
IMPORTANT

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in The Sincere Company, Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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THE SINCERE COMPANY, LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code: 00244

Executive Directors:

Ma King Huen Philip (*Chairman & CEO*)

Fu Yiu Cheong John (*Executive Director & CFO*)

Independent Non-Executive Directors:

Ma King Wing

Lo Kai Kin Eric

Chan Man Wai Charles

Tan Peter

Registered Office:

24th Floor

Leighton Centre

77 Leighton Road

Hong Kong

22 June 2017

To the shareholders and, for information only, the optionholders

Dear Sir or Madam,

**RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
AND
PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information relating to the ordinary resolutions and special resolution to be proposed at the Company's forthcoming Annual General Meeting to be held on 4 August 2017 at 10:00 a.m. (the "**Annual General Meeting**") for (i) granting of a general mandate to the directors of the Company (the "**Directors**") to exercise the powers of the Company to undertake repurchases of the Company's fully paid up shares representing up to a maximum of 10% of the total number of shares of the Company in issue on the date of the passing of the relevant Ordinary Resolution (the "**Repurchase Mandate**"); (ii) granting of a general mandate to the Directors to issue new shares up to a maximum of 20% of the total number of shares of the Company in issue on the date of passing of the relevant Ordinary Resolution (the "**Issuance Mandate**"); (iii) extension of the Issuance Mandate by the number of shares repurchased under the Repurchase Mandate; (iv) re-election of the retiring Directors; and (v) the special resolution adopting a new set of the Company's Articles of Association ("**Articles of Association**"); and to give you notice of the Annual General Meeting at which the ordinary resolutions and special resolution as set out in the Notice of Annual General Meeting will be proposed.

As at 13 June 2017, being the latest practicable date, the number of shares in issue was 574,308,000. Assuming no further shares will be issued before the date of passing such resolution, the Directors would be authorized to issue up to 114,861,600 new shares. The existing repurchase mandate and issuance mandate shall be expired at the conclusion of the forthcoming Annual General Meeting of the Company.

In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), this circular also serves as the explanatory statement to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution on the granting of the Repurchase Mandate.

2. RESOLUTIONS TO BE PROPOSED AT THE ANNUAL GENERAL MEETING

The Ordinary Resolution No. 2 to be proposed at the Annual General Meeting relates to the re-election of the retiring Directors. Details of the Directors to be re-elected are set out in Appendix I to this circular.

The Ordinary Resolution No. 4 to be proposed at the Annual General Meeting relates to the granting of the Repurchase Mandate.

The Ordinary Resolution No. 5 to be proposed at the Annual General Meeting relates to the granting of the Issuance Mandate.

The Ordinary Resolution No. 6 to be proposed at the Annual General Meeting relates to the extension of the Issuance Mandate by adding to it the number of shares purchased under the Repurchase Mandate, if any.

The Special Resolution No. 7 to be proposed at the Annual General Meeting relates to the adoption of the proposed new Articles of Association. The summary of the proposed new Articles of Association and the full text of the proposed new Articles of Association (marked-up against the Articles of Association currently in force) are set out in the section headed “PROPOSED ADOPTION OF A NEW SET OF THE ARTICLES OF ASSOCIATION” and Appendix II to this circular respectively.

3. RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Article 99 of the Articles of Association of the Company, Mr Ma King Huen Philip and Mr Chan Man Wai Charles shall retire by rotation at the Annual General Meeting. These retiring Directors are eligible for re-election at the Annual General Meeting. Details of these two Directors as required by Rule 13.51(2) of the Listing Rules are set out in Appendix I to this circular.

4. REPURCHASE MANDATE

Reasons for Share Buyback

Although the Directors have no present intention of repurchasing any shares, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its shareholders. Trading conditions on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) have sometimes been volatile in recent years. At any time in the future when shares are trading at a discount to their underlying asset value, the ability of the Company to repurchase shares will be beneficial to those shareholders who retain their investment in the Company since their percentage interest in the assets of the Company would increase in proportion to the number of shares repurchased by the Company and thereby resulting in an increase in net assets and/or earnings per share of the Company.

Such repurchases will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

Share Capital

A maximum of 10% of the total number of shares of the Company in issue as at the date of passing of the relevant resolution may be repurchased on the Stock Exchange.

As at 13 June 2017, being the latest practicable date prior to the printing of this circular, the total number of shares of the Company in issue was 574,308,000 shares (the “**Shares**”).

Subject to the passing of the Ordinary Resolution No. 4, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 57,430,800 Shares on the basis that no further shares will be issued or repurchased prior to the date of the Annual General Meeting.

Funding of Repurchases

The Directors propose that repurchases of Shares under the Repurchase Mandate in these circumstances would be financed by the Company’s internal resources and/or the legally available funding facilities.

Repurchases must be funded out of funds legally available for the purpose in accordance with the Company's Articles of Association and the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (the "**Companies Ordinance**").

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the Annual Report for the year ended 28 February 2017) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time inappropriate for the Company. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are purchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

Share Prices

The highest and lowest prices at which Shares of the Company have been traded on the Stock Exchange during each of the previous 12 months were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2016:		
June	0.460	0.385
July	0.425	0.380
August	0.415	0.385
September	0.470	0.390
October	0.460	0.405
November	0.440	0.405
December	0.435	0.390
2017:		
January	0.425	0.385
February	0.415	0.385
March	0.410	0.385
April	0.410	0.390
May	0.410	0.380
June (latest practicable date)	0.380	0.380

Share Purchases Made by the Company

No purchases of Shares have been made by the Company during the last 6 months (whether on the Stock Exchange or otherwise).

Disclosure of Interests

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make purchases under the Repurchase Mandate in accordance with the Listing Rules and the Companies Ordinance.

If as a result of a share repurchase by the Company, a substantial shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of The Hong Kong Code on Takeovers and Mergers (the "**Code**"). Accordingly, a shareholder or group of shareholders acting in concert, could obtain or consolidate control of the Company or become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Code.

As at 13 June 2017, being the latest practicable date prior to the printing of this circular, The Sincere Life Assurance Company Limited ("**Sincere Life**") and The Sincere Insurance & Investment Company, Limited ("**Sincere Insurance**") were interested in 183,136,032 and 75,608,064 Shares representing 31.89% and 13.17% of the total number of Shares of the Company in issue respectively. In the event that the Directors exercised in full the power to repurchase Shares of the Company in accordance with the terms of the Ordinary Resolution to be proposed at the Annual General Meeting, the interests of Sincere Life and Sincere Insurance in the Shares of the Company would be increased to approximately 35.43% and 14.62% of the total number of Shares of the Company in issue respectively. If the Directors fully exercise the Repurchase Mandate, a general offer will be required to be made by Sincere Life and Sincere Insurance to the shareholders of the Company under the Code and the Directors will take necessary steps to comply with the Listing Rules and the Code. The Company has no present intention to exercise the Repurchase Mandate to the extent that would give rise to an obligation to make a general offer under the Code.

None of the Directors, or, to the best of their knowledge having made all reasonable enquires, any of their associates presently intends to sell Shares to the Company under the Repurchase Mandate in the event that the granting of the Repurchase Mandate is approved by the shareholders of the Company.

The Company has not been notified by any connected persons of the Company that they have a present intention to sell any Shares or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by its shareholders.

5. PROPOSED ADOPTION OF A NEW SET OF THE ARTICLES OF ASSOCIATION

In order to bring the existing Articles of Association in line with the Companies Ordinance, Chapter 622 of the Laws of Hong Kong ("**Companies Ordinance**"), as well as to modernise and update the Articles of Association, certain amendments are proposed to be made to the Articles of Association. In view of the substantial number of amendments, the Board proposes that the Company takes this opportunity to adopt a new set of the Articles of Association, consolidating all the previous and proposed amendments, to replace the existing Articles of Association with effect from the date of the passing of the relevant special resolution at the Annual General Meeting. A brief summary of the major changes brought about by the adoption of the new Articles of Association are set out below:

Changes pursuant to the Companies Ordinance

The Board proposes to make the following changes to the Articles of Association:

- (a) to formally migrate the mandatory clauses from the Memorandum of Association (such as the name of the Company and the limited liability of the members) to the Articles of Association given that the Articles of Association have become the single constitutional document of the Company due to the abolition of the Memorandum of Association under the Companies Ordinance;

- (b) to provide that the Company does not require to have any “**objects**” clauses;
- (c) to remove all the references in the Articles of Association to authorised capital, par or nominal value of Shares, unissued Shares, capital redemption reserve fund and share premium account which have become obsolete due to the mandatory no par value regime under the Companies Ordinance;
- (d) to delete the articles relating to conversion of Shares into stock and subscription right reserves as the Companies Ordinance has repealed the power of a company to convert Shares into stock and the abolition of the par value concept;
- (e) to provide a statement of the reasons for refusal of registration of a transfer of Shares within 28 days, if required by the transferor or the transferee of the Company’s Shares;
- (f) to lower the threshold for demanding a poll from 10% to 5% of the total voting rights or 5 members having the right to vote at a general meeting;
- (g) to amend the minimum notice period for convening a general meeting (other than an annual general meeting) for passing a special resolution from 21 days to 14 days;
- (h) to include the following new provisions in respect of appointment of proxy:
 - (i) to allow multiple proxies and to permit a proxy to exercise all or any of the member’s rights to attend and to speak and vote at a general meeting including voting on a show of hands, with multiple proxies excepted;
 - (ii) to give flexibility for return of a proxy form by various means including by electronic means and to prescribe the statutory period in various situations for the return of proxy form; and
 - (iii) to set out the notice requirement in the case of revocation of proxy’s authority;
- (i) to include the mandatory requirement for the chairman of the meeting to demand a poll if the chairman of the meeting, before or on the declaration of the result on 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;
- (j) to allow the Company to hold general meetings in more than one location using any technology that enables the members to listen, speak and vote at the meetings;

- (k) to broaden the scope of the requirement for declaration of a director's interest by requiring a director to declare the nature and extent of the interest of himself and his connected entities and the direct or indirect interest in any transaction, contract or arrangement of himself and his connected entities and to specify the timing and procedures of declaration of such interests by a director in accordance with the Companies Ordinance;
- (l) to require members' approval for a service contract made by the Company with its Directors for a guaranteed term of employment exceeding 3 years;
- (m) to allow the Company to execute a document as a deed without using its common seal as permitted under the Companies Ordinance; and
- (n) to replace the obsolete terms with the new terms used in Companies Ordinance; and the Section references to the previous Companies Ordinance (Chapter 32, the Laws of Hong Kong) with the corresponding Section references to the Companies Ordinance.

Miscellaneous Amendments

Certain amendments to the Articles of Association are proposed for administrative efficiency and housekeeping, which include:

- (a) providing flexibility to the Directors to signify their agreement to, in place of signing, written resolutions of Directors under certain specified procedures;
- (b) permitting the signing of Directors' written resolutions by the Directors (or by their alternate Directors) by electronic signature;
- (c) permitting notice of Directors' meetings to be sent to a Director by electronic means or by making the same available on a website, subject to the consent of such Director;
- (d) empowering the Directors to call for postponement of general meeting in the event that a black rainstorm warning or gale warning is in force on the originally scheduled date of such general meeting;
- (e) accepting the result of poll as recorded in the scrutineers' certificate to be the resolution of the meeting at which the poll is demanded and the conclusive evidence of that fact without proof; and
- (f) reflecting the amendments to the Listing Rules relating to connected transaction requirements and definitions of connected person and associate.

Other house-keeping amendments to the Articles of Association are also proposed, including consequential amendments in line with the above amendments to the Articles of Association, as well as the updating of certain provisions with reference to the Listing Rules currently in force and deleting the articles which have no practical use. New definitions are proposed to be added to improve the clarity and readability of the Articles of Association generally.

The full text of the proposed new Articles of Association (marked-up against the Articles of Association currently in force) is set out in Appendix II to this circular. The Chinese translation of the proposed new Articles of Association set out in the Chinese version of this circular is for reference only. In case there is any discrepancy or inconsistency between the English and Chinese versions, the English version shall prevail.

6. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company to be held on 4 August 2017 at Pacific Room, 2/F, Island Pacific Hotel, 152 Connaught Road West, Hong Kong (the “**Notice**”) is set out in Appendix III to this circular.

The Notice is also set out in the 2016/17 Annual Report which is dispatched to the shareholders together with this circular.

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the Annual General Meeting will be taken by way of poll.

Proxy form for use at the Annual General Meeting is enclosed with the Annual Report. To be valid, the proxy form must be completed in accordance with the instructions printed thereon and deposited together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company’s Registrar, Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and delivery of the form of proxy will not prevent you from attending and voting at the Annual General Meeting.

7. RECOMMENDATION

The Directors consider that the Ordinary Resolutions in relation to the granting of the Repurchase Mandate, the granting and extension of the Issuance Mandate and re-election of the retiring Directors and the Special Resolution adopting the Articles of Association as set out in the Notice of the Annual General Meeting are in the best interests of the Company and its shareholders as a whole and accordingly recommend that all shareholders should vote in favour of the proposed Resolutions Nos. 2 and 4 to 7 at the Annual General Meeting.

Yours faithfully
Ma King Huen Philip
Chairman & CEO

The following are the particulars of the two Directors proposed to be re-elected at the Annual General Meeting:

1. **Ma King Huen Philip**, aged 61, Chairman & CEO of the Company. Mr Ma joined the Board of Directors in 1990, who became an Executive Director in 1992, has been President since 1993, re-titled as Group Managing Director in 1996, re-designated as Deputy Chairman & CEO in 2012 and appointed as Chairman and CEO in 2014. Mr Ma also serves on the boards of various subsidiaries of the Company. Mr Ma holds an MBA degree. He is the cousin of Mr Ma King Wing who is also a director of the Company. He also holds directorship of Sincere Life and Sincere Insurance. Both Sincere Life and Sincere Insurance are substantial shareholders of the Company. Save as disclosed above, Mr Ma does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr Ma has a personal interest of 2,000,000 shares of the Company within the meaning of Part XV of the SFO and 11,400,000 share options of the Company. There is no service contract and proposed length of service between Mr Ma and the Company. Mr Ma received remuneration of HK\$15 million for the year 2016/17 and it was determined on the basis of his level of responsibilities and by reference to the market benchmark.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of the shareholders of the Company.

2. **Chan Man Wai Charles**, aged 61, Independent Non-executive Director and a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr Chan became an Independent Non-Executive Director of the Company since 1995. He is also an Executive Director of International Hoteliers Limited. Mr Chan is a member of the American Institute of Certified Public Accountants. Mr Chan does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr Chan has a personal interest of 40,000 shares of the Company within the meaning of Part XV of the SFO and 1,140,000 share options of the Company. There is no service contract and proposed length of service between Mr Chan and the Company. Mr Chan received remuneration of HK\$160,000 for the year 2016/17 and it was determined on the basis of his level of responsibilities and by reference to the market benchmark. Mr Chan has served on the Board as an Independent Non-Executive Director for more than nine years and, during his appointment, he has given independent guidance and advice to the Company. The Company has received from Mr Chan his annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers that Mr Chan is independent.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of the shareholders of the Company.

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

THE SINCERE COMPANY, LIMITED
(先施有限公司)

~~(Re-printed inclusive of amendments made up to the 5th day of August, 2005~~
As adopted by Special Resolution passed on the 4th day of August, 2017)

Incorporated 16th day of January, 1919

[COPY]

File No. 262

CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME

Whereas The Sincere Company, Limited was incorporated in Hong Kong as a limited company under the Companies Ordinance on the Sixteenth day of January, 1919;

And Whereas by special resolution of the Company and with the approval of His Excellency the Governor duly given on his behalf under delegated powers, it has changed its name;

Now therefore I hereby certify that the Company is a limited company incorporated under the name of The Sincere Company, Limited (先施有限公司).

Given under my hand this Eighth day of October One Thousand Nine Hundred and Seventy-four

Registrar of Companies
Hong Kong

CERTIFICATE OF INCORPORATION

OF

THE SINCERE COMPANY, LIMITED

I HEREBY CERTIFY that “THE SINCERE COMPANY, LIMITED” is this day incorporated under the Hongkong Companies Ordinances 1911-1915, and that this Company is limited.

Given under my hand and seal of office this 16th day of January in the year of our Lord, One thousand Nine hundred and nineteen.

L.S.

(Sd.) HUGH A. NISBET.
Registrar of Companies

STAMP \$10 16/1/19

~~THE COMPANIES ORDINANCE (Chapter 32)~~

~~Company Limited by Shares~~

~~MEMORANDUM OF ASSOCIATION~~

~~(As amended by Special Resolution passed on the 27th day of February, 1976)
(Re-printed inclusive of amendments made up to the 5th day of August, 2005)~~

~~OF~~

~~THE SINCERE COMPANY, LIMITED
(先施有限公司)~~

- ~~#1. The Name of the Company is "THE SINCERE COMPANY, LIMITED".~~
- ~~2. The Registered Office of the Company is situated in the Colony of Hong Kong.~~
- ~~3. The objects for which the Company is established are, in any part of the world:-~~
- ~~(1) To carry on the business of Department Store or universal providers.~~
 - ~~(2) To carry on the business of drapers and furnishing and general warehousemen in all its branches.~~
 - ~~(3) To carry on all or any of the business of silk mercers, cotton spinners, cloth manufacturers, furriers, haberdashers, hosiers, manufacturers, importers, and wholesale and retail dealers of and in textile fabrics of all kinds, milliners, dressmakers, tailors, hatters, clothiers, outfitters, glovers, lace manufacturers, feather dressers, boot and shoe makers, manufacturers and importers and wholesale and retail dealers of and in leather goods, household furniture, ironmongery, turnery and other household fittings and utensils, ornaments, stationery and fancy goods, dealers in provisions, drugs, chemicals and other articles and commodities of personal and household use and consumption and generally of and in all manufactured goods, materials, provisions and produce.~~
- ~~# The name of the Company changed to "The Sincere Company, Limited 先施有限公司" on 8 October 1974.~~

- (4) ~~To carry on all or any of the businesses of saddlers, house decorators, gas and electric fitters, builders, contractors, auctioneers, cabinet makers, upholsterers, furniture removers, owners of depositories, warehousemen, carriers, storekeepers, warehouse keepers, manufacturers of and dealers in hardware, jewellery, plated goods, perfumery, soap, outdoor and indoor games, and toys and articles required for ornament, recreation or amusement, gold and silver smiths, book-sellers, dealers in musical instruments, manufacturers of and dealers in bicycles, tricycles and all kinds of motor carriages and automobile and also refreshment contractors, restaurant keepers, hotel, boarding and lodging house keepers and also to carry on the business of chemists-druggists, dry salters oil and colour men-importers and manufacturers of and dealers in Pharmaceutical, medicinal, chemical, industrial and other preparations and articles, compounds, cements, oils, paints, pigments and varnishes, drug dye ware, paint and colour grinders, makers of and dealers in proprietary articles of all kinds, and of electrical, chemical, photographic, surgical and scientific apparatus and materials, licensed victuallers, wine and spirit merchants, tobacconists, and dealers in mineral, aerated and other liquors, farmers, dairymen, market gardener, nurserymen and florists.~~
- (5) ~~To buy, sell, manufacture, repair, alter, and exchange, let on hire, export, and deal in all kinds of articles and things which may be required for the purposes of any of the said businesses, or commonly supplied or dealt in by persons engaged in any such businesses or which may seem capable of being profitably dealt with in connection with any of the said businesses.~~
- (6) ~~To receive money, valuables, household furniture, goods, chattels, effects and materials of all kinds on deposit or for the purpose of being warehoused or for safe custody.~~
- (7) ~~To carry on the business of a co-operative store and general supply society in all its branches, and to transact all kinds of agency business.~~
- (8) ~~To provide and conduct refreshment rooms, newspaper rooms, reading and writing rooms, dressing rooms, telephones and other conveniences for the use of customers and others.~~
- (9) ~~To carry on any other business (manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with any of the above specified businesses or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.~~
- (10) ~~To carry on the business of tea shops keepers, restaurant keepers and suppliers of provisions both solid and liquid.~~
- (11) ~~To carry on the business of proprietors or managers of theatres, palaces and Halls, cinematographic shows and exhibitions and to permit the Company's premises to be used for such other purposes as may seem expedient.~~

- (12) ~~To purchase, hire or otherwise acquire any photographic and other apparatus in connection with cinematograph shows and exhibitions.~~
- (13) ~~To carry on the business of banking in all its branches and departments, including the issue of notes; the borrowing, raising or taking up of money; the lending or advancing, with or without security, of money, securities and property, and the granting or contracting for open general credits; with or without security, the receiving of money on deposit or current account at interest or otherwise; the making, drawing, accepting, endorsing, issuing, discounting, buying, selling, exchanging, remitting and otherwise dealing with bills of exchange, promissory notes, coupons, compradore orders, native bank orders, drafts, bills of lading, warrants, bonds, debentures, certificates, scrip and other instruments and securities, whether transferable or negotiable or not; the granting and issuing of letters of credit and circular notes; the buying, selling, and dealing in and minting of bullion specie and coin; the negotiating of loans and advances; the collecting and transmitting of money and securities; the managing of property; and the transacting of all kinds of agency business commonly transacted by bankers.~~
- (14) ~~To take, accept, enforce, release, realise or deal with any security for any moneys owing or to become owing to the Company, or for any liabilities incurred or to be incurred towards or by the Company by way of mortgage, pledge, hypothecation, deposit or otherwise howsoever of every kind of property or rights.~~
- (15) ~~To carry on the business of a savings bank in all branches of such business.~~
- (16) ~~To carry on the business of importers, exporters, commission agents, general merchants, traders, and dealers both wholesale and retail, contractors, brokers, factors, distributors, manufacturers' representatives and commercial, financial and general agents and to carry on and undertake any business transaction or operation commonly carried on by financiers, concessionaires, capitalists, merchants and traders; and to import and export, buy, sell (either for cash or on credit) barter, exchange, pledge, make advances upon or otherwise deal in goods, produce, commodities and merchandise of all kinds.~~
- (17) ~~To act as the Agents for the issue of any Bills, Bonds, Debenture Stock, whether or not offered to the Public for subscription, and to guarantee the subscription of any such Securities or Shares, and to act as Trustee, Executor or Administrator with or without remuneration, and to undertake Trusts of all kinds and the conduct of any business connected with Trusts of any description or the Estates of deceased persons, and to receive their safe custody.~~
- (18) ~~To consider, originate and settle improvements in the Law which may seem directly or indirectly conducive to any of the Company's objects, and to resist and oppose alterations therein which may seem to the Company directly or indirectly adverse to the interests of the Company or its Members or any section thereof.~~

- (19) ~~To accumulate capital for any of the purposes of the Company and to appropriate any of the Company's assets to specific purposes and in particular to create or set aside out of the capital or revenue of the Company any special fund or special funds and to give to any class or section of those who insure or have other dealings with the Company any rights over or in relation to any fund or funds so created, or a right to participate in the profits of the Company or in the profits of any particular branch or part of the business, or any other special privileges, advantages or benefits.~~
- (20) ~~To amalgamate or enter into partnership or any joint purse or other arrangements for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise with any person, firm, company or corporation carrying on or engaged in any business or transaction capable of being conducted so as directly or indirectly to benefit the Company.~~
- (21) ~~To lend money to, guarantee the contracts of, or otherwise assist any person, firm, company or corporation, and also to take or otherwise acquire or hold and to sell or otherwise deal with any shares, stocks or securities, and also to invest monies of the Company in any manner which may from time to time be determined.~~
- (22) ~~To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.~~
- (23) ~~To pay, satisfy or compromise any claims made against the Company in respect of any contracts entered into by the Company, which claims the Company may deem it expedient to pay, satisfy or compromise notwithstanding that such claims may not be valid in law.~~
- (24) ~~To purchase or otherwise acquire, take over and undertake all or any part of the business, property, and liabilities of any person, firm, company or corporation carrying on any business which the Company is authorised to carry on, and to carry on, conduct, or liquidate or wind up any business so acquired and to acquire, hold and deal with the stocks, shares and securities of any such person, firm, company or corporation.~~
- (25) ~~To lay out land for building purposes, and to build on, improve, let on building leases, advance money to persons building, and otherwise developing the same in such manner as may seem best calculated to advance the Company's interest.~~
- (26) ~~To sell, improve, manage, alter, pull down, rebuild, develop, redevelop, exchange, lease, mortgage, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.~~
- (27) ~~To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company or for any other purposes which may seem directly or indirectly calculated to benefit this Company.~~

- (28) ~~To sell, lease, exchange, or otherwise dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares (whether fully or partly paid up) in or debentures of securities of any other company having objects altogether or in part similar to those of this Company, and generally upon such terms as may be deemed expedient, and to acquire, hold and deal with the shares, stocks and securities of any such company.~~
- (29) ~~Generally to purchase, take on lease, or in exchange, hire or otherwise acquire, any real and personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business, and in particular any land, buildings, and easements, machinery, plant and stock in trade.~~
- (30) ~~To construct, maintain and alter any buildings, or works necessary or convenient for the purposes of the Company.~~
- (31) ~~To construct, improve, maintain, develop, work, manage, carry out, or control any roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores, and other works and conveniences which may seem calculated directly or indirectly to advance the Company's interests, and to contribute to, subsidise, or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out, or control thereof.~~
- (32) ~~To invest and deal with the monies of the Company not immediately required either by purchase of or loan upon real and personal property (including chattels real) stocks, shares, (whether such stocks and shares are fully or partly paid up and whether they are subject to any liability or not), or securities, or in such other manner as may from time to time be determined by the Directors of the Company.~~
- (33) ~~To lend money to such persons and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts by such persons.~~
- (34) ~~To remunerate any person or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures or other securities of the Company, or in or about the formation or promotion of the Company, or the conduct of its business.~~
- (35) ~~To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of Debentures or Debenture Stock, perpetual or otherwise, charged upon all or any of Company's property (both present and future) including its uncalled capital, and to purchase, redeem, or pay off any such Securities.~~
- (36) ~~To undertake and execute any trusts the undertaking whereof may seem desirable, and either gratuitously or otherwise.~~

- ~~(37) To draw, make, accept, indorse, discount execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.~~
- ~~(38) To adopt such means of making known the business or products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards, and donations.~~
- ~~(39) To obtain any order, ordinance, order in council, charter, or Act of Parliament for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the Company's interests.~~
- ~~(40) To distribute any of the property of the Company in specie among the members.~~
- ~~(41) To establish and support or aid in the establishment and support of provident funds, trusts and conveniences calculated to benefit employees of the Company, or the dependants or connections of such persons, and to grant pensions, gratuities and allowances, and to subscribe, donate or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object.~~
- ~~(42) To procure the Company to be registered or recognised in or under the Laws of, and to establish branches of the Company in, any place outside the Colony, and to regulate and discontinue the same, and to make such deposits with any Government, Authority or State as the Laws, Regulations or requirements of any such Government, Authority or State may demand.~~
- ~~(43) To carry on business as tourist agent and contractors, and to facilitate travelling, and to provide for tourists and travellers, and promote the provision of conveniences of all kinds in the way of through tickets, circular tickets, sleeping cars or berths, reserved places, hotel and lodging accommodation, guides, safe deposits, inquiry bureaus, libraries, lavatories, reading rooms, baggage transport and otherwise.~~
- ~~(44) To do all or any of the above things in any part of the world and either as principals, agents, contractors, trustees, or otherwise and either by or through agents, subcontractors, trustees or otherwise and either alone or in conjunction with others.~~
- ~~(45) Generally to do all such other things as in the opinion of the Company are incidental or conducive to the attainment of the above objects or any of them.~~

And it is hereby declared that the word “company” in this Clause, except where used in reference to this Company or “the Company”, shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in Hong Kong or elsewhere and the intention is that the objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be in no wise altered or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

4. ~~The liability of the members of the Company is limited.~~

~~#5. The authorised capital of the Company is *HK\$100,000,000.00 (One hundred million dollars Hong Kong Currency) divided into 10,000,000 (Ten million) shares of HK\$10.00 (Ten dollars Hong Kong Currency) each. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise. Dividends may be paid in cash or by the distribution of specific assets or otherwise as provided by the regulations of the Company.~~

~~* As increased by Ordinary Resolution on 23rd day of November, 1972.~~

~~# By an Ordinary Resolution passed on 29th day of October 1985, the authorised share capital of the Company was increased from HK\$100,000,000 to HK\$125,000,000 by the creation of a further 2,500,000 shares of HK\$10.00 each.~~

~~By an Ordinary Resolution passed on 19th day of April 1990, the 12,500,000 shares of HK\$10.00 each in the capital of the Company were subdivided into 250,000,000 shares of HK\$0.50 each.~~

~~By an Ordinary Resolution passed on 8th day of August 1990, the authorised share capital of the Company was increased from HK\$125,000,000 to HK\$150,000,000 by the creation of an additional 50,000,000 shares of HK\$0.50 each.~~

~~By an Ordinary Resolution passed on 3rd day of August 1993, the authorised share capital of the Company was increased from HK\$150,000,000 to HK\$300,000,000 by the creation of an additional 300,000,000 shares of HK\$0.50 each.~~

~~WE, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.~~

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
MARK CHAN HARR, No. 1, St. Stephens Lane Hong Kong, Merchant.	One
MA YING PIU, No. 3, Breezy Path Hong Kong, Merchant.	One
CHUN CHIK YU, 16, D'Aguiar Street Hong Kong, Merchant.	One
NG WEI CHEE, 40A, Bonham Road Hong Kong, Merchant.	One
MAR HOON BEW, 48, Gage Street Hong Kong, Merchant.	One
MAR JOE KUM, Oriental Hotel Canton, Merchant.	One
JAN CON SANG, No. 3, Kung Ho Terrace Hong Kong, Merchant.	One
CHOY HING, 2, Park Road Hong Kong, Merchant.	One
	TOTAL...EIGHT

~~Dated the 16th day of January, 1919.~~

~~WITNESS to all the above signatures:~~

(Sd.) H. J. GEDGE,
Solicitor,
Hong Kong

~~Registered with Articles of Association.~~

STAMP
\$10
16/1/19

Company Limited by Shares

ARTICLES OF ASSOCIATION

(As adopted by Special Resolution passed on the ~~3rd~~4th day of ~~August~~August, ~~1989~~2017)
(Re-printed inclusive of amendments made up to the 5th day of August, 2005)

OF

The Sincere Company, Limited
(先施有限公司)

Name of Company

- (A) The Name of the Company is “THE SINCERE COMPANY, LIMITED (先施有限公司)”. Company name.

Registered Office

- (B) The Registered Office of the Company is situated at such place in Hong Kong as the Directors shall from time to time appoint. Registered Office

Liability of the Members

- (C) The liability of the members of the Company is limited and limited to the extent of any amount unpaid on the shares held by the members. Members' liabilities

PRELIMINARY

1. In these presents unless there is something in the subject or context inconsistent therewith: Interpretation

“the Articles” or “these presents” or “these Articles” means the Articles of Association of the Company for the time being in force;

“Associates” has the same meaning as that set out in Rule 1.01 of the Listing Rules as modified from time to time;

“black rainstorm warning” has the same meaning as that set out in the Interpretation and General Clauses Ordinance (Chapter 1 of the Laws of Hong Kong) as modified from time to time;

“business day” means any day on which The Stock Exchange of Hong Kong Limited is open for business of dealing in securities;

“capital” means the issued share capital from time to time of the Company;

“Clearing house” means a recognised clearing house within the meaning as set out in Part 1 of Schedule 1 to the Securities and Futures Ordinance (Chapter 571) as modified from time to time;

“Close Associate” means in relation to any Director: (i) before 1st July, 2014 shall have the same meaning as that ascribed to “Associate” in this Article 1; and (ii) on or after 1st July, 2014 shall have the same meaning as defined under Rule 1.01 of the Listing Rules effective from 1st July, 2014 as modified from time to time;

“the Company” or “this Company” means The Sincere Company, Limited (先施有限公司);

“Company Secretary” shall mean any person appointed by the Directors to perform any of the duties of the company secretary, and, where two or more persons are appointed to act as joint secretaries, any one of those persons; includes any person appointed to perform the duties of secretary temporarily and any duly appointed assistant secretary;

“connected entity” has the same meaning as that for “an entity connected with a director or former director of a company” set out in Section 486(1) of the Ordinance;

“the Directors” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present or as the case may be, the directors of the Company for the time being;

“financial statements” means annual financial statements or annual consolidated financial statements within the context of Section 380 of the Ordinance;

“gale warning” has the same meaning as that set out in the Interpretation and General Clauses Ordinance (Chapter 1 of the Laws of Hong Kong) as modified from time to time;

“Hong Kong” means Hong Kong Special Administrative Region of the People’s Republic of China;

“in writing” or “written” includes printing, lithography and other means of representing or reproducing words or figures in a visible form and includes telex, facsimile and other similar means of reproducing messages;

“Listing Rules” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as modified from time to time;

“member” means a person who is registered as the holder of shares in the capital of the Company;

~~“Memorandum of Association” means the Memorandum of Association of the Company for the time being in force;~~

“month” means calendar month;

“office” means the registered office for the time being of the Company;

“the Ordinance” means the Companies Ordinance (Cap. 3622) including any subsidiary legislation providing relevant administrative, technical and procedural matters for implementation of the Ordinance, as modified from time to time;

“paid up” or “paid” includes credited as paid up or paid;

“the register” means the register of members to be kept pursuant to the Ordinance;

“reporting documents” means in relation to a financial year of the Company shall mean the documents set out in Section 357(2) of the Ordinance, that is, (a) the financial statements for the financial year; (b) the directors’ report for the financial year; (c) the auditor’s report on those financial statements;

“seal” means the common seal of the Company or where appropriate the official seal of the Company for use in any particular state, country or territory outside Hong Kong and includes, where the context so admits, any ~~securities~~ official seal adopted by the Company pursuant to ~~Section 73A of the Ordinance~~ for sealing share certificates;

~~“secretary” includes any person appointed to perform the duties of secretary temporarily and any duly appointed assistant secretary;~~

“share” means the existing ordinary shares in the capital of the Company ~~and includes stock except where a distinction between stock and shares is expressed or implied and shall include, where applicable, all such other additional shares of the Company in the same, or different class, issued, allotted or otherwise converted from time to time in accordance with the Articles;~~

“special notice” in relation to a resolution shall have the meaning ascribed thereto in Section ~~H6C~~578 of the Ordinance;

“special resolution” has the meaning ascribed thereto in Section 564 of the Ordinance;

“year” means calendar year.

The singular includes the plural and vice versa. Words importing any gender include the other genders.

Save as aforesaid any words or expressions defined in the Ordinance shall if not inconsistent with the subject or context bear the same meaning in these presents.

The headings and marginal notes shall not affect the construction of these presents.

2. ~~The regulations contained in Table “A” in the First Schedule to the Ordinance~~ Schedule 1 to The Companies (Model Articles) Notice (Cap. 622H) shall not apply to the Company. Model Articles

CAPITAL AND SHARES

- *3. ~~The capital of the Company at the time of the amendment of these presents is HK\$125,000,000.00 divided into 250,000,000 shares of HK\$0.50 each. [Intentionally leave blank.]~~ Share capital

~~* By an Ordinary Resolution passed on 8th day of August 1990, the authorised share capital of the Company was increased from HK\$125,000,000 to HK\$150,000,000 by the creation of an additional 50,000,000 shares of HK\$0.50 each.~~

~~By an Ordinary Resolution passed on 3rd day of August 1993, the authorised share capital of the Company was increased from HK\$150,000,000 to HK\$300,000,000 by the creation of an additional 300,000,000 shares of HK\$0.50 each.~~

4. Subject to the provisions of the Ordinance (~~and in particular section 57B thereof~~) ~~and of the Articles relating to new shares, all unissued shares in the Company including any new shares created upon an increase of capital shall be under the control of the Directors who may offer, allot, grant options over or otherwise dispose of them~~ and the relevant authority given by the Company in general meeting, the Directors may exercise any power of the Company to allot shares (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, or to grant rights to subscribe for or convert any security into shares to such persons, on such terms and conditions and at such times as the Directors shall in their sole and absolute discretion think fit, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Ordinance. Allotment of Shares
5. (A) The Company may at any time pay a commission or brokerage 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 Ordinance shall be observed and complied with and in each case the commission or brokerage shall not exceed ten percent of the price at which the shares are issued. Company may pay commission
- (B) The Directors may issue warrants (other than share warrants to bearer) to subscribe for any class of shares or securities of the Company on such terms as they may from time to time determine. ~~Where share warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed and have received an indemnity in satisfactory form with regard to the issue of any new warrant. No fraction of any share shall be allotted on exercise of the subscription rights.~~ Directors may issue warrants

6. (A) Subject to the provisions, if any, in ~~that behalf of the Memorandum of Association~~ this Articles and without prejudice to any special rights previously conferred on the holders of existing shares, any share in one or different class may be allotted and issued with such preferred, redeemable, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of share 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 shall not make specific provision, as the Directors may determine). Subject to the provisions of the Ordinance, and any preference share may, with the sanction of a special resolution, be allotted and issued on terms that it is, or which are to be redeemed, or liable to be redeemed at the option of the Company is liable, to be redeemed or the holder and the Directors may determine the terms, conditions and manner of redemption of any such share, provided that buy-backs of redeemable shares not made through the market or by tender shall be limited to a maximum price and if buy-backs are by tender, tenders shall be available to all shareholders holding redeemable shares of the Company alike. For shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares. For shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, shall include the words “restricted voting” or “limited voting”.
- (B) The Company may, in accordance with the Ordinance, ~~by ordinary resolution,~~ before the issue of any new shares, make any provisions as to the issue and allotment of such shares including, but without prejudice to the generality of the foregoing, a provision that the new shares or any of them shall be offered in the first instance to all the holders for the time being of shares of any class in proportion to the number of the shares held by them respectively but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.

Shares issued
with special
rights

Shares offered
to existing
members

7. (A) If at any time the capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section ~~64~~180 of the Ordinance, be varied with the consent in writing of the holders of ~~three-fourths in nominal value~~ seventy-five per cent of the total voting rights of the issued holders of shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To any such separate general meeting all the provisions of the Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be ~~one or more~~ not less than two persons holding or representing by proxy or authorised representative not less than one-third of the issued total voting rights of holders of shares of that class, and at an adjourned meeting one person holding any shares of that class or his proxy, and that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy or authorised representative may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy or authorised representative (whatever the number of shares held by him) shall be a quorum.
- (B) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Except as otherwise expressly provided by the Articles or required by law or ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and 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 (except only as by the Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
9. Subject to any requirements and restrictions contained in the Ordinance, and any relevant rules or regulations issued by The Stock Exchange of Hong Kong Limited or the Securities and Futures Commission from time to time, the Company shall be entitled to ~~repurchase~~ buy-back shares of all classes and securities which carry a right to subscribe or ~~purchase~~ buy-back shares out of its own issued share capital, or give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a ~~purchase~~ buy-back made or to be made by any person of any shares in the Company.

Variation of
class rightsTrusts not
recognisedFinancial
assistance
prohibited

REGISTER OF MEMBERS AND SHARE CERTIFICATES

10. The Directors shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Ordinance. Register of members
11. (A) Every person whose name is entered as a member in the register shall be entitled without payment within the relevant time limit as required by the Ordinance or other codes, rules and regulations as may be prescribed by any applicable regulatory authority from time to time, whichever is shorter, after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) to the issue of one certificate for all his shares or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment, in the case of a transfer, of ~~HK\$2 for every certificate after the first or such~~ a fee of such amount (of not more than the maximum sum as may be permitted by the Ordinance and approved by any stock exchange in Hong Kong or such lesser sum as the Board may from time to time require, 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. Issue of share certificates
- (B) Every certificate for shares or debentures or warrants or representing any other form of security of the Company shall be issued, ~~under the seal~~ its official seal in accordance with the Ordinance.
- (C) Every share certificate hereafter issued shall specify the number and class of shares and distinguishing number of shares (if required by the Ordinance) in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Directors may from time to time prescribe.
- (D) If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall contain the descriptions required under the Ordinance. A share certificate shall relate to only one class of shares.

12. Subject to the provisions in the Ordinance, if a share certificate is defaced, worn out, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding HK\$2 (or such other a fee of such amount of not more than the maximum amount as shall for the time being be permitted by the Ordinance and approved by any stock exchange in Hong Kong) and on such terms, if any, as to publication of notices, evidence and indemnity and to payment of any exceptional costs and the reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Directors may think fit and, where it is defaced or worn out, after delivery of the defaced or worn out certificate to the Company.

Replacement of
share
certificates

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

Joint holders

LIEN

14. 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 that 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 single member 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; but the Directors may at any time declare any share to be for some specified period wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends, bonuses and distributions payable in respect thereof.

Shares and
dividends
subject to lien
for debts due to
the Company

15. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until expiration of 14 days after a notice in writing specifying the relevant debt, liability or engagement and demanding payment, 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 share, or the person entitled thereto by reason of the death, mental disorder or bankruptcy of the registered holder.

Enforcement of
lien by sale

16. The net proceeds of the sale after the payment of the costs of such sale shall be received by the Company and applied in or towards payment, fulfilment or discharge of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable or due to be fulfilled or discharged, and any residue shall (subject to a like lien for debts or liabilities or engagements not presently payable or due to be fulfilled or discharged as existing upon the shares prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the shares sold) be paid to the person who was the holder of such shares immediately before the sale of such shares. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he 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 sale

CALLS ON SHARES

17. The Directors may from time to time make such calls as they may think fit upon the members in respect of all or any part of the moneys unpaid on the shares held by them respectively (~~whether on account of the nominal value of the shares and/or by way of premiums~~) and not by the conditions of issue or allotment thereof made payable at a date fixed by or in accordance with such terms of issue or allotment; and each member shall (subject to receiving at least 14 days' notice specifying the time and place of payment and to whom such call shall be paid) pay to the Company at the time and place and to the person so specified the amount called on his shares. A call shall be deemed to have been made when the resolution of the Directors authorising such call is passed and may be made payable in one sum or by instalments. A call may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable on such call notwithstanding any subsequent transfer of the shares in respect of which the call was made.
- Calls and notice of calls
18. A copy of the notice referred to in Article 17 shall be sent to the members in the manner in which notices may be sent to members by the Company as herein provided.
- Service of notice
19. In addition to the giving of notice in accordance with Article 17, notice of the person appointed to receive payment of every call and of the time and place appointed for payment may, if required by any applicable laws, rules or regulations, or determined by the board of Directors to be appropriate, be given to the members affected by notice to be inserted once in The Hong Kong Government Gazette and once at least in an leading English language daily newspaper and a leading Chinese language daily newspaper or any other form of advertisement circulating in Hong Kong.
- Notices in Gazette and newspapers
20. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect of such share or other moneys due in respect thereof.
- Liability of joint holders

21. The Directors may from time to time at their discretion extend the time fixed for any call and may extend such time as regards all or any of the members whom, by reason of residence outside Hong Kong or other cause, the Directors 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
22. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding twenty percent per annum as the Directors shall fix from the day appointed for the payment thereof to the time of the actual payment but the Directors shall be at liberty to waive payment of that interest wholly or in part. Interest on unpaid calls
23. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member who is entitled) at any general meeting, either personally or by proxy or authorised representative or be reckoned in a quorum or to exercise any other privilege as a member until all calls and 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
24. 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 the Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matters whatsoever and the proof of the matters aforesaid only shall be conclusive evidence of the existence of the debt. Evidence in action for recovery of call
25. Any sum (~~whether on account of the nominal value of the share and/or by way of premium~~) which by the terms of issue or allotment of a share becomes payable upon allotment or any date fixed by or in accordance with such call terms of issue or allotment shall for all the purposes of the Articles be deemed to be a call duly made, notified and payable on the date on which by the terms of issue or allotment the same becomes payable. In case of non-payment, all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Sums payable on allotment deemed a call
26. The Directors may make arrangements on the issue of shares for differences in the amount of calls to be paid and in the times of payment between one allottee or holder and another. Difference in amount and times of payment of calls

27. The Directors may, if they think fit, receive from any member willing to advance the same either in money or money's worth all or any part of the moneys uncalled and unpaid or instalments not yet payable upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in general meeting, six percent per annum) as may be agreed upon between the member paying the sum in advance and the Directors. The Directors may at any time repay the amount so advanced or any part thereof upon giving to such member not less than one month's notice in writing of their intention in that behalf, unless before the expiration of such notice the amount proposed to be repaid shall have been called up on the shares in respect of which it was advanced in which event the same shall be applied in or towards satisfaction of the call under the applicable provisions of the Articles.
- Payment of
calls in advance

FORFEITURE OF SHARES

28. If a member fails to pay in full any call or instalment of a call on the day appointed for the payment thereof, the Directors may at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 23, 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.
- Notice
requiring
payment of call
29. The notice shall name a further day (not earlier than 14 days after the date of service of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which the call was made will be liable to be forfeited.
- Date and place
for payment to
be made
30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares but not paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder and in such case, references in these presents to forfeiture shall include surrender.
- Forfeiture by
resolution of
directors
31. Until cancelled in accordance with the requirements of the Ordinance, any share so forfeited shall be deemed to be the property of the Company and may be sold, cancelled, reallocated or otherwise disposed of either to the person who was, before the forfeiture, the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Directors think fit and at any time before a sale or disposition thereof the forfeiture may be cancelled on such terms as the Directors think fit.
- Forfeited share
deemed
property of the
Company

32. 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 calls already made and moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares and without any deduction or allowance for the value of the shares at the date of forfeiture (together with interest thereon at such rate not exceeding twenty percent per annum as the Directors may prescribe from the date of forfeiture if the Directors think fit to enforce payment of such interest) but his liability shall cease if and when the Company shall receive payment in full of all such calls, monies and interests in respect of the shares. For the purposes of this Article, any sum which by the terms of issue of a share is payable thereon at a fixed time which is subsequent to the date of forfeiture, ~~whether on account of the nominal value of the share and/or by way of premium,~~ shall, notwithstanding that such 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, if later, the date of actual payment.
- Arrears to be paid notwithstanding forfeiture
33. A statutory declaration in writing to the effect that the declarant is a Director or the Company sSecretary of the Company and that a share in the Company has been duly forfeited or surrendered 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, reallocation or disposition thereof and may, subject to the restrictions contained in the Articles, execute a transfer of the share in favour of the person to whom the share is sold, reallocated 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, cancellation, reallocation or disposal of the share.
- Disposition after forfeiture
34. 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.
- Notice of forfeiture
35. (A) Notwithstanding any such forfeiture as aforesaid, the Directors may at any time, before any shares so forfeited shall have been sold, cancelled, reallocated or otherwise disposed of, permit the shares forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares and upon such further terms (if any) as they think fit.
- Redemption of forfeited shares
- (B) The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
- Forfeiture of share not to prejudice any call made

- (C) The provisions of this Article 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; ~~whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.~~ Forfeiture applies to non-payment of any sum
- (D) The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in, and all claims and demands against the Company in respect of the share and all other rights and liabilities incident to the share, between the member whose share has been forfeited and the Company except only such of those rights and liabilities as by these Articles are expressly saved. Forfeiture of shares to extinguish claims against the Company

STOCK

36. ~~The Company may by ordinary resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares of any denomination.~~ Conversion of shares into stock and vice-versa
37. ~~The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, provided that the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.~~ Transfer of stock
38. ~~The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding-up, voting at meetings and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.~~ Rights of stockholders
39. ~~Such of the provisions of the Articles as are applicable to paid-up shares shall apply to stock and the words "share" and "member" herein shall include "stock" and "stockholder".~~ Interpretation

TRANSFER OF SHARES

40. (A) All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. Manner of transfer

- (B) The instrument of transfer shall be in writing and executed by or on behalf of the transferor and by or on behalf of the transferee, and shall be executed with a manual signature or machine imprinted signature by or on behalf of the transferor or transferee PROVIDED that in the case of execution by machine printed signature by or on behalf of the transferor or transferee, the Company shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor and the Board shall be reasonably satisfied that such machine imprinted signature corresponds to one of those specimen signatures. Execution of transfer
- (C) The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register in respect thereof. Transferor remains member until transferee registered
- ~~41.~~ Nothing in the Articles shall preclude the Directors from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person. The Directors in their sole and absolute discretion ~~and without assigning any reason therefor~~ may decline to register any transfer of shares which are not fully paid up to a person of whom they do not approve and they may also refuse to register transfer of any share to more than four joint holders thereof and in addition may refuse to register any transfer of share (not being a fully paid up share) on which the Company has a lien. The Directors shall not register a transfer to a person who is known to them to be an infant or a person of unsound mind or under any other legal disability but the Directors shall not be bound to enquire into the age or soundness of mind or legal ability of any transferee. Directors may refuse registration
- ~~42.~~ Every instrument of transfer shall be left at the office or at such other place as the ~~38.~~ Directors may appoint for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer the shares. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to each of the transferor and transferee notice of the refusal to register the transfer provided that if any of the transferor or transferee request for a statement of the reasons for the refusal, it must within twenty-eight days after receiving such request send the statement of the reasons or register the transfer. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same together with the share certificate and such other evidence as aforesaid within two months after the date on which the transfer was lodged with the Company. Notification of refusal to register transfer and retention of instruments of transfer

43. The Directors may also decline to recognise any instrument of transfer unless: - Instruments of transfer
39.
- (i) a fee of ~~HK\$2 (or such other~~ such amount of not more than the maximum amount as shall for the time being be permitted by the Ordinance and approved by any stock exchange in Hong Kong) or such other lesser sum as the Directors may from time to time require is paid to the Company for registering any transfer or other document relating to or affecting the title to the shares involved or for otherwise making an entry in the register relating to such shares;
 - (ii) the instrument of transfer is in respect of only one class of share;
 - (iii) the shares are fully-paid;
 - ~~(ii)~~
 - (iv) the shares concerned are free of any lien in favour of the Company; and
 - ~~(iii)~~
 - (v) the instrument of transfer is properly stamped.
44. Upon every transfer of shares the certificate relating to the shares to be transferred held Cancellation and issue of share certificates
40. by the transferor shall be given up to be cancelled and shall forthwith be cancelled accordingly and a new certificate shall be issued without charge 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 without charge.
45. The registration of transfers may be suspended and the register closed at such times and Suspension of registration
41. for such periods as the Directors may from time to time determine provided always that such registration shall not be suspended or the register closed for more than thirty days in any year or, if the Company in general meeting approves, sixty days in any year.

UNTRACED SHAREHOLDERS

46. The Company may sell any shares in the Company if: Power to sell shares
42.
- (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 in the manner authorised by the Articles of the Company have remained uncashed for a period of 12 years;
 - (ii) the Company has not at any time during the relevant period received any indication of the existence of the Member or of any person who is entitled to such shares; and

- (iii) the Company, on expiry of the aforesaid 12 year period, gives notice of its intention to sell the shares to The Stock Exchange of Hong Kong Limited and to the public by way of an advertisement to be inserted in at least one ~~leading~~ English language and at least one ~~leading~~ Chinese language newspaper and published in the Hong Kong Government Gazette, and a period of three months has elapsed since the date of such notice to the public.

To give effect to any such sale the Directors may authorise any person to transfer the said shares and an 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 moneys 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 shall 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 moneys 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.

Manner of sale

TRANSMISSION OF SHARES

- ~~47.~~ In the case of the death of a member, the survivor or survivors where the deceased was
- ~~43.~~ a joint holder and the legal personal representatives of the deceased where he was a sole holder shall be the only persons recognised by the Company as having any title to his interest in the share; but nothing herein contained shall release the estate of the deceased (whether sole or joint holder) from any liability in respect of any share which had been held by him jointly with other persons or solely.
- ~~48.~~ Subject to the provisions of the Ordinance, Any person to whom the right to any share
- ~~44.~~ has been transmitted by death, bankruptcy or otherwise by operation of law may, upon such evidence being produced as may from time to time ~~properly~~ be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the shares, whether in whole or part, or to have some person nominated by him registered as the transferee thereof, whether in whole or part, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the shares by the original member before the event giving rise to the transmission. The merger of any two or more corporations under the laws of one or more foreign countries or states shall constitute a transmission by operation of law for the purposes of this Article.

Death of a member

Directors may decline registration of transferee

49. If the person so becoming entitled shall elect to be registered himself, whether in whole or in part in respect of the shares involved, 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 another person registered, in whole or in part in respect of the shares involved, he shall testify his election by executing in favour of that person a transfer of the relevant shares. All the limitations, restrictions and provisions of the Articles 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 transmission had not occurred and the notice or transfer were a transfer signed by the original registered holder. Registration of transferee
45. or in part in respect of the shares involved, 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 another person registered, in whole or in part in respect of the shares involved, he shall testify his election by executing in favour of that person a transfer of the relevant shares. All the limitations, restrictions and provisions of the Articles 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 transmission had not occurred and the notice or transfer were a transfer signed by the original registered holder.
50. Any person to whom the right to any share has been transmitted by operation of law 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, provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 days the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with but, subject to the requirements of Article ~~74~~70 being met, such person may vote at meetings of the Company. Transmission of shares confers same rights and privileges
46. be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 days the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with but, subject to the requirements of Article ~~74~~70 being met, such person may vote at meetings of the Company.

ALTERATION OF CAPITAL

51. Subject to the provisions of the Ordinance, ~~the~~the Company may from time to time ~~by~~ ~~ordinary resolution increase the~~ alter its capital by such sum, ~~to be divided into shares of such amount, as the resolution shall prescribe in whatever ways as permitted by the Ordinance.~~ Increase of capital
47. ~~ordinary resolution increase the~~ alter its capital by such sum, ~~to be divided into shares of such amount, as the resolution shall prescribe in whatever ways as permitted by the Ordinance.~~
52. Except so far as otherwise provided by the conditions of issue or by these Articles, any new shares allotted and issued as a consequence of an alteration of capital shall be subject to the same provisions with reference to the payments of calls and instalments, liens, transfer, transmission, forfeiture, cancellation, surrender, voting and otherwise as the shares in the original capital. New shares issued pursuant to alteration of capital
48. new shares allotted and issued as a consequence of an alteration of capital shall be subject to the same provisions with reference to the payments of calls and instalments, liens, transfer, transmission, forfeiture, cancellation, surrender, voting and otherwise as the shares in the original capital.

~~53.~~ The Company may by ordinary resolution:

49.

- (i) ~~consolidate and divide all or any~~ all of its ~~capital~~ shares into smaller number of shares ~~of a larger amount~~ than its existing shares number; on any consolidation of fully paid shares into shares of a larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of the shares to be consolidated determine which particular shares are to be consolidated into each consolidated share and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit; Consolidation of shares
- (ii) sub-divide its existing shares ~~or any of them~~ into larger number of shares ~~of a smaller amount than is fixed by the Memorandum of Association~~ its existing number subject, nevertheless, to the provisions of the Ordinance; and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to ~~unissued or~~ new shares; and Subdivision of shares
- (iii) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person ~~and diminish the amount of its capital by the amount of the shares so cancelled~~ or have been forfeited in accordance with these Article. Cancellation of shares not taken up
- ~~54.~~ The Company may by special resolution reduce its capital; ~~any capital redemption reserve~~ fund or any share premium account in any such manner authorised and subject to any conditions prescribed by law. Reduction of capital

GENERAL MEETINGS

~~55.~~ The Company shall ~~in each year~~ hold annual general meetings within such period as
51. required by the Ordinance. The as its annual general meeting in addition to any other
~~meetings in that year and shall specify the meeting as such in the notices calling it and~~
~~not more than 15 months shall elapse between the date of one annual general meeting of~~
~~the Company and that of the next. The annual general meeting shall be shall be convened~~
~~by the board of Directors to be held, subject to these Articles, at such time and place as~~
~~the Directors shall appoint think fit. The Directors may, at its absolute discretion, arrange~~
~~for members to attend a general meeting by simultaneous attendance and participation at~~
~~meeting location(s) using electronic means at such location or locations in any part of the~~
~~world as the board of Directors may, at its absolute discretion, designate. The members~~
~~present in person or by proxy at the meeting location(s) shall be counted in the quorum~~
~~for, and entitled to vote at, the subject general meeting, and that meeting shall be duly~~
~~constituted and its proceedings valid provided that the chairman of the meeting is~~
~~satisfied that adequate facilities are available throughout the meeting to ensure that~~
~~members attending at all the meeting locations are able to hear all those persons present~~
~~and speak at the principal meeting location and at any other meeting location held by~~
~~electronic means and be heard by all other persons in the same way. The chairman of the~~
~~meeting shall be present at, and the meeting shall be deemed to take place at, the principal~~
~~meeting location. All ~~g~~General meetings include other than meetings of members which~~
~~are not annual general meetings shall be called extraordinary general meetings.~~

Annual General
Meetings

~~56.~~ The Directors may, whenever they think fit, convene ~~an extraordinary~~ general meeting
52. ~~and extraordinary general meetings which~~ shall also be convened on such requisition from
~~member, or in default may be convened by such requisitionists, as provided by Section~~
~~443 of the Ordinance. If at any time there are not within Hong Kong sufficient Directors~~
~~capable of acting to form a quorum, any three Directors shall constitute a quorum for this~~
~~purpose so as to convene an extraordinary general meeting.~~

Other
Extraordinary
General
Meetings

NOTICE OF GENERAL MEETINGS

~~57.~~ An annual general meeting ~~and a meeting called for the passing of a special resolution~~
53. ~~shall be called by 21 days' notice in writing at the least and all other general meetings of~~
~~the Company other than an annual general meeting or a meeting for the passing of a~~
~~special resolution shall be called by 14 days' notice in writing at the least. The notice shall~~
~~be exclusive of the day on which it is served or deemed to be served and of the day for~~
~~which it is given and shall specify the place, the day and the hour of meeting and, in case~~
~~of special business, the general nature of that business. The notice convening an annual~~
~~general meeting shall specify the meeting as such and the notice convening a meeting to~~
~~pass a special resolution shall specify the intention to propose the relevant resolution as~~
~~a special resolution.~~

Notices of
General
Meetings

58. Subject to the foregoing Article, the notice of every general meeting shall be given in the 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 the Articles entitled to receive such notices from the Company; provided that subject to the provisions of the 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:

General Meetings convened by shorter notice

- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (ii) in the case of any other general meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five percent ~~in nominal value of the shares giving that right of~~ the total voting rights at the meeting of all members.

Notwithstanding any contrary provisions in these Articles, the Directors shall have the power to provide in every notice calling a general meeting that if a black rainstorm warning or a gale warning is in force at a specific time on the day of the general meeting as specified in such notice, the general meeting will not be held on that day (the “Scheduled Meeting Day”) but will, without further notice be automatically postponed and by virtue of that same notice, be held instead at a time on an alternative day (as specified in such notice) that falls within seven business days of the Scheduled Meeting Day. It shall not be a ground of objection to the validity of such notice that the notice calls a general meeting contingently on whether a black rainstorm warning or a gale warning is in force at the relevant time as specified in such notice.

59. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate any resolution passed or any proceedings at any meeting.

Omission to give notice and non-receipt of notice

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

Omission to send instruments of proxy or non-receipt of same

PROCEEDINGS AT GENERAL MEETINGS

- ~~61.~~ All business ~~shall be deemed special that is transacted at an extraordinary general meeting~~ Business of Annual General Meeting and Special Business
~~57.~~ and at an annual general meeting, with the exception of the declaration and sanctioning of a dividend, making a call in accordance with the provisions of the Articles, relating to the reading, consideration and adoption of the accounts, balance sheet and the reports of auditors and of the Directors and other documents required to be attached to the balance sheet reporting documents, the election of Directors in the place of those retiring at the meeting whether by rotation or otherwise, the appointment of the auditors (where special notice of the resolution for such appointment is not required by the Ordinance) and the fixing, or the determination of the method of fixing, of the remuneration of the Directors and of the auditors shall be transacted at the annual general meeting.
- ~~62.~~ For all purposes the quorum for a general meeting shall be ten members entitled to vote Quorum
~~58.~~ present in person or by separate proxy or representative. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business provided that the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting.
- ~~63.~~ If within fifteen minutes from the time appointed for the meeting a quorum is not present, Adjournment of meeting
~~59.~~ the meeting, if convened upon a requisition of members, shall be dissolved; 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 chairman and if at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, the member or members present shall be a quorum and may transact the business for which the meeting was called.
- ~~64.~~ Each Director shall be entitled to attend and speak at any general meeting of the Company Director's right of attendance and speech
~~60.~~ and at any separate meeting of the holders of any class of shares in the Company.
- ~~65.~~ The chairman, if any, of the Directors or, in his absence, the deputy chairman, if any, shall Chairman
~~61.~~ preside as chairman at every general meeting of the Company.
- ~~66.~~ If there is no such chairman or deputy chairman or if at any meeting neither of such Who can act as Chairman
~~62.~~ chairman or deputy chairman is present within 15 minutes after the time appointed for holding the meeting or is willing to act as chairman, the members present shall choose another Director as chairman and if only one Director shall be present he shall, if willing to act, preside as chairman. If no Director shall 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 themir own number to be the chairman. The Chairman of a general meeting shall, for the purpose of conducting the meeting in an orderly manner, have power to take all such steps and actions as he deems appropriate to maintain order during the meeting.

~~67.~~ The chairman may, with the consent of any meeting at which a quorum is present and
63. shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least 7 clear days' written notice specifying the place, the day and the hour of the adjourned meeting shall be given 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 it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Power to
adjourn General
Meeting

~~68.~~ At any general meeting a resolution put to the vote of the meeting shall be decided on a
64. show of hands, unless a poll is required by the Listing Rules or is (before or on the declaration of the result of the show of hands) demanded by:

How a poll may
be demanded

- (i) the chairman;
- (ii) at least ~~three~~ five members present in person or by proxy or representative entitled to vote at the meeting; or
- (iii) any member or members present in person or by proxy or representative and representing not less than ~~one-tenth~~ five per cent of the total voting rights of all the members having the right to vote at the meeting; ~~or~~
- ~~(iii) a member or members present in person or by proxy or representative and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.~~

If the Chairman, before or on the declaration of the result on 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 must demand a poll.

Chairman must
demand a poll.

Unless a poll is so required under the Listing Rules or duly demanded and in the latter case the demand is 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 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 of or against that resolution.

- ~~69.~~ If a poll is duly demanded it shall (subject as provided in Article ~~72~~68) be taken in such manner (including the use of ballot or voting papers or tickets or scrutineers) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman directs ~~and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.~~ No notice need be given of a poll not taken immediately. 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. The result of the poll, whether or not declared by the Chairman at the meeting, or any adjourned meeting thereof, shall be deemed to be the resolution of the meeting at which the poll was demanded. The poll result, as recorded in the scrutineers' certificate and signed by the scrutineer, shall be the conclusive evidence of such resolution of the meeting without proof. The Company shall record in the minutes of the general meeting such result of the poll in accordance with the Ordinance.
- ~~70.~~ All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by the Articles or by the Ordinance. In the event of an equality of votes whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting voting.
- ~~71.~~ 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.
- ~~72.~~ A poll duly demanded on the election of a chairman of a meeting or on a question of adjournment shall be taken forthwith at the meeting and without adjournment. A poll demanded on any other question shall be taken at such time (being not later than three months after the date of the demand) and place as the chairman of the meeting directs.

Manner of taking a poll

Decision by majority of votes

Business may proceed notwithstanding demand for poll

Time for taking polls

VOTES OF MEMBERS

- ~~73.~~ Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person or by proxy or by representative shall have one vote and on a poll every member present in person or by proxy or by representative shall have one vote for each share of which he is the holder and which is fully paid up or credited as fully paid up and shall have for every partly paid share of which he is the holder the fraction of one vote equal to the proportion which the nominal amount due and paid up or credited as paid up thereon bears to the nominal value of the share (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purpose of this Article as paid up on the share). If a member appoints more than one proxy, the proxies so appointed are not entitled to vote on the resolution on a show of hands. A person entitled to cast more than one vote upon a poll need not use all his votes or cast all the votes he uses in the same way.

Votes of members

- ~~74.~~ Any person entitled under Article ~~48~~44 to be registered as a shareholder may vote at any
70. general meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Directors of his right to be registered as the holder of such shares or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. Votes in respect of deceased and bankrupt members
- ~~75.~~ In the case of joint holders the vote of the senior who tenders a vote, whether in person
71. or by proxy or by representative, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register. 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
- ~~76.~~ A member of unsound mind or in respect of whom an order has been made by any court
72. 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. Voting by member of unsound mind
- ~~77.~~ If (a) any objection shall be raised to the qualification of any voter or (b) any votes have
73. been counted which ought not to have been counted or which might have been rejected or (c) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive. Objections to votes or errors in counting
- ~~77~~3AWhere any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.
- ~~78.~~ Any member of the Company, whether an individual or a corporation, entitled to attend
74. and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by proxy. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. Proxy need not be a member of the Company. In addition, a proxy or proxies representing a member shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise. Proxies

~~79.~~ The instrument appointing a proxy shall be in writing under the hand of the appointor or
75. of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or executed as a deed or under the hand of an officer or attorney duly authorised.

Execution of
instrument of
proxy

75A. The Company may, at its absolute discretion, designate from time to time an electronic address for the receipt of any document or information relating to proxies for a meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy and notice of termination of the authority of a proxy). If any document or information required to be sent to the Company under this Article is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information.

~~80.~~ The instrument appointing a proxy and the power of attorney or other authority, if any,
76. under which it is signed or a notarially certified copy of that power or authority shall,

Deposit of
proxy

- (a) in the case of an appointment of proxy in hard copy form, be deposited at the office or at the place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting or in any notice of any adjourned meeting or, in either case, in any document sent therewith or in the instrument of proxy issued by the Company not less than 48 hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned;
- (b) in the case of an appointment of proxy in electronic form, be received at the electronic address, specified in the notice convening the meeting, any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote. In such case, the actual time of receipt showing from the record of the Company will be deemed as the actual time of receipt by the Company; or
- (c) in the case of a poll taken more than forty-eight hours after it was demanded, be received as aforesaid after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll.

81. An appointment of proxy not received or delivered in accordance with these Articles shall
77. not be treated as valid. No instrument appointing a proxy shall be valid after the
expiration of twelve months from the date of its execution unless it states that it is valid
for all meetings whatsoever until revoked with the exception that any instrument may be
used at any adjournment of the meeting for which it was originally intended and on a poll
demanded at a meeting or adjourned meeting provided that in all these cases the meeting
was originally held within 12 months from such date. A vote cast or poll demanded by a
proxy is valid despite the previous termination of the authority of a person to act as a
proxy unless notice of such termination shall have been received by the Company as
provided for in the Ordinance. Duration of proxy
82. The instrument appointing a proxy to vote at any general meeting shall be deemed to
78. confer authority to demand or join in demanding a poll and to vote on any amendment of
a resolution put to the meeting for which it is given as the proxy thinks fit. Power of proxy
83. A vote given or poll demanded by a proxy, including the duly authorized representative
79. of a corporation, in accordance with the terms of an instrument of proxy or power of
attorney shall be valid notwithstanding the previous death or insanity of the principal or
the previous termination or the revocation of the proxy or power of attorney or other
authority under which the proxy was executed or transfer of the share in respect of which
the proxy is given provided that no ~~intimation~~ notice in writing of the death, insanity,
termination, revocation or transfer has been received at the office or such other place as
was specified for the deposit of instrument of proxy or by the chairman of the meeting
at least 48 hours before the commencement of the meeting or adjourned meeting at which
the instrument of proxy is used by the Company before the commencement of the meeting
or adjourned meeting at which the vote is given or in the case of a poll taken more than
forty-eight hours after it is demanded before the time appointed for the taking of the poll. Vote by proxy
valid though
authority
revoked
84. An instrument appointing a proxy whether for a specified meeting or otherwise may be
80. in any usual or common form or in any other form which the Directors may approve and
the Directors may, if they think fit, send out with the notice of any meeting forms of
instruments of proxy for use at the meeting provided, however, that any form of proxy
shall provide for two way voting. Form of proxy
85. (A) Any corporation which is a member of the Company may, by resolution of its
81. 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 as if it were an individual member of the Company and
where a corporation is so represented, it shall be treated as being present at any
meeting in person. References in these Articles to a member present in person a
meeting shall, unless the context otherwise requires, include a corporation which is
a member at the meeting by such duly authorised representative. Representation
of corporations

- (B) If a eClearing house (or its nominee(s)) is a member of the Company, it may authorise or appoint such person(s) as it thinks fit to act as its representative(s) or proxy(ies) 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 or appointed, the authorisation or instrument of proxy shall specify the number and class of shares in respect of which each such person is so authorised or appointed. A person so authorised or appointed under the provisions of this Article shall be entitled to exercise the same powers on behalf of the eClearing house (or its nominee(s)) which he represents as that eClearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company including, where applicable, the right to vote individually on a show of hands notwithstanding any contrary provisions contained in these Articles.

OFFICE

86. ~~The office shall be at such place in Hong Kong as the Directors shall from time to time appoint.~~ Registered office

DIRECTORS

87. Subject to the provisions of the Articles and the Ordinance, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than five or more than fourteen. Appointment and number of Directors
88. (A) No person, other than a Director retiring at the meeting, shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless notice in writing by a member of the Company (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given, of his intention to propose that person for election as a Director and also notice in writing signed by that person of his willingness to be elected as a Director shall have been lodged with the Company Secretary during such period as may from time to time be designated by the Company. Eligibility for election
83. (B) The period for lodgment of the said notice(s) referred to in paragraph (A) above shall be a period of not less than 7 days, which shall commence no earlier than the day after the despatch of the notice of meeting appointed for such election and end no later than 7 days prior to the date of such meeting.
- (C) For the avoidance of doubt, paragraph (B) above applies for the purposes of calculating the minimum 7-day notice period and it does not prevent the Company from accepting the notices referred to in paragraph (A) above earlier than the time when the notice of the meeting referred to in paragraph (B) above is despatched.

~~89.~~ The Company may by Ordinary Resolution remove any Director before the expiration of
~~84.~~ 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 breach of any such agreement). Special notice is required of a resolution to remove a Director, or to appoint somebody in place of a Director so removed at the meeting at which he is removed, in accordance with the Ordinance. Any person so elected and appointed to fill the vacancy of a removed Director shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

Removal of
Directors

In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

~~90.~~ Without prejudice to the power of the Company in pursuance of the provisions of the
~~85.~~ Articles to appoint any person to be a Director and subject to the provision of the Ordinance, the Directors may appoint any person to be a Director as an additional Director or to fill a casual vacancy provided that any person so appointed shall hold office only until the first general meeting of the Company after his appointment and shall then be eligible for re-election. In case the aforesaid Director retires at an annual general meeting in pursuance of this Article ~~90~~85, he shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at that annual general meeting in accordance with Article ~~99~~93.

Board may fill
vacancies or
appoint
additional
Director

~~85A.~~ 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
Director

~~85B.~~ 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.

85C. 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 (which may be handwritten or made electronically as provided in Article 108) 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. Section 478(1) of the Ordinance shall not apply to an alternate Director appointed pursuant to these Articles.

85D. 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.

94. (A) A Director shall not be required to hold any qualification shares of 40,000 fully paid up shares of HK\$0.50 each in the Company 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.

Qualification
shares

86. (B) If any Director shall mortgage or charge his respective qualification shares or any part thereof, he shall as from the date of creating such mortgage or charge cease to hold his position as a Director.

(C) Every Director must obtain his qualification before, or within two months after he is appointed to office, and unless he obtains his qualification before, or within two months after he is so appointed, he shall be deemed to have refused the appointment and the Directors may thereupon fill the vacancy in accordance with Article 90.

- ~~92.~~ Subject to the approval of the Directors, a director who is about to go abroad may, by notice in writing to the Company, appoint a fellow Director to represent him at all board meetings during his absence abroad, but such appointment shall automatically lapse six months from the date of appointment or when the appointor returns to Hong Kong or vacates office as a Director or revokes such appointment by notice in writing to the Company, whichever event happens first. Appointment of representative when Director going abroad
- ~~93.~~ 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, 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 Directors may agree, or failing agreement, equally, except that in such the event that 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. Remuneration of Directors
- ~~87.~~ ~~88.~~ Any Director who, by request of the Directors or the Company, goes or resides outside the jurisdiction in which he normally resides for any purpose of the Company or holds any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Directors may determine. Extra remuneration for Directors
- ~~94.~~ ~~88.~~ 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, in or about the business of the Company. Reimbursement of expenses
- ~~95.~~ ~~89.~~ The Directors may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds or death or disability benefits for the benefit of, or give or procure the giving 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 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. Establishment of employee benefits
- ~~96.~~ ~~90.~~

97. The Directors may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid and may make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Directors may do all or 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.
91. Establishment, subsidy or subscription to institutions, clubs, etc.
98. Without prejudice to the provisions for retirement by rotation herein contained, the office of a Director shall be vacated if the Director:
92. When office of Director to be vacated
- (i) becomes bankrupt or has a receiving order made against him or suspends payment or makes any arrangement or composition with his creditors generally;
 - (ii) becomes a lunatic or of unsound mind or a patient for any purpose of any statute relating to mental health and a majority of the Directors resolve that his office be vacated;
 - (iii) (not being a Director appointed to an office in the management or business of the Company under Article ~~407~~101 whose contract precludes resignation) resigns his office by notice in writing to the Company;
 - (iv) is convicted of an offence (except for traffic offences) and a majority of the Directors resolve that his office be vacated;
 - (v) has his office vacated or becomes prohibited from being a Director under any of the provisions of the Ordinance or any order made under the Ordinance;
 - (vi) absents himself from the meetings of the Directors during a continuous period of six months, without special leave or absence from the Directors (regardless of whether or not his representative Director appointed pursuant to the Articles 92 ~~(if any)~~ shall not during such period have attended in his stead) and the Directors pass a resolution that his office be vacated by reason of such absence;
 - (vii) shall be removed from office by notice in writing served upon him signed by three-quarters of his co-Directors requesting him to resign, irrespective of whether or not he does tender his resignation following the due dispatch of such request by registered post to his last known address;
 - (viii) having been appointed to an office under Article ~~407~~101 is dismissed or removed therefrom by the Directors under the same Article; and

(ix) shall be removed from office by an ordinary resolution of the Company under Article ~~89~~84.

(x) ceases to hold the required number of shares to qualify him for office;

(xi) remains abroad for a period in excess of one year.

ROTATION OF DIRECTORS

- ~~99.~~ Unless and until the Company in a general meeting shall otherwise determine, every 93. Director (including those appointed for a specific term) shall retire from office by rotation at the second annual general meeting held after his last re-election by the members in a general meeting, or by such other manner of rotation as may be required by the Listing Rules or other codes, rules, and regulations as may be prescribed by the applicable regulatory authority from time to time. The retiring Directors shall be eligible for re-election. Rotation and retirement of Directors
- ~~100.~~ The Company at any general meeting at which any Directors retire in the manner 94. aforesaid may fill the vacated office by electing a like number of persons to be Directors. Meeting to fill vacancies
- ~~101.~~ If at any general meeting at which an election of Directors ought to take place, the places 95. 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 relevant annual general meeting and so on from year to year until their places are filled, unless: Circumstances when retiring Directors to remain in office
- (i) it shall be determined at such meeting to reduce the number of Directors;
- (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.
- ~~102.~~ The Company may from time to time in general meeting by ordinary resolution fix, 96. increase or reduce the maximum and minimum number of Directors. Unless so determined, the number of Directors shall be not less than five or more than fourteen. Power of General Meeting to increase or reduce number of Directors
- ~~103.~~ The Company shall keep at its office a register in which there shall be entered the 97. particulars required by the Ordinance in respect of the Directors and Company secretaries ~~Secretary~~ and shall from time to time notify to the Registrar of Companies any change that takes place in such particulars as required by the Ordinance. Register of Directors and secretaries

POWERS AND DUTIES OF DIRECTORS

- ~~104.~~ 98. (A) The business of the Company shall be managed by the Directors who, without limiting the generality of the foregoing, may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not required, by the Ordinance or by the Articles, to be exercised by the Company in general meeting subject, nevertheless, to such regulations as may be prescribed by the Company in general meeting being not inconsistent with any of the Articles or the provisions of the Ordinance; but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.
- General powers
of Company
vested in
Directors
- (B) Without prejudice to the general powers conferred by the Articles, it is hereby expressly declared that the Directors shall have the following powers:
- Specific powers
conferred on
Directors
- (i) To give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at ~~par or at such premium as may be agreed~~ such agreed value.
- (ii) To give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
- ~~105.~~ 99. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under the Articles) and for such period and subject to such conditions as they may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- Power to
appoint
attorneys

- ~~106.~~ The Directors may establish any committees, local boards or agencies for managing any Power to establish committees, local boards or agencies
100. 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 appoint any manager or agents (and in particular, but without limitation, may appoint any company, firm or person to be the Company's investment manager) and may in each case fix their remuneration and may delegate to any committee, local board or agency any of the powers, authorities and discretions vested in the Directors (other than their powers to make calls and forfeit shares) with power to sub-delegate and may authorise the members of any local committee, board or agency or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be upon such terms and subject to such conditions as the Directors may think fit and the Directors may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
- ~~107.~~ The Directors may from time to time appoint one or more of their body to the office of Appointment of Managing Director and Deputy Managing Director
101. Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director, General Manager, Joint General Manager and/or such other office in the management or business of the Company on such terms and for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment or remove or dismiss them from office and appoint others in their place. Any such revocation, removal or dismissal shall not entitle such officer to receive any compensation from the Company but they shall (save and except that they be dismissed for gross misconduct) be entitled to receive their salary and emoluments up to the time of their removal or dismissal. A Director appointed to an office under this Article shall be subject to the same provisions as to removal as the other Directors of the Company and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office as if he shall cease to hold the office of Director for any cause.
- ~~108.~~ The Managing Director or Deputy Managing Director shall, whilst holding such office, Duties of Managing Director
102. devote his time and attention exclusively to the service and affairs of the Company but he shall be at liberty to become a Director of any other Company whose business or objects are substantially dissimilar to the business or objects of the Company. The Managing Director or Deputy Managing Director shall not resign from his office without giving to the board of directors at least six months previous notice in writing of his intention so to do.

- ~~109.~~ The Directors may from time to time entrust to and confer upon a Managing Director, Powers of
Managing
Director
- ~~103.~~ Joint Managing Director, Deputy Managing Director, Executive Director, General Manager or Joint General Manager or a Director appointed to any other office in the management or business of the Company any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such Powers but no person dealing in good faith and without notice of such revocation, withdrawal alteration or variation shall be affected thereby.
- ~~110.~~ Notwithstanding Articles ~~93, 94, 95~~~~87, 88, 89~~ and ~~96~~~~90~~, the remuneration of a Managing Remuneration
of Managing
Director
- ~~104.~~ Director, Joint Managing Director, Deputy Managing Director, Executive Director, General Manager or Joint General Manager or a Director appointed to any other office in the management of the business of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.
- ~~111.~~ The Directors shall cause minutes to be duly entered in books provided for the purpose: Records
- ~~105.~~
- (i) of all appointments of officers made by the Directors;
 - (ii) of the names of the Directors present at each meeting of the Directors and of any committee of Directors;
 - (iii) of all declarations made or notices given by any Director (either generally or specially) of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and
 - (iv) of all resolutions and proceedings of general meetings of the Company and of meetings of the Directors and any committee of Directors; and any such minutes of any general meeting of the Company or any meeting of the Directors or of any committee of Directors shall be signed by the chairman of such meeting or by the chairman of the next succeeding meeting and if so signed shall be receivable as conclusive evidence of the matters stated therein.

DIRECTORS' INTERESTS

- ~~412~~ 106. (A) Subject to Article 1028, 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 as vendor, purchaser, shareholder or otherwise and, subject to the provision of the Ordinance, no such Director shall be accountable to the Company for any remuneration or benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise directs. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as directors or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or be about to be, appointed a director or other officer of such a company and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.
- (B) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms as to remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such office or place of profit or as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested (whether or not such contract or arrangement is with any person, company or partnership of or in which any Director shall be a member) be liable to be avoided on that account nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall forthwith disclose the nature of his interest in any contract or arrangement in which he is interested as required by and subject to the provisions of the Ordinance and the Articles. A Director may vote in respect of any resolution concerning his own appointment as the holder of any office or place of profit with the Company (including the arrangement or variation of the terms thereof or the termination thereof).

Directors may
contract with
Company

Power to hold
other office or
employment

- (C) Subject to the Listing Rules and save as otherwise provided by these Articles, a Director shall not be entitled to vote (nor be counted in the quorum) on any resolution of the Board approving any transaction, contract or arrangement in which he or any of his Close aAssociates (and if required by the Listing Rules, his other Associates) is materially interested, save and except in relation to the following matters and provided such Director or any of his aAssociates discloses the nature and extent of his interest as aforesaid (or the connected entity's or Associate's interest, as the case may be):
- (i) the giving of any security or indemnity either:
 - (a) to the Director or his Close aAssociate(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 them at the request of or for the benefit of the Company or any of its subsidiaries;
 - (b) 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 assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (ii) any proposal concerning an offer of 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 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;
 - (iii) any proposal concerning any other company in which the director or his associate(s) (and if required by the Listing Rules, his other Associate(s)) is/are interested only, whether directly or indirectly, as an officer, executive or shareholder or in which the director or his close associate(s) is/are ~~beneficially interested in shares of that company, (and other associate(s), as the case may be)~~ is/are beneficially interested in shares of that company, provided that the Director, and any of his Close aAssociates (and other Associates, as the case may be) are, not in aggregate beneficially interested in five percent or more of the issued shares of any class of such company (or any third company through which his interest or that of his aAssociates is derived) or of the voting rights;

Power to vote
for interested
parties
transactions

- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
- (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his close associate(s) (and if required by the Listing Rules, his other Associate(s)) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his Associates 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 which such scheme or fund relates; and
- (v) any contract or arrangement in which the director or his 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.

For the purpose of this Article 106+2(C), "subsidiary" shall have the meaning as defined in Rule 1.01 of the Listing Rules.

- (D) A Director or any of his connected entities or Associates is in any way, whether directly or indirectly, interested in a transaction, contract or arrangement (or a proposed transaction, contract or arrangement) with the Company that is significant in relation to the Company's business shall declare the nature and extent of his interest (or the connected entity's or associate's interest, as the case may be) at the meeting of the Board at which the question of entering into the transaction, contract or arrangement is first taken into consideration, or in any other case by notice in writing and sent to other Directors, or by general notice sent to the Board or the Company, in each case in accordance with the Ordinance. A general notice to the Directors by a Director that he is to be regarded as interested in any contract or arrangement which may be made with any specified person, firm or corporation after the date of such notice shall be a sufficient declaration of interest in relation to any contract or arrangement so made, provided that:
- (i) such notice must state the nature and extent of the interest of the Director (or his connected entity or Associate) in the specified body corporate or firm; or the nature of the Director's (or his connected entity's or Associate's) connection with the specified person; and

Declaration of
interest

(ii) no such notice shall be of effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given in which case it shall take effect on the date of the meeting of the Board or the next Board meeting (as the case may be); or in writing and sent to the Company in which case it shall take effect on the twenty first day after the day on which it is sent, and the Company must send such general notice to the other Directors within fifteen days after the day it receives that notice.

A Director is not required to make a declaration of interest required by this Article 106 if he is not aware of the interest in the transaction, contract or arrangement in question or otherwise in accordance with the Ordinance. For this purpose, a Director is treated as being aware of matters of which he ought reasonably to be aware.

- (E) Power of Director to act in professional capacity Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that a Director or his firm shall not act as auditors to the Company. Notwithstanding the provisions in this Article, the Company shall not, without the approval of members in accordance with the provisions of the Ordinance, enter into a service contract with a Director under which the guaranteed term of the employment of such Director exceeds or may exceed three years.
- (F) The Company may by ordinary resolution ratify any transaction , contract or arrangement not duly authorised by reason of a contravention of this Article provided that no member who (i) is a Director in respect of whose conduct the ratification is sought, (ii) is an entity connected with that Director or a close associate (and if required by the Listing Rules, his other Associates) of that Director; or (iii) holds any shares in the Company in trust for that Director or entity or close associate (or other Associates, as the case may be) shall vote upon such ordinary resolution.

PROCEEDINGS OF DIRECTORS

~~413.~~ The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes and in the case of an equality of votes the chairman shall have a second or casting vote. A Director may, and the Company Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice thereof shall be given to each Director either orally or by telephone or (if the recipient consents to it being given to him in electronic form) by electronic means or in writing at the address from time to time notified to the Company by such Director or (if the recipient consents to it being made available on a website) by making it available on a website or in such other manner as the Directors may from time to time determine provided that notice need not be given to any Director for the time being absent from Hong Kong. A Director may waive notice of any meeting either prospectively or retrospectively. The Directors or any committee of the Directors may participate in a meeting of the Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing and speaking to each other throughout the meeting and shall be counted towards a quorum. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. All business transacted at a meeting of the Board or a committee of the Board is for the purposes of these Articles deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board although fewer than two Directors or alternate Directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

Meetings of
Directors and
notice thereof

~~414.~~ (A) A resolution in writing signed by all the Directors present in Hong Kong except such as are temporarily unable to act through ill-health or disability and who are entitled to receive notice of a meeting of the Directors shall (so long as they constitute a quorum as provided in Article ~~446~~110 for the time being) be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. Any such resolution may consist of several documents in like form each signed by one or more of the Directors.

Resolutions in
writing

(B) Without prejudice to the provision of Article 108(A), a Director (or his alternate Director) may sign or otherwise signify agreement to resolution in writing of Directors. A Director (or his alternate Director) signifies agreement to a written resolution of Directors when the Company receives from that Director (or from his alternate Director) a document or notification in hard copy form or in electronic form as authenticated by that Director or by his alternate Director in a manner previously agreed between that Director and the Company:

(a) identifying the resolution to which it relates; and

(b) indicating that Director's agreement to the resolution.

Notwithstanding any contrary provisions contained in these Articles and subject to any applicable laws, rules and regulations:

- (i) any signature of the Director or alternate Director to any such resolution in writing may be made electronically, and any such resolution bearing the electronic signature of any Director or alternate Director shall be as valid and effectual as if it were bearing the handwritten signature of the relevant Director or alternate Director. Any such resolution in writing may consist of several documents in like form each signed (whether in handwritten form or in electronic form as aforesaid) by one or more of the Directors or alternate Directors.; and
- (ii) any signification of agreement to resolution in writing of Directors authenticated as aforesaid shall be as valid and effectual as if the resolution had been signed by such Director or alternate Director, and a certificate by a Director or the Company Secretary of such signification and authentication shall be sufficient evidence without further proof thereof.

- ~~115.~~ A meeting of the Directors for the time being at which a quorum is present shall be 109. competent to exercise all or any of the authorities, powers and discretions by or under the Articles for the time being vested in or exercisable by the Directors generally. Exercise of powers at Board Meeting
- ~~116.~~ Unless otherwise determined by the Directors, a majority of the Directors for the time 110. being shall be a quorum. Any Director who ceases to be a Director at a Directors' meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Directors' meeting if no other Director objects and if otherwise a quorum of Directors would not be present. Quorum
- ~~117.~~ The continuing Directors may act notwithstanding any vacancy in their body but, if and 111. so long as their number is reduced below the number fixed by or pursuant to the Articles as the necessary quorum of Directors, the continuing 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. Continuing Directors may act notwithstanding vacancy
- ~~118.~~ The Directors may from time to time elect or otherwise appoint a Director to be Chairman 112. 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 Directors; but if no such Chairman or Deputy Chairman is elected or appointed or if at any meeting the Chairman or Deputy Chairman is not present within 5 minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be chairman of the meeting. Appointment of Chairman or Deputy Chairman

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| <p>119. The Directors may delegate, and impose regulations in respect of such delegation of, any <u>113.</u> of their powers, authorities and discretions to committees consisting of such member or members of their body and such other persons as they think fit provided that the majority of the members of any such committee are Directors of the Company and that no meeting of any such committee shall be quorate for the purpose of exercising any of such powers, authorities or discretions unless a majority of those present are Directors of the Company. The Directors 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, and 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 on it by the Directors.</p> | <p>Power of delegation to committees</p> |
| <p>120. All acts done by any such committee in conformity with such regulations and in <u>114.</u> fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Directors and the Directors shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee and charge such remuneration to the current expenses of the Company.</p> | <p>Force and effect of acts of committees</p> |
| <p>121. The meetings and proceedings of any such committee consisting of two or more members <u>115.</u> shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors including Article 108<u>14</u> so far as the same are applicable thereto and are not replaced by any regulations imposed by the Directors pursuant to Article 113<u>9</u>.</p> | <p>Meetings and proceedings of committees</p> |
| <p>122. All acts bona fide done by any meeting of the Directors or of a committee of Directors <u>116.</u> or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were or was 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.</p> | <p>Bona fide acts of Directors valid notwithstanding defect in appointment</p> |

MANAGERS

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| <p>123. (A) The Directors may from time to time appoint a manager or managers of the business <u>117.</u> of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the manager or managers who may be employed by him or them in the business of the Company.</p> | <p>Appointment and remuneration of managers</p> |
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- ~~(B)~~ Any manager appointed by the Directors shall be required to hold qualification shares of 20,000 fully paid up shares of HK\$0.50 each in the Company, which shall be acquired by him before or within three months after he is appointed to office and he shall vacate his appointment if he does not acquire such shares or, if after such acquisition, he shall cease to hold them. If any manager shall mortgage or charge his respective qualification shares or any part thereof, he shall as from the date of creating such mortgage or charge, cease to hold his position as manager. Qualification shares
- ~~124.~~ The appointment of such manager or managers may be for such period as the Directors 118. may decide and the Directors may confer upon him or them all or any of the powers of the Directors and such title or titles as they may think fit. Unless the contract of employment states otherwise, no manager appointed shall be entitled to resign from his office without giving to the Directors three months' previous notice in writing of his intention so to do. Duration of appointment and powers of managers
- ~~125.~~ The Directors may enter into such agreement or agreements with any such manager or 119. managers upon such terms and conditions in all respects as the Directors may in their absolute discretion think fit, including a power for such 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. Agreements with managers
- COMPANY SECRETARY**
- ~~126.~~ The Company sSecretary shall be appointed by the Directors for such term, at such 120. remuneration and upon such conditions as they may think fit; and any Company sSecretary so appointed may be removed by them. Anything by the Ordinance or the Articles required or authorised to be done by or to the Company sSecretary, if the office is vacant or there is for any other reason no Company sSecretary capable of acting, may be done by or to any assistant or deputy secretary or if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors. Subject to the provision of the Ordinance and the Listing Rules, ~~in~~ the event that the Company sSecretary appointed is a corporation, it may act and sign by the hand of any one or more of its Directors or officers duly authorised. Appointment and removal
- ~~127.~~ Subject to the provision of the Ordinance and the Listing Rules, ~~The~~ Company 121. sSecretary shall, if an individual, ordinarily reside in Hong Kong and, if a body corporate, have its registered office or a place of business in Hong Kong. Residence in Hong Kong
- ~~128.~~ A provision of the Ordinance or the Articles requiring or authorising a thing to be done 122. by or to a Director and the Company sSecretary 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 sSecretary. One person acting as both Director and secretary

BORROWING POWERS

- ~~129.~~ The Directors may exercise all the powers of the Company to borrow money, give 123. guarantees and mortgage or charge the undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. Powers of Company to borrow vested in Directors
- ~~130.~~ Where any uncalled capital of the Company is charged, all persons taking any subsequent 124. 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. Charged over uncalled capital
- ~~131.~~ Debentures, debenture stock, bonds and other securities may be made assignable free 125. from any equities between the Company and the person to whom the same may be issued. Assignment of debentures
- ~~132.~~ Any debentures, debenture stock, bonds or other securities may be issued ~~at a discount,~~ 126. ~~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. Debentures may be issued with special rights
- ~~133.~~ The Directors shall cause a proper register to be kept, in accordance with the provisions 127. of the Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Ordinance in regard to the registration of mortgages and charges therein specified ~~and otherwise.~~ shall from time to time and in accordance with the provisions of the Ordinance notify the Registrar of Companies of any change of the place at which such register is kept. Register of charges
- ~~134.~~ The Company must register an allotment of debenture or debenture stock in accordance 128. with the Ordinance. If the Company issues a series of debentures or debenture stock not transferable by delivery, the Directors shall cause a proper register and/or branch register, if necessary, to be kept of the holders of such debentures or debenture stock and shall notify the Registrar of Companies any change of the place at which such register is kept, in accordance with the provisions of the Ordinance. Register of debentures

CHEQUES

- ~~135.~~ All cheques, promissory notes, drafts, bills of exchange and other negotiable or 129. transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine. The Company's banking accounts shall be kept with such bankers as the Directors shall from time to time determine. Manner of signing of cheques

THE SEAL

~~136.~~ (A) The Directors shall provide for safe custody of the seal which shall only be used with the authority of the Directors or of a committee authorised by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by one Director and the Company Secretary or some other person appointed by the Directors for the purpose or by two Directors; provided that the Directors may either generally or in any particular case resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Directors may determine) that such signatures or any of them and the seal may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means or in printed form other than autographic to be specified in such resolution or that such certificates need not be signed by any person or that the seal need not be affixed to such certificates. Every instrument executed in the manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

Custody and
affixation of
seal

(B) A document signed by any two members of the Board or any of the Directors and the Company Secretary and expressed, in whatever words, to be executed by the Company as a deed, has the same effect as if executed under the seal.

~~(B)~~ The Company may have an official seal for use abroad under the provisions of the ~~Ordinance~~ where and as the Directors shall determine and the Company may by writing ~~under the seal~~ or other instrument executed as a deed appoint any agents or agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such official seal in Hong Kong or elsewhere and they may impose such restrictions on the use thereof as may be thought fit. Wherever in the 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 for
use abroad

DIVIDENDS AND RESERVES

~~137.~~ Subject to the provision of Ordinance and as hereinafter set out, the Company in general ~~meeting~~ meeting may declare dividends, in any currency, to be paid to the members according to their rights and privileges in the profits available for distribution but no dividend shall exceed the amount recommended by the Directors.

Declaration of
dividend not to
exceed amount
recommended
by Board

- ~~138.~~ (A) The Directors may from time to time pay to the members such interim dividends as appear to the Directors 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 capital of the Company is divided into different classes, the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer 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 dividends but no interim dividend shall be paid on shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrears; provided that if the Directors act bona fide the Directors shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferential rights.
- (B) The Directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Directors are of the opinion that the position of the Company justifies the payment.
- ~~139.~~ ~~No~~ Subject to the laws, no dividend shall be paid otherwise than out of profits. No 133. dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.
- ~~140.~~ Whenever the Directors or the Company in general meeting have resolved that a dividend 134. be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe to securities of the Company or other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, 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 vest any such specific assets in trustees as may seem expedient to the Directors 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 Ordinance and~~ †The Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

Interim
dividendsDividends only
to be paid out
of profitsPayment of
dividends in
specie

141. (A) Whenever the Directors or the Company in general meeting have resolved that a
135. dividend be paid or declared, the Directors may further resolve:-

Payment of
dividends by
allotment of
shares

either

- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:
 - (a) the basis of any such allotment shall be determined by the Directors;
 - (b) the Directors, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the members 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;
 - (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 to the members who have not duly exercised the said cash election on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the profits of the Company available for distribution or any part of any of the Company's reserve accounts, (including any special account, ~~share premium account and capital redemption reserve fund~~) (if there be any such reserve) as the Directors may determine, a sum equal to the aggregate ~~nominal amount~~ value of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the allottees of the non-elected shares on such basis;

- (ii) that the members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid in lieu of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:
- (a) the basis of any such allotment shall be determined by the Directors;
 - (b) the Directors, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the members 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;
 - (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 and in satisfaction thereof shares shall be allotted credited as fully paid to the members who have duly exercised the said share election on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the profits of the Company available for distribution or any part of any of the Company's reserve accounts, (including any special account, ~~share premium account and capital redemption reserve fund~~) (if there be any such reserve) as the Directors may determine, a sum equal to the aggregate ~~nominal amount~~ value of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the allottees 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 and in satisfaction thereof as aforesaid); or

Rights of shares
allotted

- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Directors of their proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Directors shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Article shall rank for participation in such dividend, distribution, bonus or rights.
- (C) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article with full power to the Directors to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Directors 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. Powers of Directors to capitalise dividends
- (D) The Company may, upon the recommendation of the Directors, by ~~special~~ ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment. Allotment of shares without offering election to shareholders to receive dividend in cash
- (E) The Directors may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any members 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 and in such event the provisions aforesaid shall be read and construed subject to such determination. Shareholders with registered addresses abroad
- ~~142.~~ 136. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but no amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this Article as paid on the share. Dividend paid in proportion to amounts paid up on shares

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. The Directors may deduct from any dividend, bonus or distribution payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise in relation to the shares of the Company.

- ~~143.~~ The Directors may retain any dividends or other moneys payable on or in respect of a 137. 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 to satisfy debts
- ~~144.~~ The Directors may, before recommending any dividend, set aside out of the profits of the 138. Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be lawfully 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 or warrants of the Company) as the Directors may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to distribute by way of dividend. Reserve fund
- ~~145.~~ Any general meeting sanctioning a dividend may make a call on the members of such 139. 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
- ~~146.~~ A transfer of shares shall not pass the right to any dividend or bonus declared thereon 140. before the registration of the transfer. Effect of transfer
- ~~147.~~ Notwithstanding anything herein contained, if two or more persons are registered as joint 141. holders of any share, any one of them may give an effectual receipt for any dividends, interim dividends or bonuses or other moneys payable on or in respect of such shares. Payments to joint holders

148. Unless otherwise directed by the Directors, any dividend, interest, bonus or other sum payable in cash to the members may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or to such person at such address as the member or person entitled (as the case may be) may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled (as the case may be) may direct and shall be sent at his own risk 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. The Directors may cease sending such cheque or warrant by post if the cheque or warrant has been left uncashed on two consecutive occasions or, after the first occasion on which such cheque or warrant is returned undelivered.
149. All dividends or bonuses unclaimed for one year having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or any profit or benefit derived therefrom. All dividends or bonuses unclaimed for six years after having been declared shall be forfeited by the Directors and shall revert to the Company.
150. (A) ~~The~~ Subject to the provision of the Ordinance, the Directors may, with the sanction of an ordinary resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (~~including share premium account and capital redemption reserve fund~~) or any sum standing to the credit of any profit and loss account or otherwise available for distribution (and not required for the payment or provision of the dividend on any shares with a preferential right to dividend) by appropriating such sum to the holders of shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and applying such sum on their behalf in or towards paying up any amounts for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class (not being redeemable shares), debentures or other obligations of the Company for allotment and distribution credited as fully paid up to and amongst them in the proportion aforesaid, or partly in the one way and partly in the other; ~~provided that a share premium account and a capital redemption reserve fund and any reserve or fund representing unrealised profits may, for the purposes of this Article, only be applied in the paying up of unissued shares to be allotted to members as fully paid bonus shares.~~
142. Payments of dividend by post
143. Unclaimed dividend
144. Capitalisation of reserves

(B) Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid up shares or debentures, if any, and generally shall do all acts and things considered necessary or expedient to give effect to any such capitalisation. In particular where any difficulty arises in regard to any distribution under paragraph (A) of this Article the Directors may settle the same as they think expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Directors. The Directors may authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for any such capitalisation and matters incidental thereto including the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation or, as the case may require, the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all concerned.

~~151. (1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions applicable under the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:-~~

Reduction of
subscription
price for
warrants below
par value

- ~~(i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the "Subscription Right Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;~~
- ~~(ii) the Subscription Right Reserve will not be used for any purpose other than that specified above until all other reserves of the Company (other than share premium account and capital redemption reserve fund) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;~~

- (iii) ~~upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between: –~~
- (a) ~~the said amount in case which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and~~
- (b) ~~the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par, and immediately upon such exercise so much of the sum standing to the credit of the Subscription Right Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holder; and~~
- (iv) ~~if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Directors shall apply any profits or reserves then or thereafter becoming available (including to the extent permitted by law, share premium account and capital redemption reserve fund) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Directors may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.~~

- (2) ~~Shares allotted pursuant to the provisions of this Article shall rank pari passu in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights and so that whether any (and, if so, what) fraction of a share arises shall be determined according to the provisions applicable under the terms and conditions of the warrants or, in the absence of any such provisions, pursuant to paragraph (3) of this Article.~~
- (3) ~~A certificate or report by the Auditors as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to an exercising warrant holder credited as fully paid and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.~~

RECORD DATES

- ~~152. Notwithstanding any other provision of these presents the Company or the Directors may~~
145. fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

Fixing of
record dates

ANNUAL RETURNS

- ~~153. The Directors shall make the requisite annual returns in accordance with the Ordinance.~~
146.

Annual returns

ACCOUNTING RECORDS

- ~~154. The Directors shall cause proper books of account to be kept with respect to:-~~ ensure that
147. accounting records shall be kept as provided for in the Ordinance.

Books of
account
Accounting
records to be
kept

- (i) ~~all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure took place;~~
- (ii) ~~all sales and purchases of goods by the Company; and~~
- (iii) ~~the properties, assets, credits and liabilities of the Company and of all other matters required by the Ordinance.~~

~~Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.~~

- ~~155.~~ The ~~books of accounting records~~ shall be kept at the office or, subject to the provision of
~~148.~~ the Ordinance, at such other place as the Directors think fit and shall always be open to
the inspection of the Directors. Inspection by
Directors
- ~~156.~~ The Directors shall from time to time determine whether and to what extent and at what
~~149.~~ times and places and under what conditions or regulations the accounting records and
books of the Company or any of them shall be open to the inspection of members not
being Directors and no member (not being a Director) shall have any right of inspecting
any accounting records or book or document of the Company except as conferred by
statute. Inspection by
members
- ~~157.~~ The Directors shall from time to time, in accordance with the provisions sections 122, 124
~~150. and 129D~~ of the Ordinance, cause to be prepared and to be laid before the Company in
general meeting such profit and loss accounts, balance sheets, group accounts (if any) and
reports as are referred to in those sections reporting documents. Accounts
Reporting
documents
required by the
Ordinance
- ~~158.~~ Every ~~balance sheet~~ financial statement of position of the Company shall be signed
~~151.~~ pursuant to the provisions of the Ordinance and, subject to section 129G of the Ordinance,
a copy of every balance sheet (including every document required by law to be annexed
thereto) and profit and loss account which is to reporting documents be laid before the
Company in general meeting or summary financial report, together with a copy of the
Directors' report and a copy of the auditors' report, shall not less than 21 days before the
date of the meeting be sent to every member of, and every holder of debentures of, the
Company and every person registered under Article 484 and to all persons other than
members or holders of debentures of the Company, being persons entitled to receive
notices of general meetings of the Company; provided that this Article shall not require
a copy of those documents to be sent to any person of whose address the Company is not
aware or to more than one of the joint holders of any shares or debentures. Copies of each
of the said documents shall also be forwarded in appropriate number to the relevant stock
exchange on which the shares of the Company shall be listed or the relevant committee
thereof in accordance with the terms of any listing agreement for the time being binding
on the Company or with the continuing obligation binding on the Company by virtue of
any listing. Accounts
Financial
statements to be
sent to every
member

BRANCH REGISTERS

- ~~159.~~ Subject to the provisions of the Ordinance, if the Directors ~~consider it necessary or~~
~~152. appropriate,~~ may exercise the power conferred on the Company may establish and
maintain a branch register of members at such location within or to keep in a place outside
Hong Kong a branch register of its members resident there as the Directors think fit. The
Directors may, subject to the provision of the Ordinance, make or vary from time to time
such provisions as they think fit in respect of the keeping of any such branch register and
the transfer of shares to, on or from any such branch register and may comply with the
requirements of any local law. Branch register
within or
outside Hong
Kong

AUDIT

- ~~160.~~ Auditors shall be appointed and their duties regulated in accordance with the Ordinance. Appointment and duties of auditors
- 153.
- ~~161.~~ Subject as otherwise provided by the Ordinance, the remuneration of the auditors shall be Remuneration of auditors
154. 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 Directors.
- ~~162.~~ Every financial statements of account audited by the Company's auditors and presented When ~~accounts~~ financial statements deemed conclusive
155. by the Directors at a general meeting shall after approval at such meeting be conclusive as to the contents thereof except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected and the financial statements of account amended in respect of the error shall be conclusive as aforesaid.

NOTICES

- ~~163.~~ Any notice or document (including a share (certificate) may be given by the Company to Service of notices
156. any member either personally or by sending it by post to him at his registered address as appearing in the register or at the address, within or outside Hong Kong, supplied by him to the Company for the sending of notices or documents to him or by advertisement in an leading English language daily newspaper and a leading Chinese language daily newspaper circulating in Hong Kong or by sending or supplying it in electronic form by electronic means to that other person at such address as he may provide or be regarded as having provided for the purpose; by making it available on the Company's website, giving access to such website to that other person and (if required by the Ordinance or the Listing Rules) giving to such person a notification of the availability of such notice, document or information; or by such other means as may be permitted under the Ordinance, the Listing Rules and any applicable laws, rules and regulations. A member who has no address of either type as aforesaid in Hong Kong shall be deemed to have received any notice which shall have been displayed at the office and shall have remained there for the period of twenty-four hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed.

For the purposes of Part 18 of the Ordinance: (a) sending by the Company of a document includes supplying, delivering, forwarding or producing a document and giving a notice but excludes serving a document that is issued for the purpose of any legal proceedings; and (b) supplying by the Company of information includes sending, delivering, forwarding or producing the information.

- ~~164.~~ Subject to ~~Article 163,~~ the Ordinance, where a notice is sent by post, service of the notice When notice sent by post deemed to be served
~~157.~~ shall be deemed to be effected by properly addressing, prepaying and posting an envelope or a wrapper containing the notice and to have been effected on the day following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong or such facilities maintained by the post office for acceptance of mail and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office or such facilities maintained by the post office for acceptance of mail and a certificate in writing signed by the Company sSecretary or other person appointed by the Directors that the envelope or wrapper containing the notice was so addressed and put into such post office or such facilities maintained by the post office for acceptance of mail shall be conclusive evidence thereof. Any notice or other document delivered or left at the registered address or address supplied for the sending of notice or documents to him otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.
- ~~165.~~ A notice may be given by the Company to the joint holder of a share by giving the notice Notice to joint holders
~~158.~~ to the joint holder named first in the register in respect of the share and notice so given shall be sufficient notice to all the joint holders.
- ~~166.~~ A notice may be given by the Company to the persons entitled to a share in consequence Notice to persons entitled on transmission of shares
~~159.~~ of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid envelope or wrapper addressed to them by name or by the title of representatives of the deceased or trustee of the bankrupt or committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by the court or by any like description at the address, if any, within Hong Kong supplied for the purpose by the persons claiming to be so entitled or, until such an address has been so supplied, by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- ~~167.~~ Any person who, by operation of law, transfer or other means whatsoever, becomes Transferees, etc. bound by prior notices
~~160.~~ entitled to any share shall be bound by every notice in respect of such share which, prior to his name and address being entered in the register, shall have been duly given under the Articles to the person from whom he derived his title to such share.
- ~~168.~~ Notice of every general meeting shall be given in any manner hereinbefore authorised to Persons entitled to notice of General Meetings
~~161.~~ (a) every member, (b) every person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member who, but for his death, mental disorder or bankruptcy, would be entitled to receive notice of the meeting, and (c) the auditors for the time being of the Company. No other persons shall be entitled to receive notices of general meetings.

~~169.~~ Any notice or document delivered or sent by post or left at the registered address or the 162. address supplied by any member for the sending of notice or documents to him in pursuance of the Articles shall, notwithstanding that such member be then deceased or bankrupt or that any other event has occurred and whether or not the Company has notice of his death, bankruptcy or such other event, 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 the Articles be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

Notice valid through member deceased or bankrupt

~~170.~~ (A) The signature to any notice to be given by the Company may be written or printed. 163.

Signing of notices

(B) Where a given number of days' notice or notice extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period.

Day of service counted

INFORMATION

~~171.~~ No member shall be entitled to require discovery of or any information respecting any 164. detail of the Company's trading or any matter which is or may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the members of the Company to communicate to the public.

Member entitled to information in limited circumstances

DESTRUCTION OF DOCUMENTS

~~172.~~ The Company may destroy:- 165.

Power to destroy documents

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

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

- (a) 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;
- (b) 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 (a) above are not fulfilled; and
- (c) references in this Article to the destruction of any document include references to its disposal in any manner.

WINDING-UP

~~173.~~ If the Company is wound up and the assets available for distribution among the members 166. as such are insufficient to repay the whole of the paid-up capital, such assets 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 or which ought to have been paid up at the commencement of the winding-up on the shares held by them respectively. If in a winding-up the assets available for distribution among the members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up paid up by them respectively. This Article shall not add to or detract from the rights of the holders of shares issued upon special terms and conditions.

Distribution of
assets

~~174.~~ No fee or commission shall be paid by the Company to any Director or liquidator upon 167. any sale or realisation of the Company's undertaking or assets or any part thereof except with the sanction of a general meeting convened by notice specifying the fee or commission proposed to be paid.

No fee or
commission
except
approved by
General
Meeting

~~175.~~ If the Company shall be wound up (whether voluntarily or under supervision of or by the
168. court) the liquidator may, with the sanction of a special resolution of the Company and
any other sanction required by the Ordinance, divide amongst the members in specie
or kind the whole or any part of the assets of the Company (whether they shall consist of
property of the same kind or not) and may, for such purpose, set such value as he deems
fair upon any 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. The
liquidator may, with the like sanction, vest the whole or any part of such assets in trustees
upon such trusts for the benefit of the contributories as the liquidator, with the like
sanction, shall think fit and the liquidation of the Company may be closed and the
Company dissolved, but so that no member shall be compelled to accept any shares or
other securities whereon there is any liability.

Distribution of
assets in specie

~~176.~~ In the event of a winding-up of the Company, every member of the Company who is not
169. for the time being in Hong Kong shall be bound, within fourteen 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, process, 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 such
English 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.

Appointment of
person resident
in Hong Kong
for service of
process

INDEMNITY

- ~~177.~~ (A) Subject to the provisions of and so far as may be permitted by the Ordinance, every Director, auditor, Company sSecretary or other officer of the Company and every agent or employee of the Company shall be entitled to be indemnified by the Company out of the assets of the Company against all costs, charges, losses, expenses and liabilities (including any such liability as is mentioned in Section ~~165(2)~~468(4) of the Ordinance) which he may sustain or incur in or about the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceeding, civil or criminal, which related to anything done or omitted or alleged to have been done or omitted by him as officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Indemnity
- (B) No Director or Company Secretary shall be liable for the acts, receipts, neglects or defaults of any other person holding any office under the Company or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited, or for any loss occasioned by any error of judgment, omission, default or oversight on his part or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own wilful act or default or dishonesty. Individual responsibility of Directors
- (C) subject to the provisions of and so far as may be permitted by the Ordinance, if any Director and/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 and/or person so becoming liable as aforesaid from any loss in respect of such liability. Charge over assets as security
- (D) subject to the provisions of and so far as may be permitted by the Ordinance, the Company may purchase and maintain for any officer of the Company: 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 Permitted indemnity and disclosure

- (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.

In this Article 170(D), “**related company**” in relation to the Company means any company that is the Company’s subsidiary or holding company or a subsidiary of the Company’s holding company.

The following table sets out the details of the initial subscribers of the Company, the initial number of shares taken by each of them and the initial share capital of the Company on 16th day of January, 1919.

Names, Addresses and Descriptions of <u>Initial</u> Subscribers
<p>MARK CHAN HARR, No. 1, St. Stephens Lane Hong Kong, Merchant.</p>
<p>MA YING PIU, No. 3, Breezy Path Hong Kong, Merchant.</p>
<p>CHUN CHIK YU, 16, D'Aguilar Street Hong Kong, Merchant.</p>
<p>NG WEI CHEE, 40A, Bonham Road Hong Kong, Merchant.</p>
<p>MAR HOON BEW, 48, Gage Street Hong Kong, Merchant.</p>
<p>MAR JOE KUM, Oriental Hotel Canton, Merchant.</p>
<p>JAN CON SANG, No. 3, Kung Ho Terrace Hong Kong, Merchant.</p>
<p>CHOY HING, 2, Park Road Hong Kong, Merchant.</p>

Dated the 16th day of January, 1919.

WITNESS to all the above signatures: -

(Sd.) H. J. GEDGE,
Solicitor,

Hong Kong

Note: If there is any inconsistency between the English and Chinese versions of this ~~Memorandum and~~ Articles of Association, the English version shall prevail.



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THE SINCERE COMPANY, LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code: 00244

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of shareholders of the Company will be held at Pacific Room, 2/F., Island Pacific Hotel, 152 Connaught Road West, Hong Kong on 4 August 2017 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the Reports of the Directors and Independent Auditor for the year ended 28 February 2017.
2. (a) To re-elect Mr Ma King Huen Philip as Chairman and Chief Executive Officer of the Company.

(b) To re-elect Mr Chan Man Wai Charles as Independent Non-Executive Director of the Company.

(c) To authorize the Board of Directors to fix the Directors' remuneration.
3. To re-appoint Ernst & Young as independent auditors and to authorise the Board of Directors to fix their remuneration.
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to purchase its shares be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of shares of the Company in issue on the date of this Resolution; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Company's Articles of Association or any applicable laws to be held; or

(iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers at any time during or after the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to paragraph (a) above, otherwise than pursuant to: (i) a Rights Issue; or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company; or (iii) the exercise of subscription rights under the Share Option Scheme of the Company should not exceed 20% of the number of shares of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Company’s Articles of Association or any applicable laws to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the Register of Members on a fixed record date in proportion to their holdings of shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlement or having regard to any restrictions and obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

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

“**THAT** the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby extended by the addition thereto of such number of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of such number of shares of the Company which has been purchased by the Company since the granting of such general mandate pursuant to the exercise by the Directors of the Company of the powers of the Company to purchase such shares, provided that such number of shares shall not exceed 10% of the total number of shares of the Company in issue on the date of this resolution.”

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

“**THAT** the Company’s new Articles of Association, a copy of which has been produced to the meeting marked “A” and initialled by the Chairman for the purpose of identification, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Articles of Association of the Company in force immediately before the passing of this special resolution and **THAT** any Director or the Company Secretary of the Company be and is hereby authorised to do all things necessary to effect and record the adoption of the Company’s new Articles of Association.”

By order of the Board
Ada S P CHEUNG
Company Secretary

Hong Kong, 22 June 2017

Notes:

1. For determining the entitlement to attend and vote at the Annual General Meeting to be held on Friday, 4th August 2017, the register of members of the Company will be closed from Monday, 31st July 2017 to Friday 4th August, 2017, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Friday, 28th July 2017.
2. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. 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 such power or authority, must be lodged with the Company's Share Registrars, Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof. Completion and return of a proxy form will not preclude a member from attending the meeting and voting in person.
4. Concerning item 4 above, the Directors will exercise the powers conferred thereby to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of the shareholders.
5. Concerning item 5 above, approval is being sought from the members for a general mandate to authorise allotment of shares under the Companies Ordinance and the Listing Rules. The Directors have no immediate plan to issue any new shares of the Company other than shares to be issued pursuant to the Company's Share Option Scheme.
6. Concerning item 6 above, approval is being sought to increase the number of shares which the Directors may issue under their general mandate by the number of any shares repurchased during the Relevant Period.
7. Concerning item 7 above, the special resolution is mainly to bring the existing Articles of Association in line with the Companies Ordinance as well as to modernise and update the Articles of Association of the Company.
8. A circular containing further details in respect of the above items 2 and 4 to 7 will be sent to members together with the 2016/17 Annual Report.
9. As at the date of this notice, the Executive Directors of the Company are Mr Philip K H Ma and Mr John Y C Fu, and the Independent Non-Executive Directors are Mr King Wing Ma, Mr Eric K K Lo, Mr Charles M W Chan and Mr Peter Tan.