

THE COMPANIES ORDINANCE (CHAPTER 622)

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Company Limited by Shares

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ARTICLES OF ASSOCIATION

(As adopted by a Special Resolution passed on 24 June 2016)

OF

**FOUNTAIN SET (HOLDINGS) LIMITED**

福田實業（集團）有限公司

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**Model Articles**

1. The provisions contained in Schedule 1 of the Companies (Model Articles) Notice (Chapter 622H of the laws of Hong Kong) shall not apply to the Company. Other provisions excluded.

**Interpretation**

2. The marginal notes to these Articles shall not be deemed to be 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:– Interpretation.

“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; these Articles.  
these presents.

“associate” shall have the same meaning ascribed to it under the Listing Rules; associate.

“associated company” shall have the same meaning given to it under Section 2 of the Companies Ordinance; associated company.

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

“Board” 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; Board.

“business day” shall mean a day that is not (a) a general holiday; (b) a Saturday or Sunday or a black rainstorm warning day or gale warning day in Hong Kong as defined in Section 71(2) of the Interpretation and General Clauses Ordinance (Chapter 1 of the laws of Hong Kong); business day.

“call” shall include any instalment of a call;	call.
“capital” shall mean the share capital from time to time of the Company;	capital.
“Chairman” shall mean the Chairman presiding at any meeting of members or of the Board;	Chairman.
“clearing house” shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force;	clearing house.
“close associate” in relation to a Director, shall have the meaning given to it under the Listing Rules;	close associate.
“the Company” or “this Company” shall mean FOUNTAIN SET (HOLDINGS) LIMITED 福田實業（集團）有限公司;	the Company.
“the Companies Ordinance” or “the Ordinance” shall mean the Companies Ordinance (Chapter 622 of the laws of Hong Kong) and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therewith or substituted therefor and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new Ordinance;	the Companies Ordinance. the Ordinance.
“Companies (Winding Up and Miscellaneous Provisions) Ordinance” shall mean the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong) and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therewith or substituted therefor;	Companies (Winding Up and Miscellaneous Provisions) Ordinance.
“Company Secretary” shall mean the person for the time being performing the duties of that office;	Company Secretary.
“Deputy Chairman” shall mean the deputy Chairman of the Company appointed by the Board;	Deputy Chairman.
“Director(s)” shall mean the director(s) for the time being of the Company;	Director.
“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;	dividend.
“dollars” shall mean dollars in the lawful currency of Hong Kong;	dollars.
“electronic communication” shall mean a communication sent by electronic transmission in any form through any medium;	electronic communication.

“Hong Kong” shall mean the Hong Kong Special Administrative Region of The People’s Republic of China;	Hong Kong.
“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and any amendments thereto for the time being in force;	Listing Rules.
“month” shall mean a calendar month;	month.
“newspaper” shall mean a newspaper published daily and circulating generally in Hong Kong;	newspaper.
“ordinary resolution” shall have the meaning given to it under Section 563 of the Companies Ordinance;	ordinary resolution.
“register” shall mean the register of members and includes any branch register to be kept pursuant to the provisions of the Companies Ordinance;	register.
“reporting documents” shall have the meaning given under Section 357(2) of the Companies Ordinance;	reporting documents.
“seal” shall mean the common seal from time to time of the Company and includes, unless the context otherwise requires, any official seal that the Company may have as permitted by these Articles and the Ordinance;	seal.
“share(s)” shall mean the existing share(s) in the capital of the Company and shall include, where applicable, all such additional share(s) of the Company in the same, or different class, issued, allotted or otherwise converted from time to time in accordance with these Articles;	share.
“shareholder(s)” or “member(s)” shall mean the duly registered holders from time to time of the shares in the capital of the Company;	shareholders. members.
“special resolution” shall have the meaning given to it under Section 564 of the Companies Ordinance;	special resolution.
“Statutes” mean the Companies Ordinance and the Companies (Winding Up and Miscellaneous Provisions) Ordinance and any amendments thereto or re-enactment thereof and any subsidiary legislation thereto for the time being in force and every other ordinance for the time being in force concerning companies and affecting the Company;	Statutes.
“subsidiary” shall have the same meaning ascribed to it under the Listing Rules;	subsidiary.
“summary financial report” shall have the meaning given to it under Section 357 of the Companies Ordinance;	summary financial report.

“writing” and “printing” shall include written or printed or produced by lithography or printed by photography or typewritten or produced by any other modes of representing words or figures in a visible form or, to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form;

writing.  
printing.

“%” shall mean per cent;

%.

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

singular and plural.

words importing any gender shall include every gender; and

gender.

words importing person shall include partnerships, firms, companies and corporations.

persons.  
companies.

Subject as aforesaid, any words or expressions defined in the Ordinance (except any statutory modification thereof not in force when these Articles become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Articles, save that “company” shall where the context permits include any company incorporated in Hong Kong or elsewhere.

Ordinance to bear  
same meaning in  
Articles.

References to any Article by number are to the particular Article of these Articles.

References to a document being executed include references to it being executed under hand or under seal or, to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, by electronic signature or by any other method. References to a document, to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, include references to any information in visible form whether having physical substance or not.

document being  
executed and  
document.

### **Company Name**

2A. The name of the Company is “**FOUNTAIN SET (HOLDINGS) LIMITED 福田實業（集團）有限公司**”.

Company name.

### **Liability of Members**

2B. The liability of the members is limited.

Liability of Members.

## Share Capital and Modification of Rights

3. Subject to these Articles and 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 Board may determine) and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company or the holder thereof is liable, to be redeemed.

Issue of shares.

4. The Board may issue warrants to subscribe for any class of shares of securities of the Company on such terms as it may from time to time determine.

Warrants.

5. (A) Without prejudice to any special rights conferred on the holders of any existing shares, the shares in the original or any increased capital of the Company may, subject to the provisions of the Companies Ordinance, be divided into different classes of shares as the Company may from time to time determine by a special resolution.

How rights of shares may be modified.

(B) All or any of the special rights (unless otherwise provided for by the terms of issue) attached to the shares or any class of the shares (if the capital is divided into different classes of shares) may, subject to the provisions of Section 182 of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than seventy five per cent. (75%) of the total voting rights attaching to the shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares or (if the capital is divided into different classes of shares) shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be not less than two (2) persons holding or representing by proxy one-third (1/3) of the total voting rights attaching to the shares of that class, and at an adjourned meeting one person holding shares of that class or his proxy, and that any holder of shares of the class present in person or by proxy may demand a poll.

(C) The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of 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.

(D) 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.

## Shares and Increase of Capital

6. The Company may exercise any powers conferred on the Company or permitted by or not prohibited by or not inconsistent with the Ordinance or any other applicable ordinance, statute, act or law from time to time to acquire shares in the Company or to give directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company and should the Company acquire its own shares neither the Company nor the Board shall be required to select the shares to be acquired rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such acquisition or financial assistance shall only be made or given in accordance with the Statutes and/or any relevant rules or regulations in force in Hong Kong from time to time.

Company's power to purchase or to finance the purchase of its own shares.

For the purpose of this Article. "shares" include shares, warrants and any other securities convertible into shares which are issued from time to time by the Company.

7. The Company in general meeting may from time to time by ordinary resolution increase its share capital by the creation of new shares.

Power to increase capital.

8. Any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Companies Ordinance and of these Articles, as the Board 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 or without any right of voting.

On what conditions new shares may be issued.

9. The Company may by ordinary resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, 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 issue and allotment of such shares.

When to be offered to existing members.

10. Except so far as otherwise provided by the conditions of issue or by these Articles, all 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. Subject to the provisions of the Companies Ordinance (and in particular Section 140 thereof) and of these Articles and any resolution of the Company relating thereto, the Board may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of any share of the Company to such persons, at such times, for such consideration and generally on such terms as the Board shall in its absolute discretion think fit.

Shares at the disposal of the Board.

12. The Company may at any time pay a 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 Ordinance shall be observed and complied with, and in each case the commission shall not exceed ten per cent. (10%) of the price at which the shares are issued.

Company may pay commission.

13. 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 for a lengthened period, 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 the conditions and restrictions mentioned in the Companies Ordinance, and 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 plant.

Power to charge interest to capital.

14. 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 share except an absolute right to the entirety thereof of the registered holder.

Company not to recognise trusts in respect of shares.

#### **Register of Members and Share Certificates**

15. (A) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Companies Ordinance.

Share register.

(B) Subject to the provisions of the Companies Ordinance, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Hong Kong as the Board thinks fit.

16. Every person whose name is entered as a member in the register shall be entitled to receive within such period of time as may be prescribed by the Companies Ordinance or the Listing Rules after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he so requests, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming the stock exchange board lot, upon payment, (i) in the case of an allotment, of a fee of such sum as The Stock Exchange of Hong Kong Limited may determine to be the maximum payable or such lesser sum as the Board may determine for every certificate after the first; or (ii) in the case of a transfer, of a fee of such sum as The Stock Exchange of Hong Kong Limited may determine to be the maximum payable or such lesser sum as the Board may determine for every certificate, such number of certificates for shares in stock exchange board lots or 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 several joint holders shall be sufficient delivery to all such holders.

Share certificates.

17. Every certificate for shares 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 any official seal as permitted by Section 126 of the Ordinance.

Share certificate to be sealed.

18. Every share certificate hereafter issued shall specify the number and class and distinguishing numbers (if any) of the shares in respect of which it is issued and may otherwise be in such form as the Board may from time to time prescribe and as the Statutes and the Listing Rules permit. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with Section 179 of the Ordinance. A share certificate shall relate to only one class of shares.

Every certificate to specify number and class of shares.

19. (A) The Company shall not be bound to register more than four persons as joint holders of any share.

Joint holders.

(B) If any share shall stand in the names of two (2) or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.

20. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding such sum as The Stock Exchange of Hong Kong Limited may determine to be the maximum payable or such lesser sum as the Board may determine and on such terms and conditions, if any, as to publication of notices, evidence and indemnity as the Board thinks 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 any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

Replacement of share certificates.

### **Lien**

21. The Company shall have a first and paramount lien on every share (not being a fully paid up 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 up shares) standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member 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 member, 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 member or his estate and any other person, whether a member 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 Board 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.

Company's lien.

Lien extends to dividends and bonuses.



22. The Company may sell, in such manner as the Board thinks 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) 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 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.

Sale of shares subject to lien.

23. 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 giving effect to any such sale, the Board 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 in reference to the sale.

Application of proceeds of such sale.

### **Calls on Shares**

24. The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments.

Calls.  
Instalments.

25. Fourteen (14) 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.

Notice of call.

26. A copy of the notice referred to in Article 25 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.

Copy of notice to be sent to members.

27. In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment, if required by the Companies Ordinance or determined by the Board, of every call and of the times and places appointed for payment may be given to the members by notice to be inserted in the newspapers or any other form of advertisement as the Board may determine.

Notice of call may be advertised.

28. Every member 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 Board shall appoint.

Every member liable to pay call at appointed time and place.

29. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.

When call deemed to have been made.

30. 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.

Liability of joint holders.

31. The Board may, subject to the Companies Ordinance, 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 members, whom from residence outside Hong Kong or other cause the Board may deem entitled to any such extension but no member shall be entitled to any such extension except as a matter of grace and favour.

Board may extend time fixed for call.

32. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest for the same at such rate not exceeding twenty per cent. (20%) per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part.

Interest on unpaid calls.

33. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally, or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

Suspension of privileges while call unpaid.

34. 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 member 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 making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence in action for call.

35. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, shall for all purposes of these Articles be deemed to be a call duly made, 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. 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.

Sums payable on allotment deemed a call.

36. (Intentionally left blank).

### **Transfer of Shares**

37. All transfers of shares may be effected by an instrument of transfer in the usual or common form or in such other form as prescribed by The Stock Exchange of Hong Kong Limited or in such form as the Board may accept and may be under hand or, if the transferor or transferee is a clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)) or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time. All instruments of transfer must be left at the registered office or at such other place as the Board may appoint.

Form of transfer.

38. The instrument of transfer of any share shall be executed by or on behalf of the transferor and the transferee, provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. The Board may also resolve, either generally or in any particular case, upon request by the transferor and/or transferee, to accept machine imprinted signature(s) on the instrument of transfer. 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 Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

Execution of transfer.

39. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, and it may also refuse to register any transfer of any share to more than four (4) joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

Directors may refuse to register a transfer.

40. (A) The Board may also refuse to register any transfer unless:—

Requirements as to transfer.

- (i) a fee of such sum as The Stock Exchange of Hong Kong Limited may determine to be the maximum payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;
- (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (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) the instrument of transfer is properly stamped.

(B) No transfer of a share (not being a fully paid up share) shall be made to an infant or to a person of unsound mind or under other legal disability.

No transfer to an infant, etc.

41. If the Board shall refuse to register a transfer of any share, it shall, within two (2) 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. Upon request by the transferor or transferee, the Board shall, within twenty-eight (28) days after receiving the request, send to the transferor or transferee (as the case may be) a statement of the reason(s) of refusal.

Notice of refusal.

42. 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 upon receipt of a fee of such sum as The Stock Exchange of Hong Kong Limited may determine to be the maximum payable or such lesser sum as the Board may determine to the transferee in respect of the shares transferred to him, 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 upon receipt of a fee of such sum as The Stock Exchange of Hong Kong Limited may determine to be the maximum payable or such lesser sum as the Board may determine. The Company shall also retain the transfer.

Certificate to be given upon transfer.

43. The registration of transfers may be suspended and the register closed at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than thirty (30) days in any year or, with the approval of the Company in general meeting, sixty (60) days in any year.

When transfer books and register may be closed.

43A. The Company may in respect of the registration of any grant of probate, letters of administration, certificate of marriage or death, power of attorney, stop notice, order of court or other document relating to or affecting the title to any share charge a fee as the Board may determine (which shall not exceed the maximum fees as may be prescribed by The Stock Exchange of Hong Kong Limited from time to time).

### **Transmission of Shares**

44. In the case of the death of a member, 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.

Death of registered holder or of joint holder of shares.

45. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, 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.

Registration of personal representatives and trustees in bankruptcy.

46. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him 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 member had not occurred and the notice or transfer were a transfer executed by such member.

Notice of election to be registered.

Registration of nominee.

47. 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 Board may, if it thinks 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 effectively transferred such share, but, subject to the requirements of Article 80 being met, such a person may vote at meetings.

Retention of dividends, etc., until transfer or transmission of shares of a deceased or bankrupt member.

### **Forfeiture of Shares**

48. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board 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 33, serve a 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.

If call or instalment not paid notice may be given.

49. The notice shall name a further day (not earlier than the expiration of fourteen (14) 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 either the registered office of the Company, or some other place at which calls of the Company are usually made payable. 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.

Form of notice.

50. 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 Board 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 shares liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender.

If notice not complied with shares may be forfeited.

51. Any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.

Forfeited shares to become property of Company.

52 A person whose shares have been forfeited shall cease to be a member 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 shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty per cent. (20%) per annum as the Board may prescribe, and expenses incurred in respect thereof, and the Board may enforce the payment thereof if it thinks 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, shall notwithstanding that that time has not yet arrived be deemed to be payable at 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.

Arrears to be paid notwithstanding forfeiture.

53. A statutory declaration in writing that the declarant is a Director or the Company Secretary, and that a share in the Company has been duly forfeited or surrendered or sold to satisfy a lien of the Company pursuant to these Articles on a date stated in the declaration, 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 sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the 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, sale or disposal of the share.

Evidence of forfeiture and transfer of forfeited share.

54. When any share shall have been forfeited, notice of the resolution shall be given to the member 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.

Notice after forfeiture.

55. Notwithstanding any such forfeiture as aforesaid the Board 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 Board thinks fit or permits the share 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 share, and upon such further terms (if any) as it thinks fit.

Power to redeem forfeited shares.

56. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

Forfeiture not to prejudice Company's right to call or instalment.

57. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified.

Forfeiture for non-payment of any sum due on shares.

58. (Intentionally left blank).

59. (Intentionally left blank).

60. (Intentionally left blank).

61. (Intentionally left blank).

### **Alteration of Capital**

62. (A) The Company may from time to time alter its capital by any one or more ways as permitted by the Statutes.

(B) The Company may by special resolution reduce its share capital in any manner authorised and subject to any conditions prescribed by the Statutes.

Reduction of capital.

### **General Meetings**

63. The Company shall in each financial year hold an annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it in accordance with the requirements of the Statutes. The annual general meeting shall, subject to the Statutes and these Articles, be held at such time and place as the Board shall appoint.

When annual general meeting to be held.

64. Any general meeting may be held at more than one place provided that such technology is used which enables the members in different places to listen, speak and vote at the meeting. The meeting shall be deemed to take place at the meeting location at which the Chairman is present.

Meetings at two or more places.

65. The Board may, whenever it thinks fit, convene a general meeting. The Board may also convene a general meeting upon any requisition from the members made in accordance with the Companies Ordinance, or, in default, a general meeting may be convened by requisitionists in accordance with the Companies Ordinance.

Convening of general meeting.

66. An annual general meeting shall be called by twenty-one (21) days' notice in writing at the least, and a meeting of the Company other than an annual general meeting shall be called by at least fourteen (14) days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which the meeting is convened, and shall specify the place, the date and the hour of meeting and, the general nature of the business to be dealt with in the meeting, 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 subject to the provisions of the Companies Ordinance, 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:—

Notice of meetings.

- (i) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights attaching to the shares of all the members having the rights to vote at the meeting.

If the meeting is to be held at more than one place, the notice of meeting shall specify the principal place of the meeting and the other place or places of the meeting.

67. (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 proceeding at any such meeting.

Omission to give notice.

(B) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

#### **Proceedings at General Meetings**

68. (Intentionally left blank).

69. For all purposes the quorum for a general meeting shall be two (2) members present in person or by proxy. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.

Quorum.

70. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, 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 Board, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the member or members present in person shall be a quorum and may transact the business for which the meeting was called.

When if quorum not present meeting to be dissolved and when to be adjourned.

71. The Chairman (if any) of the Directors 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 Chairman, or, if at any general meeting neither of such Chairman or Deputy Chairman, is present within fifteen minutes after the time fixed for holding such meeting, or both such persons decline to take the chair at such meeting, the members present shall choose another Director as Chairman, 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 members present shall choose one of them to be Chairman.

Chairman of general meeting.



72. The Chairman may, at any time, adjourn any meeting to another time and/or place if he considers that it would facilitate the conduct of the business of the meeting. 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 member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Power to adjourn general meeting business of adjourned meeting.

73. Save that a poll is required by the Listing Rules or the Companies Ordinance or any other applicable laws, rules or regulations, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:—

What is to be evidence of the passing of a resolution where poll not demanded.

- (i) by the Chairman of the meeting; or
- (ii) by at least five (5) members present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person or by proxy and representing not less than five per cent. (5%) of the total voting rights attaching to the shares of all the members having the right to vote at the meeting;

provided that if the Chairman, before or on the declaration of the result of a show of hands, knows from the proxies received by the Company that the result on a show of hands will be different from that on a poll, the Chairman shall demand a poll.

Chairman must demand a poll.

Unless a poll is so taken as required under the Listing Rules or the Companies Ordinance or any other applicable laws, rules or regulations or unless a poll be so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

74. If a poll is demanded as aforesaid, it shall (subject as provided in Article 75) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

Poll.

75. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

In what case poll taken without adjournment.

76. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, 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.

Chairman to have casting vote.

77. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Business may proceed notwithstanding demand for poll.

78. A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members.

Written resolution.

#### **Votes of Members**

79. Subject to Article 83B and any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, and subject to the provisions of the Statutes and the Listing Rules, at any general meeting on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative duly authorised under Section 606 of the Companies Ordinance or by proxy shall have one vote, and on a poll every member who is (being an individual) present in person or by proxy or (being a corporation) present by a representative duly authorised under Section 606 of the Companies Ordinance or by proxy shall have one vote for every fully paid share of which he is the holder but no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as a qualifying share. If a member appoints more than one proxy, the proxies so appointed are not entitled to vote on a resolution on a show of hands. On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

Votes of members.

80. Any person entitled under Article 45 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 forty-eight (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 Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Votes in respect of deceased and bankrupt members.

81. Where there are joint registered holders of any share, anyone 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 member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

Joint holders.

82. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or 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 on a poll vote by proxy.

Votes of member of unsound mind.

Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not later than the last time at which a valid instrument of proxy could be so delivered.

83. (A) Save as expressly provided in these Articles, no person other than a member 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 member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting.

Qualification for voting.

(B) Where the Company has knowledge that any member is, under any applicable laws or 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 member in contravention of such requirement or restriction shall not be counted.

Voting in contravention of the Listing Rules.

(C) No objection shall be raised to the qualification of any voter 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.

84. Any member of the Company 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. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint one or more proxy/proxies to attend on the same occasion.

Proxies.

85. 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.

Instrument appointing proxy to be in writing.

86. 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 the registered office of the Company or at such other place as is specified in the notice of meeting or in the instrument of proxy issued by the Company, or delivered by electronic means to the Company in the manner specified by the Company (if applicable), not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or in the case of a poll to be taken more than forty-eight (48) hours after it is demanded, not less than twenty-four (24) hours before the time appointed for taking the poll, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after expiration of twelve (12) months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

Appointment of proxy must be deposited.

87. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve.

Form of proxy.

88. 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 provided that any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which special business (determined as provided in Article 68) is to be transacted shall be such as to enable the member, according to his intention, 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 special business; 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.

Authority under instrument appointing proxy.

89. A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or the previous termination or other 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 registered office, or at such other place as is referred to in Article 86, at least two (2) hours before the commencement of the meeting or adjourned meeting at which the proxy is used, or in the case of a poll taken more than forty-eight (48) hours after it is demanded, before the time appointed for taking the poll.

When vote by proxy valid though authority revoked.

90. (A) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members 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 member of the Company. References in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative.

Corporation acting by representatives at meetings.

(B) If a clearing house (or its nominee) is a member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members of the Company 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 person is so authorised. The person so authorised shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise in respect of such number and class of shares so specified if it were an individual member of the Company.

#### **Registered Office**

91. The registered office of the Company shall be at such place in Hong Kong as the Board shall from time to time appoint.

Registered office.

#### **Board of Directors**

92. The number of Directors shall not be less than two (2). The Board shall cause to be kept a register of the Directors in accordance with these Articles, and there shall be entered therein the particulars required by the Companies Ordinance.

Constitution of Board.

93. The Board 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 addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting (in the case of an addition to the Board) and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Board may fill vacancies.

94. (A) A Director may at any time, by notice in writing signed by him delivered to the registered office of the Company or at a meeting of the Board, 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 Board, shall have effect only upon and subject to being so approved.

Alternate Directors.

(B) 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.

(C) An alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Board 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 Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. 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.

(D) 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 remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

(E) An alternate Director shall be deemed to be the agent of the Director who appoints him. A Director who appoints an alternate Director shall be vicariously liable for any tort committed by the alternate Director while acting in the capacity of alternate Director.

95. A 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 of any class of members of the Company.

No qualification shares for Director.

96. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting or by the Board with the prior authorisation of 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 the Board 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 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 in respect of Directors' fees.

Directors' remuneration.

97. 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 board 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.

Directors' expenses.

98. The Board may grant special remuneration to any Director who, being called upon, shall perform 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.

Special remuneration.

99. Notwithstanding Articles 96, 97 and 98, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Board 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 Board may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

Remuneration of Managing Directors, etc.

100. (A) A Director shall vacate his offices:-

When office of Director to be vacated.

- (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 Board during a continuous period of six (6) months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited from being a Director by reason of any order made under any provision of the Statutes;
- (v) if by notice in writing delivered to the Company at its registered office that he resigns his office;
- (vi) if he shall be removed from office by notice in writing served upon him signed by all other Directors; or
- (vii) if he shall be removed from office by an ordinary resolution of the Company under Article 108.

(B) No person shall be eligible for appointment or re-appointment as a Director once he has attained the age of 80. Any such person shall automatically cease to be a director at the annual general meeting of the Company next following the date on which he attains such age and shall not be counted in the number of directors for determining the number of directors to retire by rotation at such annual general meeting.

101. (A) Subject to the provisions of the Statutes, a Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

Directors may contract with Company.

(B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as the Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

(C) A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and shall not be liable to account to the Company or the members 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 Board 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 it thinks 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 Board concerning his own appointment 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 or variation of the terms thereof, or the termination thereof) of two (2) or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution shall be put in relation to each 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 arrangement or variation of the terms thereof, or the termination thereof) and except (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 together with any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) owns five per cent. (5%) or more (as defined in paragraph (I) of this Article).



(F) Subject to the Ordinance and to the next paragraph of this Article, no Director or proposed or intending 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 such contract 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 members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

(G) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company, which is significant to the business of the Company and the interest of the Director is material, shall declare the nature and extent of his interest in accordance with the Statutes and the Listing Rules and these Articles at the meeting of the Board as soon as reasonably practicable and before the Company enters into the transaction.

(H) Subject to the Listing Rules and save as otherwise provided by the Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) to his knowledge is/are materially interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to, and a Director may vote and be counted as quorum in respect of, any of the following matters namely:

- (i) any contract or arrangement for the giving of any security or indemnity to the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) in respect of money lent or obligations incurred or undertaken by him or any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) has himself/themselves 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, arrangement or 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) (and if required by the Listing Rules, his other associate(s)) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

- (iv) any contract or arrangement in which the Director or his close associate(s) (and if required by the Listing Rules, his other 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;
- (v) any contract, arrangement or proposal concerning any other company in which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are beneficially interested in shares of that company, provided that the Director and any of his close associates (and if required by the Listing Rules, his other associate(s)) are not in aggregate beneficially interested in five per cent. (5%) or more of the issued shares or voting rights of any class of shares of such company (or of any third company through which his interest or that of his close associate(s) (and if required by the Listing Rules, his other associate(s)) is derived);
- (vi) any proposal or arrangement concerning 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 benefits scheme which relates both to the Directors, his close associate(s) (and if required by the Listing Rules, his other associate(s)) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) as such any privilege or advantage not generally accorded to the class of persons to whom such scheme or fund relates; and
- (vii) any proposal or arrangement concerning the adoption, modification or operation of any share scheme 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 any of its subsidiaries under which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) may benefit.

(I) A company shall be deemed to be a company in which a Director and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) own(s) five per cent. (5%) or more if and so long as (but only if and so long as) he and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are (either directly or indirectly) the holder(s) of or beneficially interested in five per cent. (5%) or more of any class of the equity share capital of such company (or of any third company through which his interest or that of any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) is derived) or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.

(J) Where a company in which a Director and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) hold(s) five per cent. (5%) or more is materially interested in a transaction, then that Director and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) shall also be deemed materially interested in such transaction.

(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman of the meeting) and/or any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) or as to the entitlement of any Director (other than such Chairman) 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 shall be referred to the Chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman of the meeting and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) such question shall be decided by a resolution of the Board (for which purpose such Chairman shall be counted in the quorum but 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 such Chairman and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) as known to such Chairman has not been fairly disclosed to the Board.

(L) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article provided that no Director who is or whose associate(s) is/are materially interested in such transaction, together with any of his close associate(s) (and if required by the Listing Rules, his other associate(s)), shall vote upon such ordinary resolution in respect of any shares in the Company in which he/they is/are interested and shall not be counted in the quorum of the meeting approving such ordinary resolution.

(M) For the purpose of this Article, any reference to an entity connected with a Director shall be construed in accordance with Section 486 of the Companies Ordinance and any reference to a contract, transaction or arrangement shall include a proposed contract, transaction or arrangement.

### **Rotation of Directors**

102. (A) At each annual general meeting one-third (1/3) of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third (1/3) or any other number subject to such manner of rotation as may be required by the Statutes, the Listing Rules or other codes, rules, and regulations prescribed from time to time by the applicable regulatory authority, shall retire from office. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.

Rotation and retirement of Directors.

(B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.

Meeting to fill up vacancies.

103. 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:–

Retiring Directors to remain in office till successors appointed.

- (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 up such vacated offices; or
- (iii) in any such case the resolution for re-election of a Director is put to the Meeting and lost.

104. The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two (2).

Power of general meeting to increase or reduce number of Directors.

105. (A) 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 addition to the Board.

Appointment of Directors.

(B) Except so far as the Statutes otherwise allow, at a general meeting the appointment of Directors shall be voted on individually.

106. No person other than a Director retiring at the meeting shall, unless recommended by the Board for election, be eligible for election as a Director at any general-meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed for his willingness to be elected shall have been lodged at the registered office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date appointed for such general meeting.

Notice to be given when person proposed for election.

107. (A) The Company shall keep a register containing the names and addresses and occupations of its Directors at its registered office or such prescribed place in accordance with the Statutes and shall from time to time notify the Registrar of Companies of any change as required by the Statutes. The Company shall make available for inspection such register as required by the Statutes.

Register of Directors and notification of changes to Registrar.

(B) The Company shall keep a register of Directors' and chief executive's interests and short positions and a register of interests in shares and short positions in accordance with the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Register of interests and short positions.

108. The Company may by ordinary resolution remove any Director (including a Managing 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 of service between him and the Company) and may elect another person in his stead. Special notice is required of an ordinary resolution to remove a Director or to appoint a person in place of a Director so removed at the meeting at which the Director is removed. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.

Power to remove Director by ordinary resolution.

### **Borrowing Powers**

109. The Board may from time to time at its 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.

Power to borrow.

<p>110. The Board 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 it thinks fit and, in particular 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.</p>	<p>Conditions on which money may be borrowed.</p>
<p>111. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>	<p>Assignment.</p>
<p>112. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company appointment of Directors and otherwise.</p>	<p>Special privileges.</p>
<p>113. (A) The Board shall cause a proper register to be kept, in accordance with the provisions of the Companies Ordinance, of all mortgages and charges specifically affecting the property of the Company and of all floating charges on the whole or part of the Company's property or undertaking and shall duly comply with the requirements of the Companies Ordinance in regard to the registration of mortgages and charges therein specified and otherwise.</p>	<p>Register of charges to be kept.</p>
<p>(B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures in accordance with the provisions of the Companies Ordinance.</p>	<p>Register of debentures or debenture stock.</p>
<p>114. 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 members or otherwise, to obtain priority over such prior charge.</p>	<p>Mortgage of uncalled capital.</p>
<p><b>Managing Directors, etc.</b></p>	
<p>115. Subject to the Statutes and the Listing Rules, the Board may from time to time appoint anyone or more of the Directors as Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or to such other executive office in the management of the business of the Company as it may decide for such period and upon such terms (including directors' fees) as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 99.</p>	<p>Power to appoint Managing Directors, etc.</p>
<p>116. Every Director appointed to an office under Article 115 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company and subject to any other terms of such contract of service, be liable to be dismissed or removed therefrom by the Board at any time.</p>	<p>Removal of Managing Directors, etc.</p>
<p>117. A Director appointed to an office under Article 115 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.</p>	<p>Cessation of appointment.</p>

118. The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and 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.

Powers may be delegated.

### **Management**

119. Subject to any exercise by the Board of the powers conferred by Articles 120 to 122, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Articles expressly conferred upon it, 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 Companies Ordinance expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Ordinance 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 Board which would have been valid if such regulation had not been made.

General powers of Company vested in Board.

### **Managers**

120. The Board 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 (2) 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.

Appointment and remuneration of managers.

121. The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as it may think fit.

Tenure of office and powers.

122. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in its 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.

Terms and conditions of appointment.

## Chairman

123. The Board may from time to time elect or otherwise appoint a Director to be Chairman or Deputy Chairman and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Board, but if no such Chairman or Deputy Chairman be elected or appointed, or if at any meeting the Chairman or Deputy Chairman is not present within five minutes after the time appointed for holding such meeting, the Directors present shall choose one of their number to be Chairman of such meeting.

Chairman.

## Proceedings of the Directors

124. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two (2) Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum if his appointor is not present but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. The Board or any committee of the Board may participate in a meeting of the Board or such committee by means of a conference telephone or other communications equipment or electronic means by which all persons participating in the meeting can hear and speak to each other throughout the meeting.

Meeting of the Board quorum, etc.

125. A Director may, and on request of a Director the Company Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by facsimile transmission or by electronic means or by telephone or otherwise orally or in such other manner as the Board may from time to time determine. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective.

Convening of Board meeting.

126. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.

How questions to be decided.

127. A meeting of the Board 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 Board generally.

Powers of meeting.

128. The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons, as the Directors think fit, and it 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 Board.

Power to appoint committee and to delegate.



129. 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 Board, and the Board 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.

Acts of committee to be of same effect as acts of Board.

130. The meetings and proceedings of any such committee consisting of two (2) or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Article 128.

Proceedings of committee.

131. All acts *bona fide* done by any meeting of the Board or by any such committee of the Board or by any person acting as a Director or a member of a committee of the Board 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.

When acts of Board of committee to be valid notwithstanding defects.

132. The continuing Directors or sole continuing Director 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.

Directors' powers when vacancies exist.

133. (A) A resolution in writing signed by all the Directors except such as are absent from Hong Kong (or their respective alternate Directors) or members of a committee of the Board shall (so long as they constitute a quorum as provided in Article 124) be as valid and as effective as if it had been passed at a meeting of the Board or committee of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors (or their respective alternate Directors) or one or more of the members of a committee of the Board and, for the avoidance of doubt, may be sent to the Company by facsimile or other electronic means.

Directors' resolutions.

(B) Without prejudice to the provisions of the preceding paragraph, a Director or (as the case may be) a member of a committee of the Board may sign or otherwise signify his agreement to a resolution in writing of Directors or members of a committee of the Board. A Director or (as the case may be) a member of a committee of the Board signifies agreement to a written resolution of Directors or a committee of the Board when the Company receives from that Director or member of a committee of the Board a document or notification in hard copy form or in electronic form as authenticated by that Director or member of a committee of the Board in a manner previously agreed between that Director or member and the Company:-

- (i) identifying the resolution to which it relates; and
- (ii) indicating that Director or member of the committee's agreement to the resolution.

(C) Notwithstanding any contrary provisions contained in these Articles and subject to the Statutes:-

- (i) any signature of a Director or (as the case may be) a member of a committee of the Board to any resolution in writing may be made electronically, and any such resolution bearing the electronic signature of any Director or (as the case may be) any member of a committee of the Board shall be as valid and as effective as if it were bearing the handwritten signature of the relevant Director or member; and
- (ii) any signification of agreement to a resolution in writing by a Director or (as the case may be) a member of a committee of the Board authenticated as aforesaid shall be as valid and as effective as if the resolution had been signed by such Director or member of a committee of the Board, and a certificate by a Director or the Company Secretary of such signification and authentication shall be sufficient evidence without further proof thereof.

#### **Minutes**

134. (A) The Board shall cause minutes to be made of:-

- (i) all appointments of officers made by the Board;
- (ii) the names of the Directors or (as the case may be) members of a committee of the Board present at each meeting of the Board and of committees appointed pursuant to Article 128; and
- (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

(B) Any such minutes shall be conclusive evidence of any such proceedings and the facts stated therein 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.

## Company Secretary

135. The Company Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Company Secretary so appointed may be removed by the Board. The Board may also appoint from time to time for such term, at such remuneration and upon such conditions as it may think fit any assistant or deputy Company Secretary. Anything by the Companies Ordinance or these Articles required or authorised to be done by or to the Company Secretary, if the office is vacant or there is for any other reason no Company Secretary capable of acting, may be done by or to any assistant or deputy Company Secretary, or if there is no assistant or deputy Company Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board.

Appointment of  
Company Secretary.

136. The Company Secretary shall be an individual ordinarily reside in Hong Kong. A register of Company Secretaries shall be kept and be entered therein the particulars required by the Companies Ordinance.

Residence.  
Register of Company  
Secretary.

137. A provision of the Companies Ordinance or of these Articles requiring or authorising a thing to be done by or to a Director and the Company 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 Company Secretary.

Same person not to act  
in two capacities at  
once.

## General Management and Use of the Seal

138. (A) The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by any two (2) members of the Board or any two (2) persons appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by any mechanical or other means to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

Custody of seal.

(B) The Company may have an official seal for use for sealing certificates for shares, debentures or other securities issued by the Company as permitted by Section 126 of the Ordinance (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document and any such certificates or other document to which such official seal is affixed shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid) and an official seal for use abroad under the provisions of the Companies Ordinance where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and it may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

Official seal.

(C) A document signed by one Director and the Company Secretary or by two (2) Directors and expressed (in whatever words) to be executed by the Company as a deed shall have the same effect as if executed under seal.

Execution of documents.

139. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments paid to the Company shall be signed, drawn, accepted, indorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

Cheques and banking arrangements.

140. (A) The Board may from time to time and at any time, by power of attorney or other instrument executed as a deed, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, 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 Board under these Articles) and for such period and subject to such conditions as it 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 Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Power to appoint attorney.

(B) The Company may, by an instrument executed as a deed, 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 of the Company.

Execution of deeds by attorney.

141. The Board may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration, and may delegate to any committee, local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any 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 Board may think fit, and the Board 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.

Local boards.

142. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds 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 wives, widows, families and dependants of any such persons. The Board 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 Board 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.

Power to establish pension funds.

### **Capitalisation of Reserves**

143. (A) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied either in or towards paying up in full shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other.

Power to capitalize.

(B) Whenever such a resolution as aforesaid shall have been passed the Board 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 Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and may, in particular, determine that cash payments shall be made to any members in respect of fractional entitlements or that fractions of such value (as the Board 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 members concerned. The Board may appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue and such appointment shall be effective and binding upon all concerned.

Effect of resolution to capitalize.

(C) The Board may on any occasion determine that the allotment of shares or other securities 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 or the allotment of shares or other securities would or might be unlawful, or if it considers such exclusion to be necessary or expedient, and in such event the provisions aforesaid shall be read and construed subject to such determination.

144. (Intentionally left blank).

#### **Dividends and Reserves**

145. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

Power to declare dividends.

146. (A) Subject to the provisions of the Statutes, the Board may from time to time declare and pay to the members such interim dividends as appear to the Board to be justified by the position 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 Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on 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 Board acts bona fide the Board 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.

Board's power to pay interim dividends.

(B) The Board may also pay half-yearly or at other suitable intervals as may be determined by the Board any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.

147. No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest.

Dividends not to be paid out of capital.

148. (A) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board 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 anyone 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 Board 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 members 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 members concerned, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Companies Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

Dividend in specie.

(B) The Board may on any occasion determine that the distribution of specific assets 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 or the distribution of shares or other securities would or might be unlawful, or if it considers such exclusion to be necessary or expedient, and in such event the provisions aforesaid shall be read and construed subject to such determination.

149. (A) Wherever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:—

Scrip dividends.

*either* (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up 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 Board;
- (b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' 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 on shares 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 up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board 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 as the Board may determine, a sum equal to the amount of cash dividend which would otherwise have been distributed in respect of the elected shares 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 shall be entitled to elect to receive an allotment of shares credited as fully paid up 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 Board;
- (b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks’ 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 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 up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board 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 as the Board may determine, a sum equal to the amount of cash dividend which would otherwise have been distributed in respect of the non-elected shares 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 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 Board of its 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 its announcement of the distribution, bonus or rights in question, the Board shall specify 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 Board may do all acts and things that it may consider necessary or expedient to give effect to any capitalisation pursuant to the provisions of this Article with full power to the Board to make such provisions as it thinks 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 members concerned). The Board may authorise any person to enter into on behalf of all members 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 Board by special 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 up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(E) The Board 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 if it considers such exclusion to be necessary or expedient, and in such event the provisions aforesaid shall be read and construed subject to such determination.

150. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, 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 (other than shares of the Company) as the Board 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 Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.

Reserves.

151. Subject to the rights of any persons entitled to shares with special rights as to dividend (if any), all dividends shall be declared and paid according to the number of shares held in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share.

Dividends to be paid in proportion to paid up capital.

152. (A) The Board 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.

Retention of dividends, etc.

(B) The Board may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

Deduction of debts.

153. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member 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 member, be set off against the call.

Dividend and call together.

154. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.

Effect of transfer.

155. If two (2) or more persons are registered as joint holders of any share, anyone of such persons may give receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares. .

Receipt for dividends by joint holders of share.

156. Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in 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 or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.

Payment by post.

157. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six (6) years after having been declared may be forfeited by the Board and shall revert to the Company.

Unclaimed dividend.

158. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares on a particular date or at a point of 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 shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall *mutatis mutandis* apply to bonuses, capitalisation issue, distributions of realised capital profits or offers or grants made by the Company to the members.

Record dates.

### Untraceable Members

159. Without prejudice to the rights of the Company under Article 157 and the provisions of Article 160, 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 (2) consecutive occasions. However, the Company may exercise the 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.

Company may cease sending dividend warrants.

160. (A) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a member who is untraceable, but no such sale shall be made unless:—

Company may sell shares of untraceable members.

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;

- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
- (iii) the Company has caused an advertisement to be inserted in a leading English language daily newspaper and a leading Chinese language daily newspaper circulating in Hong Kong giving notice of its intention to sell such shares and has notified The Stock Exchange of Hong Kong Limited of such intention and a period of three (3) months has elapsed since the date of such advertisement.

For the purpose of the foregoing, “relevant period” means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (iii) of this Article and ending at the expiry of the period referred to in that paragraph.

(B) To give effect to any such sale the Board may authorise any person to transfer the said shares and 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 net proceeds it shall become indebted to the former member for an amount equal to such net proceeds. No trust 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 member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

161. (Intentionally left blank).

### **Annual Returns**

162. The Board shall make the requisite annual returns in accordance with the Companies Ordinance.

Annual Returns.

### **Accounts**

163. The Board 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 Companies Ordinance or necessary to give a true and fair view of the state of Company’s affairs and to show and explain its transactions.

Accounts to be kept.

164. The books of account shall be kept at the registered office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

Where accounts to be kept.

165. The Board shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Companies Ordinance or authorised by the Board or by the Company in general meeting.

Inspection by members.

166. (A) The Board shall from time to time in accordance with the provisions of the Companies Ordinance cause to be prepared and laid before the Company at its annual general meeting a copy of the reporting documents for the financial year as required by the Companies Ordinance. The Board may also cause to be prepared any summary financial report as it may think fit in accordance with the provisions of the Statutes.

Reporting documents to be laid before the Company in annual general meeting.

(B) Subject to paragraph (C) of this Article, the Company shall in accordance with the Companies Ordinance and other applicable laws, rules and regulations, deliver or send to every member a copy of the reporting documents of the Company or a copy of the summary financial report in place of a copy of the reporting documents from which the report is derived, not less than twenty-one (21) days before the date of the general meeting of the Company concerned (or such other time as is permitted under the Companies Ordinance and other applicable laws, rules and regulations), provided that this Article shall not require a copy of these documents to be sent to more than one of the joint holders of any shares or to any member of, or any holder of shares of, the Company who is not entitled to receive notices of general meetings of the Company and of whose address the Company is unaware, but any member or holder of shares of the Company to whom a copy of these documents has not been sent, shall be entitled to receive a copy of these documents free of charge on application at the registered office of the Company. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.

(C) Where any member has, in accordance with the Companies Ordinance and other applicable laws, rules and regulations, agreed or is deemed to have agreed to his having access to the reporting documents and/or the summary financial report on the Company's computer network or website as mentioned in Article 171(v) or, to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, in any other manner (including any other form of electronic communication) instead of being sent the documents or report, as the case may be (an "assenting person"), the publication or making available by the Company, in accordance with the Companies Ordinance and other applicable laws, rules and regulations, on the Company's computer network or website referred to above of the reporting documents and/or the summary financial report throughout the period beginning not less than twenty-one (21) days before the date of the general meeting of the Company concerned and ending on such date in accordance with the Companies Ordinance and other applicable laws, rules and regulations (or such other period or time as is permitted under the Companies Ordinance and other applicable laws, rules and regulations) or in such other manner, shall be treated as having sent a copy of the reporting documents or a copy of the summary financial report to an assenting person in satisfaction of the Company's obligations under paragraph (B) of this Article.

### **Audit**

167. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Companies Ordinance. Subject to the Statutes, all acts done by any person acting as an Auditor shall, as regards to all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment or he was at the time of appointment not qualified or subsequently became disqualified.

Auditors.

168. Subject as otherwise provided by the Companies Ordinance the remuneration of the Auditors shall be fixed by the Company in general meeting provided always that in respect of any particular year the Company in general meeting may delegate the fixing of such remunerations to the Board.

Remuneration of Auditors.

169. The reporting documents or summary financial report when audited by the Company's Auditors and presented by the Board at a general meeting shall be conclusive except as regards any error discovered therein within three (3) months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of account amended in respect of the error shall be conclusive.

When accounts to be deemed finally settled.

### **Notices**

170. Every member shall register with the Company an address either in Hong Kong or elsewhere to which notices can be sent and if any member shall fail so to do, notice may be given to such member by sending the same in any of the manners hereafter mentioned to his last known place of business or residence, or if there be none, by posting the same for one (1) day at the registered office of the Company or by posting the same on the website of the Company or any other electronic means. 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.

Notices of general meetings.

171. Any notice or document (including any “corporate communication” as defined in the Listing Rules) may, in accordance with these Articles and subject to the Statutes and the Listing Rules, be served or delivered or made available by the Company upon or to any member:–

- (i) personally;
- (ii) by prepaid post addressed to such person at his registered place of address as appearing in the register;
- (iii) by advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese newspaper being in each case a newspaper published daily and circulating generally in Hong Kong and specified or permitted for this purpose by the Companies Ordinance and other applicable laws, rules and regulations, and for such period as the Board shall think fit to the extent permitted by, and in accordance with the Statutes, the Listing Rules and other applicable laws, rules and regulations from time to time;
- (iv) by sending or transmitting it as an electronic communication to such person at any telex or facsimile transmission number or electronic number or electronic address or computer network or website supplied by him to the Company for the giving of notice or document from the Company to him to the extent permitted by, and in accordance with the Statutes, the Listing Rules and other applicable laws, rules and regulations from time to time;
- (v) by publishing it on the Company’s computer network or website and giving to such person a notice in accordance with the Companies Ordinance and other applicable laws, rules and regulations stating that the notice or other document is available there (a “notice of publication”) to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations. The notice of publication may be given to such person by any of the means set out in paragraphs (i) to (iv) or (vi) of this Article; or
- (vi) by sending or otherwise making available to such person through such means to the extent permitted by, and in accordance with, the Statutes, the Listing Rules and other applicable laws, rules and regulations from time to time;

provided that in case of paragraphs (iv) and (v) above, such member has consented to or deemed to have consented in the manner permitted in the Statutes and the Listing Rules to the Company communicating with him in such form or manner.

172. (A) Any notice or document (including any “corporate communication” as defined in the Listing Rules) given or issued by or on behalf of the Company:

When notice deemed to be served.

- (i) if served or delivered in person, shall be, deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the Company Secretary (or other officer of the Company or such other person appointed by the Board) that the notice or document was so served or delivered shall be conclusive evidence thereof;
- (ii) if served or delivered by post, shall be deemed to have been served or delivered on the day following that on which the envelope or wrapper containing the same is put into a post office, and in proving such service or delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office. A certificate in writing signed by the Company Secretary (or such other officer of the Company or such other person appointed by the Board) that the envelope or wrapper containing the notice or other document was so prepaid, addressed and put into such post office shall be conclusive evidence thereof;
- (iii) if sent or transmitted as an electronic communication in accordance with Article 171(iv) or through such means in accordance with Article 171(vi), shall be deemed to have been served or delivered at the time of the relevant despatch or transmission. A notice or document published in the Company’s computer network or website in accordance with Article 171(v) shall be deemed to have been served or delivered at the time that such notice or document was first made available on the Company’s website or on the day following that on which a notice of publication is sent to the member, whichever is later. In proving such service or delivery, a certificate in writing signed by the Company Secretary (or such other officer of the Company or such other person appointed by the Board) as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender’s control shall not invalidate the effectiveness of the notice or document being served; and
- (iv) if served by advertisement in newspaper in accordance with Article 171(iii), shall be deemed to have been served on the day on which such notice or document is first published.



(B) Subject to the Statutes, the Listing Rules and other applicable laws, rules and regulations, any notice or document (including but not limited to the documents referred to in Article 166 and any “corporate communication” as defined in the Listing Rules) may be given by the Company in the English language only, in the Chinese language only or in both. Where a person has in accordance with the Statutes, the Listing Rules and other applicable laws, rules and regulations consented to receive notices and documents (including but not limited to the documents referred to in Article 166 and any “corporate communication” as defined in the Listing Rules) from the Company in the English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver to him any such notice or document in such language only in accordance with these presents unless and until there is a notice of revocation or amendment of such consent given or deemed to have been given by such person to the Company in accordance with the Statutes, the Listing Rules and other applicable laws, rules and regulations which shall have effect in respect of any notice or document to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment.

Choice of language.

173. A notice or document may be given by or on behalf of the Company to the person(s) entitled to a share in consequence of death, mental disorder or bankruptcy of a member in such manner as provided in Article 171 in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

Service of notice to persons entitled on death, mental disorder or bankruptcy of a member.

174. 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 given to the person from whom he derives his title to such share.

Transferee to be bound by prior notices.

175. Any notice or document delivered or sent to any member in such manner as provided in Article 171, shall notwithstanding that such member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member 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.

Notice valid though member deceased bankrupt.

176. The signature to any notice to be given by the Company may be written, printed or made electronically.

How notice to be signed.

### **Information**

177. No member (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 process which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interests of the members of the Company to communicate to the public.

Member not entitled to information.

## Winding Up

178. Subject to the provisions of the Statutes, if the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up on the shares in liquidation 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 so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively, but all subject to the rights of any shares which may be issued on special terms or conditions.

Division of assets in liquidation.

179. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Statutes, divide among the members in specie or kind the whole or any part of the assets of the Company and 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 anyone 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 members or different classes of members and the members 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 members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability.

Distribution in species.

180. In the event of a winding-up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen (14) days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices processes, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes; and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement in a leading local English language daily newspaper and in a leading local Chinese language daily newspaper circulating in Hong Kong as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

Service of process.

## Indemnity

181. (A) Every Director, Company Secretary or other officer of the Company, every member of a committee of the Board, and any persons employed by the Company as Auditors of the Company shall be indemnified out of the assets of the Company against all loss or liabilities to the extent permitted by the Companies Ordinance) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer, and any persons employed by the Company as Auditors shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.

Indemnity.

(B) To the extent permitted by the provisions of the Companies Ordinance, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

(C) Any indemnity provision given by the Company for the benefit of any Director is subject to disclosure in the relevant Directors' report in accordance with the provisions of the Statutes. The Company shall also keep at its registered office a copy, or document setting out the terms, of such indemnity provision which shall be made available for inspection by members in accordance with the provisions of the Statutes.

Disclosure in Directors' report and inspection.

182. The Company shall have power to purchase and maintain at its expense for any Director, Company Secretary or other officer of the Company, every member of a committee of the Board, any persons employed by the Company as Auditors, and any director of an associated company of the Company:

Liability insurance.

- (i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and
- (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

For the purpose of this Article, "related company" means any company which is the Company's subsidiary or holding company or a subsidiary of the Company's holding company.

## Destruction of Documents

183. The Company may destroy:–

Destruction of documents.

- (a) any share certificate which has been cancelled at any time after the expiry of one (1) 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 (2) years from the date 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 (6) years from the date of registration; and
- (d) any other document on the basis of which any entry in the register is made at any time after the expiry of six (6) years from the date any 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.

183A. Notwithstanding any provisions contained in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (d) of Article 183 and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company provided always that 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.

The following table sets out the details of the Initial Subscribers of the Company on 25th day of March 1985:

Names, Addresses and Descriptions of Initial Subscribers	Number of Shares taken by each Initial Subscriber
<p>(Sd.) CHOI KIN CHUNG            CHOI KIN CHUNG (蔡建中)            9th Floor,            8C, Homantin Street, Kowloon.            Merchant</p>	<p>One</p>
<p>(Sd.) HA CHUNG FONG            HA CHUNG FONG (夏松芳)            9th Floor,            8B, Homantin Street, Kowloon.            Merchant</p>	<p>One</p>
<p style="text-align: right;">Total number of shares taken...</p>	<p>Two</p>

*(Note: The names and other particulars of the Initial Subscribers and related content appearing on this page originally formed part of the Memorandum and Articles of Association of the Company before Part 3 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) came into effect on 3rd March 2014, and are now reproduced here for reference only.)*