Hong Kong, or in any territory applicable to the Company);
  - (ii) the exercise of options or awards under any share scheme adopted by the Company from time to time;
  - (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company or exercise of warrants to subscribe for shares of the Company;
  - (iv) any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or in part of any dividend in accordance with the articles of association of the Company; or
  - (v) any specific authority granted or to be granted by the shareholders of the Company in general meeting; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”

## NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions numbered 5 and 6 as set out in the notice convening the AGM, the general mandate granted to the directors of the Company pursuant to resolution numbered 6 to allot, issue and deal with the additional shares of the Company be and is hereby extended by the addition thereto the number of shares of the Company to be repurchased by the Company under the authority granted pursuant to resolution numbered 5, provided that such number in aggregate shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

### SPECIAL RESOLUTION

8. To consider and, if thought fit, pass the following resolution as a special resolution:

“**THAT:**

- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing articles of association of the Company (the “**Existing Articles of Association**”), details of which are set out in Appendix III to the circular of the Company dated 26 April 2023, be and are hereby approved;
- (b) the amended and restated articles of association of the Company (the “**Amended and Restated Articles of Association**”), which contains all the Proposed Amendments and a copy of which has been produced to the AGM and marked “A” and initialed by the chairman of the AGM for identification purpose, be and is hereby approved and adopted in substitution for, and to the exclusion of, the Existing Articles of Association with immediate effect after the close of the AGM; and
- (c) any director and officer of the Company be and is hereby authorised to do all such acts, deeds and things and execute all such documents and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the Amended and Restated Articles of Association, including without limitation, attending to the necessary filings with the Registrar of Companies in the Cayman Islands and Hong Kong.”

By Order of the Board  
**China Conch Venture Holdings Limited**  
**GUO Jingbin**  
*Chairman of the Board*

Anhui Province, China, 26 April 2023

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. All resolutions at the AGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy/more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In the case of joint holders of shares, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if it/he/she were solely entitled thereto, but if more than one of such joint holders are present at the AGM, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the AGM or the adjourned meeting thereof. Accordingly, this form of proxy must be delivered to the Company’s Branch Share Registrar in Hong Kong no later than 10:00 a.m. on Sunday, 18 June 2023 (Hong Kong Time). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the AGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 13 June 2023 to Tuesday, 20 June 2023, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 12 June 2023 (Hong Kong Time).
6. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the AGM), the register of members of the Company will be closed from Monday, 3 July 2023 to Friday, 7 July 2023, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 30 June 2023 (Hong Kong Time).
7. A circular containing further details concerning items 3, 5, 6, 7 and 8 set out in the above notice will be sent to all shareholders of the Company together with the annual report of the Company for the year ended 31 December 2022.
8. References to time and dates in this notice are to Hong Kong time and dates.

*As at the date of this notice, the Board comprises Mr. JI Qinying (Vice-Chairman and Chief Executive Officer), Mr. SHU Mao, Mr. LI Jian and Mr. LI Daming as executive Directors; Mr. GUO Jingbin (Chairman) and Mr. YU Kaijun as non-executive Directors; and Mr. CHAN Chi On (alias Derek CHAN), Mr. CHAN Kai Wing and Mr. LAU Chi Wah, Alex as independent non-executive Directors.*