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美好發展集團

MH DEVELOPMENT

MH Development Limited

美好發展集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2662)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

This announcement is made by MH Development Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company proposes to amend the existing articles of association (the “**Articles of Association**”) of the Company and to adopt an amended and restated articles of association (the “**New Articles of Association**”) of the Company (the “**Proposed Amendments**”) in order to (i) allow the Company to hold electronic and hybrid shareholder meetings; (ii) bring the Articles of Association in line with the relevant requirements of the applicable laws of the Cayman Islands; and (iii) make some other housekeeping improvements.

Major changes brought about by the Proposed Amendments are set out below:

- a. to include certain defined terms to align with the applicable laws of the Cayman Islands, the Listing Rules and the relevant provisions in the New Articles of Association including “Act”, “announcement”, “business day”, “close associate”, “electronic communication”, “electronic meeting”, “hybrid meeting”, “Listing Rules”, “Meeting Location”, “physical meeting”, “Principal Meeting Place” and “substantial shareholder” and to update relevant provisions in the Articles of Association in this regard;
- b. to remove the definitions of “associate”, “dollars”, “\$”, “Law” and “Subsidiary and Holding Company”;

- c. to clarify the definitions of “ordinary resolution” and “special resolution”;
- d. to clarify that expressions referring to writing include reproducing words or figures in a legible and non-transitory form or, to the extent permitted by and in accordance with the Companies Act of the Cayman Islands and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another visible form;
- e. to clarify that reference to the signing or execution of a document (including, but without limitation, a resolution in writing) includes execution by electronic communication;
- f. to exclude the application of Section 8 and Section 19 of the Electronic Transactions Act (2003) of the Cayman Islands to the extent it imposes obligations or requirements in addition to those set out in the Articles of Association;
- g. to provide any member (“**Member**”) or director (“**Director**”) of the Company attending and participating at a meeting held by means of electronic facilities shall be deemed to be present at that meeting;
- h. to clarify that references to a person’s participation in the business of a general meeting include the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents required to be made available at the meeting;
- i. to clarify that references to electronic facilities include, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise);
- j. to clarify that references to a Member which is a corporation refer to a duly authorised representative of such Member;
- k. to clarify that any determination by the Board of the manner of purchase shall be deemed authorised by the New Articles of Association for purposes of the Companies Act of the Cayman Islands;
- l. to clarify that, subject to compliance with the Listing Rules and any other competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company;
- m. to clarify that the Board may accept the surrender for no consideration of any fully paid share;

- n. to clarify that the Board may issue any share in the Company with or attach thereto such rights or restrictions as it may determine;
- o. to remove the provision which provides that any preference shares may be issued or converted into shares that are liable to be redeemed on such terms and in such manner as the Company may by ordinary resolution of the Members determine;
- p. to remove the provision which provides that, at every separate general meeting of the holders of the shares of a class to vary the special rights attached to the class of shares, any holder of shares of the class present in person or by proxy or authorised representative may demand a poll;
- q. to clarify that no shares of the Company may be issued at a discount to their nominal value;
- r. to clarify that every share certificate shall be issued under the seal of the Company or a facsimile thereof or with the seal of the Company printed thereon and that the seal of the Company may only be affixed or imprinted to a share certificate with the authority of the Directors, or be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors;
- s. to clarify that the Register and branch register of Members, as the case may be, shall be open to inspection for at least two (2) hours during business hours;
- t. to relax the record dates for determining the Members' entitlement to any dividend, distribution, allotment or issue by removing the restrictions that, subject to the Listing Rules, it may not fall on a date more than 30 days before or after the dividends, distribution, allotment or issue is declared, paid or made;
- u. to provide that titles to shares listed on a stock exchange may be evidenced and transferred in accordance with the Listing Rules, and that the register of members of the Company in respect of its listed shares may be kept by recording the particulars required by the applicable laws of the Cayman Islands in a form otherwise than legible if such recording complies with the Listing Rules;
- v. to provide that notice to be given in relation to the registration of transfers of shares or of any class of shares may be given by announcement or by electronic communication, and that the period of thirty (30) days for the suspension for the registration of transfers of shares may be extended in respect of any year if approved by the Members by ordinary resolution;

- w. to clarify that, in relation to the Company's power to sell any shares of a Member who is untraceable, the Company has to give notice of its intention to sell such shares and cause advertisement both in daily newspaper and in a newspaper circulating in the area of the last known address of such Member or any person entitled to the share under Article 54 and where applicable, in each case in accordance with the requirements of the Designated Stock Exchange (as defined in the Articles of Association);
- x. to provide that in relation to convening a general meeting:
 - i. the Board may determine whether to hold a general meeting (including an annual general meeting, any adjourned meeting or postponed meeting) as a physical meeting in any part of the world and at one or more locations, as a hybrid meeting or as an electronic meeting;
 - ii. if the Board fails to convene an extraordinary general meeting within twenty one (21) days following a written requisition by any Member(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings to the Company to require the Board to call the meeting, the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the Principal Meeting Place (as defined below);
 - iii. an annual general meeting must be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days;
 - iv. a general meeting other than an annual general meeting must be called by notice of not less than fourteen (14) clear days and ten (10) clear business days;
 - v. a general meeting other than an annual general meeting may be called by shorter notice if so agreed by Members having the right to attend and vote at the meeting and representing not less than 95% of the total voting rights at the meeting of all the Members; and
 - vi. the notice of a general meeting shall specify the particulars of the resolutions, time and date of the meeting, the place of the meeting (save for an electronic meeting) and the principal meeting place (the "**Principal Meeting Place**") (if there is more than one meeting location as determined by the Board). If the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include details of the electronic facilities;
- y. to clarify that the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued shares in the capital of the Company representing not more than 20 per cent. in nominal value of its existing

issued share capital and the granting of any mandate or authority to the Directors to repurchase securities of the Company shall not be deemed special at an annual general meeting;

- z. to provide that, in a general meeting where a quorum of Members is not present and the meeting is not convened on the requisition of Members, the chairman of the meeting (or in default, the Board) may determine the time, place, form and manner to which the meeting shall stand adjourned if the meeting is not to be adjourned to the same day in the next week at the same time and (where applicable) same place;
- aa. to provide that at a general meeting:
 - i. if there is more than one chairman of the Company, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman at a general meeting;
 - ii. if at any meeting no chairman is present within fifteen (15) minutes after the time appointed for holding the meeting, or is willing to act as chairman, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman; and
 - iii. if no chairman or deputy chairman is present or is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act;
- bb. to specify that the chairman may adjourn a meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting (at which a quorum is present) shall determine;
- cc. to provide the following in relation to Members' attendance at general meetings:
 - i. to allow the Board to arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations ("**Meeting Location(s)**") determined by the Board;
 - ii. where a Member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;
 - iii. any Member or proxy attending in such way or participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting;

- iv. failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic or hybrid meeting, the inability of one or more Members or proxies to access electronic facilities, shall not affect the validity of the meeting or the resolutions passed provided a quorum is present throughout the meeting;
 - v. all persons seeking to attend and participate in an electronic meeting or a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so; and
 - vi. if any of the Meeting Locations is not in the same jurisdiction as the Principal Meeting Place and/or in the case of a hybrid meeting, the provisions of the New Articles of Association concerning the service and giving of notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place; and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the notice for the meeting;
- dd. in relation to the power of the Board and the chairman of the meeting to make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or participation in an electronic meeting or a hybrid meeting by means of electronic facilities:
- i. if it appears to the chairman of the general meeting that the electronic facilities have become inadequate for the meeting, or it is not possible to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting or secure the proper and orderly conduct of the meeting, then the chairman may interrupt or adjourn the meeting (including adjournment for indefinite period). All business conducted at the meeting up to the time of such adjournment shall be valid;
 - ii. the Board and the chairman of the meeting may make any arrangements for and impose any requirement or restriction appropriate to ensure the security and orderly conduct of a meeting; and
 - iii. the Directors may, subject to certain notification requirements, change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting without approval of the Members if the Directors consider it is inappropriate or impracticable to hold the general meeting;

- ee. to clarify that a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting;
- ff. to clarify that in relation to voting at any general meeting:
 - i. a resolution put to the vote of a meeting shall be decided by way of a poll save that in the case of a physical meeting, the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands;
 - ii. votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine;
 - iii. the type of matters which are to be regarded as of a procedural and administrative nature; and
 - iv. in the case of a physical meeting where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
 - (a) by at least three Members present in person or by proxy for the time being entitled to vote at the meeting; or
 - (b) by a Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
 - (c) by a Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right;
- gg. to allow the Company to provide an electronic address for the receipt of any document or information relating to proxies for a general meeting;
- hh. to allow the Board to decide to treat a proxy appointment as valid notwithstanding that the appointment or any of the information has not been received in accordance with the requirements under the New Articles of Association;

- ii. to clarify that the Directors shall be elected or appointed in accordance with Article 84 called for such purpose shall hold office for such term as the Members may determine or, in the absence of such determination, in accordance with Article 84 or until their successors are elected or appointed or their office is otherwise vacated;
- jj. to clarify that any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election;
- kk. to provide that a Director may be removed at any time before the expiration of his period of office at any general meeting convened and held in accordance with the New Articles of Association by ordinary resolution;
- ll. to provide that, subject to certain exceptions, a Director shall not vote (nor be counted in the quorum) on any Board resolution approving any contract or arrangement or any other proposal in which he or any of his close associate(s) has a material interest;
- mm. to prevent the Company from making any loan to a Director or his close associate if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as if the Company were a company incorporated in Hong Kong;
- nn. to provide that the Board may postpone its meetings as it considers appropriate;
- oo. to provide that the secretary of the Company shall convene a meeting of the Board whenever he shall be required so to do by any Director and that notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or by electronic means to an electronic 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 by telephone or in such other manner as the Board may from time to time determine;
- pp. to clarify that the Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment;
- qq. to provide that the Board may elect one or more chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office;

- rr. to provide that, in relation to a resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid:
 - i. a notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his/her signature to such resolution in writing; and
 - ii. notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material;
- ss. to provide that the officers of the Company shall consist of at least one chairman and if more than one Director is proposed for this office, the Directors may elect more than one chairman in such manner as the Directors may determine;
- tt. to empower the Board to capitalise certain reserves of the Company, including share premium account and the profit and loss account, to pay up unissued shares to be allotted to employees or trustee in connection with the operation of any share incentive scheme or employee benefit scheme that has been adopted or approved by the Members at a general meeting;
- uu. subject to compliance with the applicable laws of the Cayman Islands and the Listing Rules and other requirements for the obtaining of consent, to allow the Company to issue and deliver a notice or document by sending or transmitting it as an electronic communication to the relevant person at an electronic address provided by that person;
- vv. to allow the Company to serve notice by publishing it on the Company's website or the website of the Stock Exchange;
- ww. to allow the Company to issue notice, document or publication in the English language only or in both the English language and the Chinese language;
- xx. to clarify that a notice, document or publication is deemed to have been served on the day on which it first appears on the Company's website to which the recipient may have access or the day on which the notice of availability is deemed to have been delivered to such person, whichever is later, or if the notice, document or publication is issued as an advertisement in a newspaper, it shall be deemed to have been served on the day on which the advertisement first so appears;

- yy. to remove the provision which provides that in the event of winding-up of the Company in Hong Kong, every Member of the Company who is not for the time being in Hong Kong shall be bound to serve notice in writing on the Company appointing some person resident in Hong Kong upon whom summonses and other notices, process or orders under the winding up may be served; and
- zz. to clarify that, in relation to indemnity, such indemnity shall extend to the Directors, secretary of the Company and other officers and every auditor of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) acting or who have acted in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators.

Other housekeeping amendments to the Articles of Association are also proposed, including making consequential amendments in connection with the above amendments to the Articles of Association and for clarity and consistency with the other provisions of the Articles of Association where it is considered desirable and to better align the wording with those of the Listing Rules and the applicable laws of the Cayman Islands.

The Proposed Amendments are subject to the approval of the shareholders of the Company (the “**Shareholders**”) by way of a special resolution at the forthcoming annual general meeting of the Company (the “**AGM**”), and will become effective upon the approval by the Shareholders at the AGM.

A circular containing, among other things, details of the Proposed Amendments, together with a notice of the AGM will be despatched to the Shareholders in due course.

By Order of the Board of Directors
MH Development Limited
Liu Hui
Executive Director

Hong Kong, 24 February 2021

As at the date of this announcement, the Board comprises Ms. Liu Hui, Mr. Guo Ben and Mr. Shen Yang as the executive Directors and Mr. Ross Yu Limjoco and Mr. Zheng Yilei as the independent non-executive Directors.