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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Upbest Group Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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### UPBEST GROUP LIMITED

美建集團有限公司\*

(Incorporated in Cayman Islands with limited liability)  
(Stock Code: 335)

**(1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE  
AND REPURCHASE SHARES;  
(2) PROPOSED RE-ELECTION OF DIRECTORS;  
(3) DECLARATION OF FINAL DIVIDEND;  
(4) PROPOSED AMENDMENTS TO THE AMENDED AND RESTATED  
MEMORANDUM AND ARTICLES OF ASSOCIATION AND  
PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF  
ASSOCIATION; AND  
(5) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting (the “AGM”) of the Company to be held at 2<sup>nd</sup> Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Friday, 26<sup>th</sup> August, 2022 at 1:00 p.m. is set out on pages 103 to 108 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.upbest.com](http://www.upbest.com).

Whether or not you are unable to attend the AGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and return the same to the office of the Company at 2<sup>nd</sup> Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong as soon as possible and in any event no later than Wednesday, 24<sup>th</sup> August, 2022 at 1:00 p.m. (Hong Kong Time). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

#### PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of the novel coronavirus pandemic, the following precautionary measures will be implemented at the Annual General Meeting of the Company:

- (1) Compulsory temperature checks
- (2) Wearing of face mask
- (3) No provision of corporate gift and refreshments or drinks

Attendees who do not comply with the precautionary measures referred to in (1) to (2) above or is subject to any Hong Kong Government prescribed quarantine measures may be denied entry to the Annual General Meeting venue, at the absolute discretion of the Company as permitted by law.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the Annual General Meeting by appointing the chairman of the Annual General Meeting as their proxy and to return their proxy forms by the time specified above, instead of attending the Annual General Meeting in person.

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at 2 <sup>nd</sup> Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Friday, 26 <sup>th</sup> August, 2022 at 1:00 p.m., notice of which is set out on page 103 to 108 of this circular, or any adjournment thereof
“Amended and Restated Memorandum and Articles of Association”	the existing amended and restated memorandum of association and the amended and restated articles of association of the Company currently in force
“Articles of Association”	the articles of association of the Company and as amended from time to time
“Board”	the board of Directors
“close associate”	has the meaning ascribed to this term under the Listing Rules
“Company”	Upbest Group Limited (stock code: 335), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Companies Act”	the Companies Act, Cap 22 of the Cayman Islands
“Directors”	the directors of the Company
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue, or deal with new Shares not exceeding 20% of the number of issued Shares of the Company as at the date of Shareholders’ approval for the grant of the Issue Mandate
“Latest Practicable Date”	13 <sup>th</sup> July, 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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## DEFINITIONS

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“New Memorandum and Articles of Association”	the amended and restated memorandum of association (“ <b>New Memorandum of Association</b> ”) and amended and restated articles of association (“ <b>New Articles of Association</b> ”) of the Company as set out in Appendix III of this circular (with proposed changes marked up against the conformed version of the Amended and Restated Memorandum and Articles of Association posted on the website of the Stock Exchange) proposed to be adopted by the Shareholders with effect from the passing of the relevant special resolution at the AGM
“Record Date”	9 <sup>th</sup> September, 2022, being the record date for determination of entitlements to the proposed final dividend
“Register”	the register of members of the Company
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the number of issued Shares of the Company as at the date of Shareholders’ approval for the grant of the Repurchase Mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial Shareholders”	has the meaning ascribed to this term under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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## LETTER FROM THE BOARD

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### UPBEST GROUP LIMITED

美建集團有限公司\*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 335)

*Executive Directors:*

Ms. CHENG Wai Ling, Annie  
Mr. CHENG Wai Lun, Andrew  
Mr. MOK Kwai Hang

*Non-executive Directors:*

Mr. IP Man Tin, David (*Chairman*)  
Dr. SZE Ping Fat

*Independent non-executive Directors:*

Mr. CHAN Chung Yee, Alan  
Mr. POON Kai Tik  
Mr. HUI Man Ho, Ivan

*Registered office:*

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

*Principal place of business:*

2<sup>nd</sup> Floor  
Wah Kit Commercial Centre  
300 Des Voeux Road Central  
Hong Kong

20<sup>th</sup> July, 2022

*To the Shareholders*

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE  
AND REPURCHASE SHARES;  
(2) PROPOSED RE-ELECTION OF DIRECTORS;  
(3) DECLARATION OF FINAL DIVIDEND;  
(4) PROPOSED AMENDMENTS TO THE AMENDED AND RESTATED  
MEMORANDUM AND ARTICLES OF ASSOCIATION AND  
PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF  
ASSOCIATION; AND  
(5) NOTICE OF ANNUAL GENERAL MEETING**

#### INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; and (v) the proposed amendments to the Amended and Restated Memorandum and Articles of Association and adoption of the New Memorandum and Articles of Association.

\* For identification purpose only

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; (v) the proposed amendments to the Amended and Restated Memorandum and Articles of Association and adoption of the New Memorandum and Articles of Association and (vi) the notice of the AGM.

### **ISSUE MANDATE AND REPURCHASE MANDATE**

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the Issue Mandate and the Repurchase Mandate.

#### **Issue Mandate**

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the Issue Mandate) to allot, issue and deal with unissued Shares or underlying shares (other than by way of rights or pursuant to a share option scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividends scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividends on Shares in accordance with the Articles of Association) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate of up to 20% of the number of issued Shares of the Company as at the date of granting of the Issue Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the Issue Mandate authorizing the Directors to allot, issue and deal with Shares to the extent of the number of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has aggregate of 2,682,316,758 Shares in issue. Subject to the passing of the resolutions for the approval of the Issue Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Directors would be allowed under the Issue Mandate to allot, issue and deal with a maximum 536,463,351 Shares.

#### **Repurchase Mandate**

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate of up to 10% of the number of issued Shares as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 268,231,675 Shares.

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## LETTER FROM THE BOARD

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The Issue Mandate (including the extended Issue Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the Issue Mandate (including the extended Issue Mandate) and the Repurchase Mandate up to (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 Articles, the Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any other applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the Issue Mandate (including the extended Issue Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

### RE-ELECTION OF DIRECTORS

According to article 116 of the Articles of Association and The Corporate Governance Code in Appendix 14 of the Listing Rules, any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting one third of the Directors for the time being (or, if their number is not three or a multiple of three (3), then the number nearest to, but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

The Board currently consists of eight Directors, namely Mr. IP Man Tin, David (Chairman), Dr. SZE Ping Fat, Ms. CHENG Wai Ling, Annie, Mr. CHENG Wai Lun, Andrew, Mr. MOK Kwai Hang, Mr. CHAN Chung Yee, Alan, Mr. POON Kai Tik and Mr. HUI Man Ho, Ivan.

Pursuant to Article 116 of the Articles of Association, Dr. SZE Ping Fat, Ms. CHENG Wai Ling, Annie and Mr. CHAN Chung Yee, Alan shall retire by rotation at the AGM. Two of the above retiring directors Dr. SZE Ping Fat and Ms. CHENG Wai Ling, Annie being eligible, offers themselves for re-election at the AGM. The other retiring director, Mr. CHAN Chung Yee, Alan, will not seek for re-election at the AGM and will retire as an independent non-executive Director after the conclusion of the AGM.

At the AGM, ordinary resolutions will be proposed to re-elect Dr. SZE Ping Fat as non-executive Director and Ms. CHENG Wai Ling, Annie as executive Director.

Particulars relating to each of Dr. SZE Ping Fat and Ms. CHENG Wai Ling, Annie are set out in Appendix II to this circular.

### FINAL DIVIDEND

As stated in the announcement issued by the Company dated 24<sup>th</sup> June, 2022 relating to the annual results of the Group for the year ended 31<sup>st</sup> March, 2022, the Board recommends the payment of the final dividend of HK2.0 cents per Share for the year ended 31<sup>st</sup> March, 2022 to Shareholders whose names appear on the Register on the Record Date. The final dividend is subject to approval by the Shareholders at the AGM and a resolution will be proposed to the Shareholders for voting at the AGM.

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## LETTER FROM THE BOARD

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### Closure of Register

The Register will be closed from 7<sup>th</sup> September, 2022 to 9<sup>th</sup> September, 2022 (both dates inclusive) in order to determine the Shareholders' entitlements to the final dividend, during which no transfer of Shares will be registered.

To qualify for the final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the branch share registrar in Hong Kong, Tricor Standard Limited, for registration no later than 4:30 p.m. on 6<sup>th</sup> September, 2022.

Shareholders whose names appear on the Register on the Record Date, i.e. 9<sup>th</sup> September, 2022 will be entitled to the final dividend.

### **PROPOSED AMENDMENTS TO THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION AND PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Directors propose to seek the approval of the Shareholders at the AGM by way of special resolution for the proposed amendments to the Amended and Restated Memorandum and Articles of Association and proposed adoption of the New Memorandum and Articles of Association in substitution for, and to the exclusion of, the Amended and Restated Memorandum and Articles of Association, so as to (i) bring the Amended and Restated Memorandum and Articles of Association in line with, among other things, the latest legal and regulatory requirements, including the amendments made to Appendix 3 to the Listing Rules which took effect on 1<sup>st</sup> January, 2022 and (ii) allow the Company to hold hybrid general meetings (collectively, the “**Proposed Amendments**”).

The major changes brought about by the adoption of the New Memorandum and Articles of Association are summarised as follows:

1. to include the definitions of “communication facilities”, “person”, “present” and the relevant provisions in the New Memorandum and Articles of Association to expressly allow the Company to hold hybrid general meetings;
2. to update the definitions of Companies Act, Companies Ordinance, Electronic Transactions Act, Listing Rules and make corresponding changes to the relevant article provisions;
3. to include the definitions of “black rainstorm warning” and “close associates” to reflect changes to the Listing Rules;
4. to update the definitions of “business day” to include where the Exchange is closed for business of dealing in securities in Hong Kong on a day by reason of a number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purpose of any notice sent under the New Memorandum and Articles of Association be counted as a business day;



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## LETTER FROM THE BOARD

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5. to reflect the updated authorized share capital of the Company in the New Memorandum and Articles of Association;
6. to remove the article relating to the purchase by the Company of a redeemable share not made through the market or by tender shall be limited to a maximum price and if purchases are by tender, tender shall be available to all shareholders alike which is no longer required under the Listing Rules to be included in the New Memorandum and Articles of Association;
7. to provide that in relation to convening a general meeting:
  - i. an annual general meeting shall be held in each financial year of the Company and within six months (or such other period as may be permitted by the Listing Rules or the Exchange) after the end of such financial year;
  - ii. the Board shall convene an extraordinary general meeting within twenty one (21) days following a written requisition by one or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists are holding at the date of deposit of the requisition not less than one-tenth of the voting rights, on a one vote per share basis, of the Company;
  - iii. the Directors may make Communication Facilities (as defined in the New Memorandum and Articles of Association) available for general meetings for members and other participants;
  - iv. the notice of any general meeting at which Communication Facilities will be utilised must disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting;
8. in relation to the chairman of the meeting (“**Chairman**”) to attend and participate by means of communication facilities:
  - i. the Chairman shall be deemed to be Present (as defined in the New Memorandum and Articles of Association) at the meeting; and
  - ii. if the Communication Facilities are interrupted or fail for any reason to enable the Chairman to hear and be heard by all other persons attending and participating at the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as Chairman for the remainder of the meeting; provided that (i) if no other Director is Present at the meeting, or (ii) if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.

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## LETTER FROM THE BOARD

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9. to expressly provide that every member Present at a general meeting shall have the right to speak and vote except where a Shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration;
10. to update the provision governing any loan, guarantee or security to be provided by the Company to a Director or his close associates or a director of any holding company of the Company or a body corporate controlled by such a director or Director in accordance with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
11. to allow service of notice of meeting of the Board by electronic mail;
12. to specify that appointment and remuneration of an auditor shall be approved by way of ordinary resolution at the annual general meeting in compliance with the Listing Rules;
13. to clarify that a Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting;
14. to clarify that any register held in Hong Kong shall during normal business hours be open to inspection by a member without charge and any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the Listing Rules;
15. to clarify that an annual general meeting of the Company shall be called by no less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing;
16. to provide that a special resolution is required to approve a voluntary winding up of the Company; and
17. to specify the financial year end date of the Company in the New Memorandum and Articles of Association in compliance with the filing requirement of the Registrar of Companies in the Cayman Islands.

Other housekeeping amendments to the Amended and Restated Memorandum and Articles of Association are also proposed, including making consequential amendments in connection with the above amendments to the Amended and Restated Articles of Association and for clarity and consistency with the other provisions of the Amended and Restated 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.

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## LETTER FROM THE BOARD

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Details of the Proposed Amendments are set out in Appendix III to this circular. The legal advisers to the Company as to Hong Kong laws and Cayman Islands laws have respectively confirmed that the Proposed Amendments comply with the requirements of the Listing Rules and do not violate the applicable laws of the Cayman Islands. The Company confirms that there is nothing unusual about the Proposed Amendments for a company incorporated in the Cayman Islands whose shares are listed on the Stock Exchange.

Shareholders are advised that the Proposed Amendments are available only in English, and the Chinese translation of the Proposed Amendments provided in Appendix III to this circular in Chinese is for reference only. In case of any inconsistency, the English version shall prevail.

### AGM

A notice convening the AGM to be held at 2<sup>nd</sup> Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Friday, 26<sup>th</sup> August, 2022 at 1:00 p.m. is set out on pages 103 to 108 of this circular. Ordinary resolutions will be proposed by the Company at the AGM to approve, among other things, (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; and (v) the proposed amendments to the Amended and Restated Memorandum and Articles of Association and adoption of the New Memorandum and Articles of Association.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.upbest.com](http://www.upbest.com). Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the office of the Company at 2<sup>nd</sup> Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong as soon as possible and in any event no later than Wednesday, 24<sup>th</sup> August, 2022 at 1:00 p.m. (Hong Kong Time). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

All the resolutions proposed to be approved at the AGM will be taken by poll save that the chairman of the AGM may in good faith, allow resolutions which relate purely to a procedural or administrative matter to be voted on by a show of hands in which case every Shareholder present in person (or being a corporation, is present by a duly authorized representative) or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Shareholder which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. An announcement will be made by the Company after the AGM on the results of the AGM.

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## LETTER FROM THE BOARD

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### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### RECOMMENDATION

The Directors consider (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; and (v) the proposed amendments to the Amended and Restated Memorandum and Articles of Association and adoption of the New Memorandum and Articles of Association is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

### GENERAL

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation in the event of inconsistency. Your attention is drawn to the information set out in appendices to this circular.

Yours faithfully,  
For and on behalf of the Board of  
**Upbest Group Limited**  
**IP Man Tin, David**  
*Chairman*

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

### **1. REPURCHASE OF SECURITIES FROM CORE CONNECTED PARTIES**

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a core connected person, that is, a Director, chief executive or Substantial Shareholder of the Company or any of its subsidiaries or a close associate of any of them and a core connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

### **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,682,316,758 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 268,231,675 fully paid Shares, representing 10% of the number of issued Shares of the Company as at the date of passing of the resolution.

### **3. REASONS FOR THE REPURCHASE**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and its Shareholders as a whole.

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

Repurchases would be funded entirely from the Company's cash flow or working capital facilities, which will be funds legally available for such purpose under the laws of the Cayman Islands, and the memorandum of association of the Company and the Articles of Association.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31<sup>st</sup> March, 2022, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

## 5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months immediately prior to the Latest Practicable Date were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2021</b>		
July	0.83	0.80
August	0.87	0.79
September	0.87	0.80
October	0.95	0.84
November	0.90	0.76
December	0.86	0.74
<b>2022</b>		
January	0.82	0.54
February	0.72	0.48
March	0.70	0.47
April	0.77	0.56
May	0.70	0.57
June	0.76	0.54
July (up to the Latest Practicable Date)	0.61	0.58

## 6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders are interested in more than 10% of the Shares:

<b>Name</b>	<b>Number of Shares</b>	<b>Percentage holding</b>
CCAA Group Limited	1,992,721,496	74.29%

*Note:*

- As at the Latest Practicable Date, CCAA Group Limited (“CCAA”), an associated corporation (within the meaning of Part XV of the SFO) of the Company, was directly interested in 1,992,721,496 Shares in, representing approximately 74.29% of, the issued share capital of the Company. Mr. CHENG Wai Lun, Andrew and Ms. CHENG Wai Ling, Annie, executive Directors and their family members are the beneficiaries of the trust which assets include interests in the entire issued share capital of CCAA and accordingly, they are deemed to be interested in 1,992,721,496 Shares and the entire issued share capital of CCAA under the SFO.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

<b>Name</b>	<b>Percentage holding</b>
CCAA	82.54%

On the basis of the current shareholdings of above Shareholders, an exercise of the Repurchase Mandate in full will not result in CCAA and its parties acting in concert (including but not limited to Mr. CHENG Wai Lun, Andrew and Ms. CHENG Wai Ling, Annie) becoming obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of the above Shareholders, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

## **7. SHARES REPURCHASE MADE BY THE COMPANY**

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

Details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

**Non-executive Director**

**Dr. SZE Ping Fat (“Dr. SZE”)**, aged 64, is a non-executive Director of the Company. Dr. Sze is an Australian legal practitioner having obtained the Doctorate in Juridical Science from Deakin Law School in Melbourne as well as Master’s degrees in law from Trinity College Dublin, the University of Leuven and the University of Sydney. He was appointed a Justice of the Peace in and for New South Wales in 1996 and elected a Member of the National Institute of Accountants (with a Master’s degree in Professional Accounting from the University of Southern Queensland) in 1997, a Visiting Fellow of Clare Hall in the University of Cambridge in 2002, a Fellow of the Malaysian Institute of Arbitrators in 2003, a Member of the Society of Trust and Estate Practitioners and a Fellow of the Chartered Institute of Arbitrators in 2008, a Full Fellow of the Society for Advanced Legal Studies in the University of London in 2009, a Special Member of the International Association of Prosecutors (The United Nations) in 2012 and a Member of the Magistrates’ Association of Great Britain in 2015.

Dr. Sze specialises in criminal and commercial matters. Since 2007, he has been a Visiting Professor of the IMO International Maritime Law Institute (The United Nations). He has authored a treatise on carrier’s liability, several monographs for The International Encyclopedia of Laws, and more than 60 articles in the areas of public law, business law and international trade law. Most recently, he was commissioned by the University of Oxford to produce a biography of the late Sir Denys Roberts, a former Chief Justice of Hong Kong. In 2005 and 2008, he served as a PhD thesis examiner at Macquarie Law School in Sydney.

Save as disclosed above, Dr. Sze did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling shareholders of the Company. Dr. Sze does not have, and is not deemed to have, any other interests or short positions in any Shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company.

The Company has not entered into a service contract with Dr. Sze. He was entitled to receive an annual director’s fee of HK\$50,000. The fee was set by the remuneration committee of the Company with reference to the duties and responsibilities within the Company and prevailing market conditions. His appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the Articles of Association, every Director shall be subject to retirement at least once every three years.

There is no information relating to Dr. Sze that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Saved as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange.



**Executive Director**

**Ms. CHENG Wai Ling, Annie (“Ms. Cheng”)**, aged 43, is an executive Director, Chief Executive Officer, member of the Remuneration Committee and member of the Nomination Committee of the Company. She is responsible for overseeing the daily operations of the Company. Ms. Cheng received her bachelor’s degree in Business Administration (Accounting and Finance) from the University of Hong Kong and is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. Prior to joining the Company, she had served with an international audit firm. She also holds directorships in various subsidiaries of the Company.

As at the Latest Practicable Date, CCAA, being the substantial shareholder of the Company, is interested in 1,992,721,496 Shares, representing 74.29% of the issued share capital of the Company within the meaning of Part XV of the SFO. Ms. Cheng is one of the beneficiaries of a trust which assets include interests in the entire issued share capital of CCAA (the “Trust”). Ms. Cheng is the sister of Mr. Cheng Wai Lun, Andrew, an executive Director. Mr. Cheng Wai Lun, Andrew is also one of the beneficiaries of the trust.

Save as disclosed above, Ms. Cheng did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling shareholders of the Company. Ms. Cheng does not have, and is not deemed to have, any other interests or short positions in any Shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company.

The Company has not entered into a service contract with Ms. Cheng. For the financial year ended 31<sup>st</sup> March, 2022, she is entitled for an emolument of HK\$499,953 per annum which included commission income derived through the Company’s subsidiaries under normal commercial terms from time to time. The amount of the annual emoluments for Ms. Cheng was determined by the Board with reference to her experience, responsibilities and duties as well as the prevailing market conditions and commission income is derived through the Company’s subsidiaries under normal commercial terms from time to time. Her appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the Articles of Association, every Director shall be subject to retirement at least once every three years.

There is no information relating to Ms. Cheng that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Saved as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange.

~~This is a consolidated version of Memorandum and Articles of Association formally adopted by shareholders at a general meeting. The Chinese version is for reference only, the English version prevails.~~

~~{Logo}~~

~~MEMORANDUM~~

~~AND~~

~~ARTICLES OF ASSOCIATION~~

~~OF~~

~~UPBEST GROUP LIMITED~~

~~Incorporated the 28<sup>th</sup> day of July, 2000~~

~~CAYMAN ISLANDS~~

~~(adopted by special resolution passed on 27<sup>th</sup> August 2012)~~

**THE COMPANIES LAW ACT (2011 REVISION AS REVISED)  
OF THE CAYMAN ISLANDS  
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED  
MEMORANDUM AND ARTICLES  
OF ASSOCIATION**

**OF**

**UPBEST GROUP LIMITED**

**(adopted by special resolution passed on ~~27<sup>th</sup> August 2012~~ [•••] 2022)**

THE COMPANIES ACT LAW (AS REVISED 2014 REVISION)

OF THE CAYMAN ISLANDS

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED

MEMORANDUM OF ASSOCIATION

OF

UPBEST GROUP LIMITED

(adopted by special resolution passed on ~~27<sup>th</sup> August 2012~~ 2022)

1. The name of the Company is Upbest Group Limited.
2. The Registered Office of the Company shall be at the offices of Maples Corporate Services Limited, P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands, or at such other place in the Cayman Islands as the Board may from time to time decide.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
  - (i) To carry on business as an investment company and as an investment holding company and to acquire and hold shares, stocks, debenture stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and wherever constituted or carrying on business, and shares, stock, debenture stock, bonds, obligations and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust, local authority or other public body, and to vary, transpose, dispose of or otherwise deal with from time to time as may be considered expedient any of the Company's investments for the time being;
  - (ii) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, joint venture, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.

- (iii) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
- (iv) To stand surety for or to guarantee, indemnify, support or secure the performance of all or any of the obligations of any person, firm or company whether or not related or affiliated to the Company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration therefor.
- (v)
  - (a) To carry on the business of promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
  - (b) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including the provision of any services.
- (vi) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.
- (vii) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors of the Company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors of the Company likely to be profitable to the Company.

In the interpretation of this Memorandum of Association in general and of this Clause 3 in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this Clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

4. Except as prohibited or limited by the Companies ~~Law Act (2011 Revision)~~ As Revised, the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies ~~Law Act (As Revised)~~ 2011 Revision and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate, irrespective of any question of corporate benefit, in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this amended and restated Memorandum of Association and the amended and restated Articles of Association of the Company considered necessary or convenient in the manner set out in the amended and restated Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, debenture stock, loans, loan stock, loan notes, bonds, convertible bonds, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the Directors determine; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to members of the Company; to contract with persons for the provision of advice, the management and custody of the Company's assets, the listing of the Company's shares and its administration; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers, employees, past or present and their families; to purchase Directors and officers liability insurance; to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a licence is required under the laws of the Cayman Islands when so licensed under the terms of such laws.
5. The liability of each member is limited to the amount from time to time unpaid on such member's shares.
6. The share capital of the Company is HK\$~~10030,000,000~~ 103,000,000,000 divided into 103,000,000,000 shares of a nominal or par value of HK\$0.01 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies ~~Law Act (2011 Revision)~~ As Revised and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.

7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Act~~Law~~ (As Revised~~2011 Revision~~) and, subject to the provisions of the Companies Act~~Law~~ (As Revised~~2011 Revision~~) and the amended and restated Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

THE COMPANIES ~~LAW~~ACT (AS REVISED~~2014~~ 2011 REVISION)

OF THE CAYMAN ISLANDS

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED

ARTICLES OF ASSOCIATION

OF

**UPBEST GROUP LIMITED**

(adopted by special resolution passed on ~~27<sup>th</sup> August 2012~~**[•••] 2022**)

**Table A**

**Exclusion of  
Table A**

1. The regulations contained in Table A in the First Schedule to the Companies ~~Act~~Law shall not apply to the Company.

**Interpretation**

**Interpretation**

2. The marginal notes to these Articles shall not affect the interpretation hereof. In these Articles, unless there be something in the subject or context inconsistent therewith:

**these Articles**

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

**appointor**

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

**associate**

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

**Auditors**

“Auditors” shall mean the persons appointed by the Company from time to time to perform the duties of auditors of the Company;

**black rainstorm warning**

“black rainstorm warning” shall have the meaning given to it in the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong);

**Board**

“Board” shall mean the majority of the Directors present and voting at a meeting of Directors at which a quorum is present;



<b>business day</b>	<p>“business day” shall mean a day on which the Exchange generally is open for the business of dealing in securities in Hong Kong. Notwithstanding the foregoing, where the Exchange is closed for business of dealing in securities in Hong Kong on a day by reason of a number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purpose of any notice sent under these Articles be counted as a business day;</p>
<b>capital</b>	<p>“capital” shall mean the share capital from time to time of the Company;</p>
<b>the Chairman</b>	<p>“the Chairman” shall mean the Chairman presiding at any meeting of members or of the Board;</p>
<b>clear days</b>	<p>“clear days” shall mean in relation to the period of a notice, shall mean that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;</p>
<b><u>close associate(s)</u></b>	<p>“close associate(s)” shall have the meaning given to it in the <u>Listing Rules</u>;</p>
<b><u>Communication Facilities</u></b>	<p>“Communication Facilities” shall mean <u>video, video-conferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video-communication, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and be heard by each other;</u></p>
<b>the Company</b>	<p>“the Company” or “this Company” shall mean Upbest Group Limited;</p>
<b>Company’s Website</b>	<p>“the Company’s Website” shall mean the website of the Company, the address or domain name of which has been notified to members;</p>
<b>the Companies <u>LawAct/the LawAct</u></b>	<p>“the Companies <u>LawAct</u>” or “the <u>LawAct</u>” shall mean the Companies <u>Law Act (As Revised 2011 Revision)</u>, Cap. 22 of the Cayman Islands and any amendments thereto or re enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;</p>
<b>the Companies Ordinance</b>	<p>“the Companies Ordinance” shall mean the Companies Ordinance (Cap. <u>62232</u> of the Laws of Hong Kong) as in force from time to time;</p>
<b>Directors</b>	<p>“Directors” shall mean the directors from time to time of the Company;</p>

<b>dividend</b>	“dividend” shall include bonus dividends and distributions permitted by the <del>Law</del> <u>Act</u> to be categorised as dividends;
<b>dollars/HK\$</b>	“dollars” and “HK\$” shall mean dollars legally current in Hong Kong;
<b>electronic</b>	“electronic” shall have the meaning given to it in the Electronic Transactions <del>Law</del> <u>Act</u> ;
<b>electronic means</b>	“electronic means” includes sending or otherwise making available to the intended recipients of the communication in electronic format;
<b>Electronic Signature</b>	“Electronic Signature” shall mean an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;
<b>Electronic Transactions <del>Law</del><u>Act</u></b>	“Electronic Transactions <del>Law</del> <u>Act</u> ” means the Electronic Transactions <del>Law</del> <u>Act</u> ( <del>As Revised 2003 Revision</del> ) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
<b>Exchange</b>	“Exchange” shall mean The Stock Exchange of Hong Kong Limited;
<b>Hong Kong</b>	“Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China and its dependencies;
<b><del>HK Code on Takeovers &amp; Mergers</del></b>	<del>“HK Code on Takeovers &amp; Mergers” shall mean the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong as amended from time to time;</del>
<b>Independent Non-Executive Director</b>	“Independent Non-Executive Director” shall mean a person recognised as such by the relevant code, rules and regulations applicable to the listing of the shares on the Exchange;
<b>Listing Rules</b>	“Listing Rules” shall mean the Rules Governing the Listing of Securities on the Exchange as amended from time to time;
<b>month</b>	“month” shall mean a calendar month;

**ordinary  
resolution**

“ordinary resolution” shall mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting held in accordance with these Articles and includes an ordinary resolution passed pursuant to Article 84;

**Person**

“Person” shall mean any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;

**Present**

“Present” shall mean, in respect of any Person, such Person’s presence at a general meeting of members, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with these Articles), being:

- (a) physically present at the meeting; or
- (b) in the case of any meeting at which Communication Facilities are permitted in accordance with these Articles, connected by means of the use of such Communication Facilities;

**principal  
register**

“principal register” shall mean the register of members of the Company maintained at such place within or outside the Cayman Islands as the Board shall determine from time to time;

**published in  
the newspapers**

“published in the newspapers” means published as a paid advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper, being in each case a newspaper published daily and circulating generally in Hong Kong in accordance with the Listing Rules;

**published on the Exchange’s  
website**

“published on the Exchange’s website” shall mean published in such languages as may be designated by the Exchange on the Exchange’s website in accordance with the Listing Rules;

<b>recognised clearing house</b>	“recognised clearing house” shall mean a recognised clearing house as referred to in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised share depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;
<b>the register</b>	“the register” shall mean the principal register and any branch register of shareholders of the Company to be maintained at such place within or outside the Cayman Islands as the Board may determine from time to time;
<b>rights issue</b>	“rights issue” shall mean an offer by way of rights to existing holders of securities of the Company which enables those holders to subscribe for securities in proportion to their existing holdings;
<b>Seal</b>	“seal” shall include the common seal of the Company, the securities seal or any duplicate seal adopted by the Company pursuant to Article 137;
<b>Secretary</b>	“Secretary” shall mean the person appointed as company secretary by the Board from time to time;
<b>Share</b>	“share” shall mean a share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;
<b>shareholders/ members</b>	“shareholders” or “members” shall mean the persons who are duly registered as the holders from time to time of shares in the register including persons who are jointly so registered;
<b>special resolution</b> App 13 Part B r.1	“special resolution” shall have the same meaning as ascribed thereto in the <del>Law-Act</del> and shall include a unanimous written resolution of all members: for this purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution passed pursuant to Article 84;

**subsidiary and  
holding company**

“subsidiary” and “holding company” in these Articles shall have the meaning attributed to such terms in the Company Ordinance (Chapter ~~622~~<sup>32</sup> of the Laws of Hong Kong) as in force from time to time, but interpreting the term “subsidiary” in accordance with the definition of “subsidiary” under Rule 1.01 of the Listing Rules;

**transfer office**

“transfer office” shall mean the place where the principal register is situate for the time being;

**Words in LawAct  
to bear same  
meaning in  
Articles**

Subject as aforesaid, any words defined in the LawAct shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles;

**writing/printing**

“writing” or “printing” shall include writing, printing, lithograph, photograph, type writing and every other mode of representing words or figures in a legible and non transitory form and, only where used in connection with a notice served by the Company on members or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference;

**Sections 8 and 19(3) of the  
Electronic Transactions LawAct**

Sections 8 and 19(3) of the Electronic Transactions LawAct shall not apply;

**gender**

words importing either gender shall include the other gender and the neuter;

**persons/  
companies**

words importing persons and the neuter shall include companies and corporations and vice versa;

**singular and  
plural**

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

**Share Capital and Modification of Rights****Capital**  
App-3  
r-9

3. The authorized share capital of the Company at the date of the adoption of these Articles is HK\$~~30~~<sup>100</sup>,000,000 divided into ~~3~~<sup>10</sup>,000,000,000 shares of a nominal or par value of HK\$0.01 each.

**Issue of shares**

4. Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine. Subject to the ~~Law~~Act and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company.

**Issue of warrants**

~~App 3~~  
~~r.2(2)~~

5. Subject to the Listing Rules, the Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine. No warrants shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.

**How class rights may be modified**

~~App 3~~  
~~r.6(2)~~  
~~App 13~~  
~~Part B~~  
~~r.2(1)15~~

6. (a) If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the ~~Law~~Act, be varied or abrogated with the consent in writing of the holders of not less than three-fourths of the voting rights~~in nominal value~~ of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class. To every such separate meeting all the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy) at the date of the relevant meeting not less than one-third ~~in normal value~~ of the voting rights of the issued shares of that class.

App 3  
r:6(2)

**Company may  
purchase and  
finance the  
purchase of  
own shares  
and warrants**

- (b) The special rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
7. Subject to the ~~Law~~Act, or any other law or so far as not prohibited by any law or the Listing Rules and subject to any rights conferred on the holders of any class of shares, the Company shall have the power to purchase or otherwise acquire any of its own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorised by a resolution of the shareholders, and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company or any company which is a holding company of the Company and should the Company purchase or otherwise acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise acquired rateably or in any other manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with any relevant code, rules or regulations issued by the Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.
- 7A. The Board may accept the surrender for no consideration of any fully paid share.

**Power to increase  
capital**

8. The Company in general meeting may, from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.

**Redemption**

9. (a) Subject to the provisions of the ~~Law~~ Act and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner, including out of capital, as determined by a special resolution.

App 3  
r.8(1) & (2)

- (b) ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all shareholders alike.~~ [Intentionally deleted]

**Purchase or  
redemption not  
to give rise to  
other purchases  
or redemptions**

10. (a) The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share.

**Certificates to be  
surrendered for  
cancellation**

- (b) The holder of the shares being purchased, surrendered or redeemed shall be bound to deliver up to the Company at its principal place of business in Hong Kong or such other place as the Board shall specify the certificate(s) thereof, if any, for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.

**Shares at the  
disposal of  
the Board**

11. Subject to the provisions of the ~~Law~~ Act, of the Memorandum of Association of the Company, and of these Articles relating to new shares, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Board shall determine.



**Company may  
pay commissions**

12. The Company may, unless prohibited by law, at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the ~~Law~~Act shall be observed and complied with, and in each case the commission shall not exceed 10% of the price at which the shares are issued.

**Company not to  
recognise trusts  
in respect of  
shares**

13. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and 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 shares or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

**Register of Members and Share Certificates****Share register**  
~~App 3~~  
~~r.1(1)~~

14. (a) The Board shall cause to be kept at such place within or outside the Cayman Islands as it deems fit a principal register of the members and there shall be entered therein the particulars of the members and the shares issued to each of them and other particulars required under the ~~Law~~Act.
- (b) If the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands as the Board thinks fit. The principal register and the branch register(s) shall together be treated as the register for the purposes of these Articles.
- (c) The Board may, in its absolute discretion, at any time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.
- (d) Notwithstanding anything contained in this Article, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the shares respectively held by them, in all respects in accordance with the Companies ~~Law~~Act.

App 13  
Part B  
r. 203(2)

- 14A. For so long as any shares are listed on the Exchange, title to such listed shares may be evidenced and transferred in accordance with the Listing Rules that are or shall be applicable to such listed shares. The register of members maintained by the Company in respect of such listed shares (whether the principal register or a branch register) may be kept by recording the particulars required by Section 40 of the ~~Law-Act~~ in a form otherwise than legible (provided it is capable of being reproduced in a legible form) if such recording otherwise complies with the Listing Rules that are or shall be applicable to such listed shares.
15. (a) Except when a register is closed and, if applicable, subject to the additional provisions of paragraph (d) of this Article, the principal register and any branch register shall during business hours be kept open to the inspection of any member without charge.
- (b) The reference to business hours in paragraph (a) of this Article is subject to such reasonable restrictions as the Company in general meeting may impose, but so that not less than two hours in each business day is to be allowed for inspections.
- (c) The register may, on ~~10 business days'~~ notice ~~(or on 6 business days' notice in the case of a rights issue)~~ being given by announcement or advertisement published on the Exchange's website in accordance with the Listing Rules, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of this Article with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed. In the event that there is an alteration of book closure dates, the Company shall give ~~at least 5 business days'~~ notice in accordance with the Listing Rules and the procedures set out in this Article.

App-13  
Part B  
r.3(2)

- (d) Any register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Board may impose) be open to inspection by a member without charge and any other person on payment of a ~~such fee of such amount not exceeding the maximum HK\$2.50 (or such higher amount as may~~ from time to time be permitted under the Listing Rules) as the Board may determine for each inspection. Any member may require a copy of the register, or any part thereof, on payment of HK\$0.25, or such lesser sum as the Company may prescribe, for every 100 words or fractional part thereof required to be copied. The Company shall cause any copy so required by any person to be sent to that person within a period of 10 days commencing on the date next after the day on which the request is received by the Company.
- (e) In lieu of, or apart from, closing the register pursuant to other provisions in these Articles, the Board may fix in advance a date as the record date for any such determination of members entitled to receive notice of, or to vote at any general meeting of the members or any adjournment thereof, or for the purpose of determining the members entitled to receive payment of any dividend or distribution, or in order to make a determination of members for any other purpose.

Share certificates  
App-3  
r.1(1)

16. Every person whose name is entered as a member in the register shall be entitled without payment to receive, within any relevant time limit prescribed in the ~~Law Act~~ or as the Exchange may from time to time determine, whichever is shorter, after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide), one certificate for all his shares of each class 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 an Exchange board lot, upon payment, in the case of a transfer, of a sum equal to the relevant maximum amount as the Exchange may from time to time determine for every certificate after the first or such lesser sum as the Board shall from time to time determine, such numbers of certificates for shares in Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

**Share certificates  
to be sealed**

App 3  
r.2(1)

17. Every certificate for shares or debentures or representing any other form of security of the Company shall be issued under the seal of the Company, which shall only be affixed with the authority of the Board.

**Every certificate  
to specify number  
and class of shares**

18. Every share certificate shall specify the number and class of shares in respect of which it is issued and the amount paid thereon or the fact that they are fully paid, as the case may be, and may otherwise be in such form as the Board may from time to time prescribe.

**Joint holders**

App 3  
r.1(3)

19. The Company shall not be bound to register more than four persons as joint holders of any share. 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 these Articles, all or any other matters connected with the Company, except the transfer of the share.

**Replacement of  
share certificates**

App 3  
r.1(1)

20. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding such amount as may from time to time be permitted under the Listing Rules or such lesser sum as the Board may from time to time require and on such terms and conditions, if any, as to publication of notices, evidence and indemnity, as the Board thinks fit and where it is defaced or worn out, after delivery up of the old certificate to the Company for cancellation.

**Lien****Company's lien**

App 3  
r.1(2)

21. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a member (whether solely or jointly with others) 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 such person is a member of the Company or not.

**Lien extends to  
dividends and  
bonuses**

The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Board may resolve that any share shall for some specified period be exempt wholly or partially from the provisions of this Article.

**Sale of shares  
subject to lien**

22. The Company may sell in such manner as the Board thinks fit any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person, of which the Company has notice, entitled to the shares by reason of such holder's death, mental disorder or bankruptcy.

**Application or  
proceeds of such  
sale**

23. The net proceeds of such sale by the Company after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the share sold) be paid to the holder immediately before such sale of the share. For giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

**Calls on Shares****Calls, how made**

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

- Notice of call** 25. At least 14 days' notice of any call shall be given to each member specifying the time and place of payment and to whom such payment shall be made.
- Copy of notice to be sent** 26. A copy of the notice referred to in Article 25 shall be sent in the manner in which notices may be sent to members by the Company as herein provided.
- Every member liable to pay call at appointed time and place** 27. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall specify. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.
- Notice of call may be published in newspapers** 28. In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published on the Exchange's website or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers.
- When call deemed to have been made** 29. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
- Liability of joint holders** 30. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.
- Board may extend time fixed for call** 31. The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as to all or any of the members, whom by reason of residence outside Hong Kong or other cause the Board considers it reasonable to grant an extension to, but no member shall be entitled to any such extension as a matter of grace and favour.
- Interest on calls** 32. If the sum or any instalment payable in respect of any call is unpaid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 15% per annum as the Board shall determine from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

**Suspension of  
privileges  
while call  
in arrears**

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

**Evidence in  
action for call**

34. At the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, and the proof of the matters aforesaid shall be conclusive evidence of the debt.

**Sums payable on  
allotment/in  
future deemed a  
call**

35. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium or otherwise, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non payment, all the relevant provisions of these Articles as to payment of interest and expenses, liabilities of joint holders, forfeiture and the like, shall apply as if such sum had become payable by virtue of a call duly made and notified.

**Payment of calls  
in advance**

App 3  
r:3(1)

36. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. No such sum paid in advance of calls shall entitle the member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.



Transfer of Shares**Form of transfer**

37. Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Board may approve which is consistent with the standard form of transfer as prescribed by the Exchange and approved by the Board. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and all such instruments of transfer shall be retained by the Company.

**Execution**

38. The instrument of transfer shall be executed by or on behalf of the transferor and by or on behalf of the transferee PROVIDED that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. The instrument of transfer of any share shall be in writing and shall be executed with a manual signature or facsimile signature (which may be machine imprinted or otherwise) by or on behalf of the transferor and transferee PROVIDED that in the case of execution by facsimile signature by or on behalf of a transferor or transferee, the Board shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor or transferee and the Board shall be reasonably satisfied that such facsimile signature corresponds to one of those specimen signatures. The transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register in respect thereof.

- 38A. Notwithstanding Articles 37 and 38, transfers of shares which are listed on the Exchange may be effected by any method of transferring or dealing in securities permitted by the Listing Rules and which has been approved by the Board for such purpose.

**Board may refuse to register a transfer**

App-3  
r.1(2)

39. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share which is not fully paid up or on which the Company has a lien.

**Notice of refusal**

40. If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.



**Requirements as  
to transfer**

41. The Board may also decline to register any transfer of any shares unless:
- (a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon registration of the transfer be cancelled) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (b) the instrument of transfer is in respect of only one class of shares; and
  - (c) the instrument of transfer is properly stamped (in circumstances where stamping is required); and
  - (d) in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four; and
  - (e) the shares concerned are free of any lien in favour of the Company; and
  - (f) a fee of such amount not exceeding the maximum amount as the Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require) is paid to the Company in respect thereof.

App-3  
r.1(1)

**No transfer to an  
infant etc**

42. No transfer shall be made to an infant or to a person in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs or under other legal disability.

**Certificate to  
be given up on  
transfer**

43. Upon every transfer of shares, the certificate held by the transferor shall be given up to be cancelled and shall forthwith be cancelled accordingly and a new certificate shall be issued on payment by the transferee of such fee not exceeding the maximum amount as the Exchange may from time to time determine to be payable or such lesser sum as the Board may from time to time require, 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, on payment by the transferor of such fee not exceeding the maximum amount as the Exchange may from time to time determine to be payable or such lesser sum as the Board may from time to time require. The Company shall also retain the instrument(s) of transfer.

**When transfer  
books and  
register may close**

App-13

Part B

r.3(2)

44. The registration of transfers may, ~~on 10 business days' notice (or on 6 business days' notice in the case of a rights issue)~~ being given by announcement or advertisement published on the Exchange's website in accordance with the Listing Rules, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). In the event that there is an alteration of book closure dates, the Company shall give ~~at least 5 business days' notice~~ before the announced closure, or the new closure, ~~whichever is earlier~~ in accordance with the Listing Rules. If, however, there are exceptional circumstances (e.g. during a Number 8 or higher typhoon signal ~~and/or~~ black rainstorm warning) that render the giving of such publication of announcement or advertisement impossible, the Company shall comply with these requirements as soon as practicable.

**Transmission of Shares****Death of  
registered  
holder or of  
joint holder  
of shares**

45. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

**Registration  
of personal  
representatives  
and trustee in  
bankruptcy**

46. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some other person nominated by him registered as the transferee thereof.

**Notice of election to be registered/ Registration of nominee**

47. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee a transfer of such share. All the limitations, restrictions and provisions of these 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 death or bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.

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

48. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 86 being met, such a person may vote at meetings.

**Forfeiture of Shares**

**If call or instalment not paid notice may be given**

49. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time during such time as any part thereof remains unpaid, without prejudice to the provisions of Article 33, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.

**Form of notice**

50. The notice shall name a further day (not earlier than the expiration of 14 days from 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 or instalment is unpaid will be liable to be forfeited. The Board may accept a surrender of any share liable to be forfeited hereunder and in such case, references in these Articles to forfeiture shall include surrender.

**If notice not  
complied with  
shares may be  
forfeited**

51. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share, and not actually paid before the forfeiture.

**Forfeited shares  
to be deemed  
property of  
Company**

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

**Arrears to be  
paid  
notwithstanding  
forfeiture**

53. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 15% per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares forfeited, at the date of forfeiture. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived, be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

**Evidence of  
forfeiture**

54. A statutory declaration in writing that the declarant is a Director or Secretary of the Company, and that a share in the Company has been duly forfeited 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 re allotment, sale or disposition thereof and the Board may authorise any person to execute a letter of re allotment or transfer the share in favour of the person to whom the share is re allotted, sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the subscription or purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, re allotment, sale or other disposal of the share.

**Notice after  
forfeiture**

55. When any share shall have been forfeited, notice of the forfeiture 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. Notwithstanding the above, no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

**Power to redeem  
forfeited shares**

56. Notwithstanding any such forfeiture as aforesaid, the Board may at any time, before any share so forfeited shall have been re-allotted, sold, or otherwise disposed of, permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

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

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

**Forfeiture for  
non payment of  
any sum due on  
shares**

58. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, 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.

Stock**Power to convert  
into stock**

59. Subject to the Companies Law Act, the Company may by ordinary resolution convert any fully paid up shares into stock, and may from time to time by like resolution re convert any stock into fully paid up shares of any denomination.

**Transfer of stock**

60. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Board may from time to time, if it thinks 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.

**Rights of  
stockholders**

61. 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.

**Interpretation**

62. Such of the provisions of these Articles as are applicable to paid up shares shall apply to stock, and the words “share” and “shareholder” therein shall include “stock” and “stockholder”.

Alteration of Capital

**Consolidation  
and division of  
capital and  
sub division  
and cancellation  
of shares**

- 63. (a) The Company may from time to time by ordinary resolution:
  - (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into 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 Board 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;
  - (ii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled subject to the provisions of the ~~Law~~Act; and

(iii) sub divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company, subject nevertheless to the provisions of the LawAct, 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.

**Reduction of capital**

(b) The Company may by special resolution reduce its share capital, any capital redemption reserve or any share premium account in any manner authorised and subject to any conditions prescribed by the LawAct.

**Borrowing Powers**

**Power to borrow**

64. The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof.

**Conditions on which money may be borrowed**

65. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular, by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debts, liability or obligations of the Company or of any third party.

**Assignment**

66. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.



**Special privileges**

67. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

**Register of charges to be kept**

68. (a) The Board shall cause a proper register to be kept, in accordance with the provisions of the ~~Law~~Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the ~~Law~~Act in regard to the registration of mortgages and charges therein specified and otherwise.

**Register of debentures or debenture stock**

(b) If the Company issues debentures or debenture stock (whether as part of a series or as individual instruments) not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.

**Mortgage of uncalled capital**

69. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

**General Meetings**

**When annual general meeting to be held**

App 13  
Part B  
r.3(3)  
r.4(2)r.14(1)

70. The Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it; ~~and not more than 15 months shall elapse (or such longer period as the Exchange may authorise) between the date of one annual general meeting of the Company and that of the next. So long as the first annual general meeting of the Company is held within 15 months from the date of its incorporation, it need not be held in the year of its incorporation.~~ The annual general meeting shall be held within six months (or such other period as may be permitted by the Listing Rules or the Exchange) after the end of such financial year. The annual general meeting shall be held at such time and place as the Board shall appoint.

**Extraordinary general meeting**

71. All general meetings other than annual general meetings shall be called extraordinary general meetings.

**Convening of  
extraordinary  
general meeting**

App 3  
r.14(5)

72. The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any ~~two~~one or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and resolutions to the meeting agenda and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one tenth of the voting rights, on a one vote per share basis, paid-up capital in the share capital of the Company which carries the right of voting at general meetings of the Company. ~~General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.~~

72A. The Directors may make Communication Facilities available for a specific general meeting or all general meetings of the Company so that members and other participants may attend and participate at such general meetings by means of such Communication Facilities.

Notice of  
meetings  
App 43  
Part B  
r.3(1)r.14(2)

- 73. (a) An annual general meeting ~~and any extraordinary general meeting called for the passing of a special resolution~~ shall be called by not less than 21 days' notice in writing and any ~~other~~ extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirements under the Listing Rules, 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 time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting and in the case of special business (as defined in Article 75) 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 resolution as a special resolution. The notice of any general meeting at which Communication Facilities will be utilised must disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.
  
- (b) Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in paragraph (a) hereof, it shall be deemed to have been duly called if it is so agreed:
  - (i) in the case of a meeting called as an annual general meeting, by all the members of the Company entitled to attend and vote thereat or their proxies; and
  - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right.

- (c) There shall appear with reasonable prominence in every notice of general meetings of the Company a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.
- Omission to give notice/instrument of proxy**
74. (a) The accidental omission to give any such notice to, or the non receipt of any such notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.
- (b) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

**Proceedings at General Meetings**

- Special business**
75. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business shall be deemed special that is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:
- (a) the declaration and sanctioning of dividends;
- (b) the consideration and adoption of the accounts and balance sheets and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;
- (c) the election of Directors in place of those retiring;
- (d) the appointment of Auditors;
- (e) the fixing of, or the determining of the method of fixing of, the remuneration of the Directors and of the Auditors;

- (f) the granting of any mandate or authority to the Directors to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to paragraph (g) of this Article; and
- (g) the granting of any mandate or authority to the Directors to repurchase securities of the Company.

**Quorum**

76. For all purposes the quorum for a general meeting shall be two members ~~pPresent in person or by proxy~~ provided always that if the Company has only one member of record the quorum shall be that one member ~~pPresent in person or by proxy~~. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be pPresent at the commencement of the business.

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

77. If within 15 minutes from the time appointed for the meeting a quorum is not pPresent, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not pPresent within 15 minutes from the time appointed for holding the meeting, the member or members ~~pPresent in person or by proxy~~ shall be a quorum and may transact the business for which the meeting was called.

**Chairman of general meeting**

78. The Chairman of the Board of Directors shall take the chair at every general meeting, or, if there be no such Chairman or, if at any general meeting such Chairman shall not be pPresent within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors pPresent shall choose another Director as Chairman, and if no Director be pPresent, or if all the Directors ~~pPresent~~ decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members pPresent shall choose one of their own number to be Chairman.

78A. The Chairman of any general meeting shall be entitled to attend and participate at such general meeting by means of Communication Facilities, and to act as the Chairman, in which event:

(a) the Chairman shall be deemed to be Present at the meeting; and

(b) if the Communication Facilities are interrupted or fail for any reason to enable the Chairman to hear and be heard by all other Persons attending and participating at the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as Chairman of the meeting for the remainder of the meeting; provided that (i) if no other Director is Present at the meeting, or (ii) if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.

**Power to adjourn  
general  
meeting/business  
of adjourned  
meeting**

79. The Chairman may, with the consent of any general meeting at which a quorum is ~~p~~Present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

**Vote**

80. At any general meeting a resolution put to the vote at the meeting shall be decided on a poll, save that the Chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

- 80A Where a resolution is voted on by a show of hands as permitted under the Listing Rules, a declaration by the Chairman that thea resolution has been carried or carried unanimously, or by any particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.
- Poll**
81. A poll shall (subject as provided in Article 82) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting ~~at which the poll was taken~~ as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken.
- In what case poll taken without adjournment**
82. Any poll on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting and without adjournment.
- Chairman to have casting vote**
83. In the case of an equality of votes, whether on a show of hands (where permitted by the Listing Rules and these Articles) or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is taken shall be entitled to a second or casting vote.
- Written resolutions**
84. A resolution in writing (in one or more counterparts), including a special resolution, signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member to sign.

Votes of Members

**Votes of members**  
App 3  
r.14(3)  
r.14(4)

85. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting ~~on a show of hands (where permitted by the Listing Rules and these Articles)~~(a) every member who is ~~p~~Present in person (or, in the case of a member being a corporation, by its duly authorised representative) or ~~by proxy~~ shall have the right to speak, (b) on a show of hands, every member Present shall have one vote, and (c) on a poll every member who is ~~p~~Present in person (or, in the case of a member being a corporation, by its duly authorised representative) or ~~by proxy~~ shall have one vote for each share registered in his name in the register, except, in the cases of sub-paragraphs (b) and (c) above, where a member is required, by the Listing Rules, to abstain from the manner under consideration. Where any member is, under the Listing Rules, 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. On a poll a member entitled to more than one vote is under no obligation to use all his votes or cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house or its nominee(s), each proxy shall have one vote on a show of hands (where permitted under the Listing Rules and these Articles) and is under no obligation to cast all his votes in the same way on a poll.

**Votes in respect of deceased and bankrupt members**

86. Any person entitled under Article 46 to be registered as a shareholder may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposed to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

**Votes of joint holders**

87. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be ~~p~~Present at any meeting ~~personally or by proxy~~, that one of the said persons so ~~p~~Present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. 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.



**Votes of member  
of unsound mind**

88. A member in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands (where permitted by the Listing Rules and these Articles) or on a poll, by any person authorised in such circumstances to do so, and such person may vote on a poll by proxy.

**Qualification for  
voting**

89. (a) Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be ~~p~~Present or to vote (save as proxy for another member), or to be reckoned in a quorum, either personally or by proxy at any general meeting.

**Objections to  
voting**

(b) No objection shall be raised as to the qualification of any person exercising or purporting to exercise any vote or to the admissibility of any vote except at the meeting or adjourned meeting at which the person exercising or purporting to exercise his vote or the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. In the case of any dispute as to the admission or rejection of any vote, the Chairman of the meeting shall determine the same and such determination shall be final and conclusive.

**Proxies**  
App 43  
~~Part B~~  
~~r.2(2)r.18~~

90. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. ~~On a poll~~ ~~v~~Votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at any one general meeting (or at any one class meeting).

**Instrument  
appointing  
proxy to be in  
writing**  
App 3  
r.11(2)

91. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of ~~a~~ duty authorized officer, attorney or other person duly authorised to sign the same.

**Delivery of  
authority for  
appointment of  
proxy**

92. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid provided always that the Chairman of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

**Form of  
proxy  
App-3  
r.11(1)**

93. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in common form or such other form that complies with the Listing Rules as the Board may from time to time approve, provided that it shall enable a member, according to his intention, to instruct his proxy to vote in favour of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates.

**Authority under  
instrument  
appointing  
proxy**

94. The instrument appointing a proxy to vote at a general meeting shall: (a) be deemed to 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; and (b) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.

**When vote  
by proxy/  
representative  
valid though  
authority  
revoked**

95. A vote given in accordance with the terms of an instrument of proxy or resolution of a member shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy or resolution of a member was executed or revocation of the relevant resolution or the transfer of the share in respect of which the proxy was given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or at such other place as is referred to in Article 92, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

**Corporations/  
recognised clearing houses  
acting by  
representatives at  
meetings**

App. 13  
~~Part B~~  
r.2(2)r.18

96. (a) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and where a corporation is so represented, it shall be treated as being ~~p~~Present at any meeting in person.

App 13  
~~Part B~~  
r.6r.19

(b) If a recognised clearing house (or its nominee) is a member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any ~~general~~ meeting of the Company or at any ~~general~~ meeting of any class of members of the Company provided that, if more than one person is so authorised, the proxy form or authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee) which he represents as that recognised clearing house (or its nominee) could exercise if it were an individual member of the Company holding the number and class of shares specified in such proxy form or authorisation, including, the right to speak and where a show of hands is permitted by the Listing Rules and these Articles, the right to vote individually on a show of hands, notwithstanding any contrary provision contained in these Articles.

**Registered Office**

**Registered office**

97. The registered office of the Company shall be at such place in the Cayman Islands as the Board shall from time to time appoint.

**Board of Directors**

**Constitution**

98. So long as shares of the Company are listed on the Exchange, the Board shall include such number of Independent Non-Executive Directors as the relevant code, rules or regulations applicable to the listing of any shares on the Exchange require. The number of Directors shall not be less than two.

**Board may fill vacancies/appoint additional Directors**

App 3  
r.4(2)

99. The members may, by ordinary resolution, appoint a Director at a general meeting. The Board shall also have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the ~~next following~~first annual general meeting of the Company after his appointment and shall then be eligible for re election at that meeting provided that any Director who so retires shall not be taken into account in determining the number of Directors who are to retire at such meeting by rotation pursuant to Article 116. The re-election of an Independent Non-Executive Director who has held such office for more than nine years shall require separate approval of an ordinary resolution of the members in general meeting and the Board shall provide reasons to the members prior to the general meeting as to why it believes such Independent Non-Executive Director is still independent and should be re-elected.

**Alternate Directors**

100. (a) A Director may at any time by notice in writing delivered to the registered office of the Company or at a meeting of the Board, appoint any person (including another Director) to be his alternate Director in his place during his absence and may in like manner at any time determine such appointment. Such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved, provided that the Board may not withhold approval of any such appointment where the proposed appointee is a Director.

- (b) The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
- (c) An alternate Director shall (except when absent from Hong Kong), be entitled to receive and waive (in lieu of his appointor) notices of meetings of the Directors and shall be entitled to attend and vote as a Director and be counted in the quorum 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 Articles 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 and he need not use all his votes or cast all the votes he uses in the same way. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act (as to which a certificate by the alternate shall in the absence of actual notice to the contrary to other Directors be conclusive), his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
- (d) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

- (e) In addition to the foregoing provisions of this Article, a Director may be represented at any meeting of the Board (or of any committee of the Board) by a proxy appointed by him, in which event the presence or vote of the proxy shall for all purposes be deemed to be that of the Director. A proxy need not himself be a Director and the provisions of Articles 90 to 95 shall apply *mutatis mutandis* to the appointment of proxies by Directors save that an instrument appointing a proxy shall not become invalid after the expiration of twelve months from its date of execution but shall remain valid for such period as the instrument shall provide or, if no such provision is made in the instrument, until revoked in writing and save also that a Director may appoint any number of proxies although only one such proxy may attend in his stead at meetings of the Board (or of any committee of the Board).

**Qualification of  
Directors**

101. A Director need not hold any qualification shares. No Director shall be required to vacate office or be ineligible for re election or re appointment as a Director and no person shall be ineligible for appointment as a Director by reason only of his having attained any particular age.

**Directors'  
remuneration**

102. (a) The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting or by the Board, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

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Part B  
r:5(4)

(b) Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.

**Directors' expenses**

103. The Directors shall be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of travelling to and from Board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.

**Special remuneration**

104. The Board may grant special remuneration to any Director, who shall perform any special or extra services at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed.

**Remuneration of Managing Directors, etc.**

105. Subject to Article 102, the remuneration of an Executive Director (as appointed according to Article 108) or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to such remuneration as the recipient may be entitled to receive as a Director.

**When office of Director to be vacated**

106. The office of a Director shall be vacated:

- (i) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;
- (ii) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;

- (iii) if, without leave, he is absent from meetings of the Board (unless an alternate Director appointed by him attends in his place) for a continuous period of 12 months, and the Board resolves that his office be vacated;
- (iv) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;
- (vi) if he shall be removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; or
- (vii) if he shall be removed from office by an ordinary resolution of the members of the Company under Article 122.

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r:5(1)

**Directors may contract with Company**

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Part-B  
r:5(3)

- 107. (a) (i) No Director or proposed Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to account to the Company for any profit so realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the Board at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may subsequently be made by the Company.



- (ii) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed between the Company and the Director) no such Director shall be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. 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 in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or is about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager 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 the manner aforesaid.
- (b) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profit or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

**Director may  
not vote where  
he has a material  
interest**

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r.4(1)

(c) Save as otherwise provided by the Articles, a Director shall not ~~be entitled to vote~~ (nor be counted in the quorum) on any resolution of the Board to approve or authorise in respect of any contract or arrangement or any other proposal in which he or any of his close associate(s) (or, if required by the Listing Rules, his other associates) has material interest but this prohibition shall not apply to any of the following matters, namely:

**Director may  
vote in respect  
of certain matters**

App 3  
Note 1

(i) the giving of any security or indemnity either:

(aa) to the Director or his close associate(s) in respect of money lent or obligations incurred by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(bb) 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) has himself/ themselves assumed responsibility in whole or in part 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 for any company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iii) [intentionally deleted]

(iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;

- (v) any proposal or arrangement concerning the adoption, modification or operation of an employees' share scheme under which the Director or his close associate(s) may benefit other than any proposal in relation to the grant of rights under the scheme to him/them or the modification of any rights previously granted to him/them other than in circumstances where such rights are proposed to be amended in similar manner to rights held by other employees and without any special privilege or advantage being accorded; or
- (vi) any proposal of arrangement concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to the Directors or his close associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director of the Company or any of its subsidiaries or his close associate(s), as such any privileges or advantages not generally accorded to the class of persons to which such scheme or fund relates.

If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or his close associate(s) (other than the Chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman of the meeting and his ruling in relation to such other Director or his close associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman of the meeting, such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or any of his close associate(s) as known to such chairman has not been fairly disclosed to the Board.

**Director may vote  
on proposals not  
concerning own  
appointment**

- (d) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of or terminating the appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not prohibited from voting under paragraph (c)) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

**Who to decide  
whether a  
Director may vote**

- (e) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or his close associate(s) (other than the Chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman of the meeting and his ruling in relation to such other Director or his close associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his close associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman of the meeting, such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or any of his close associate(s) as known to such chairman has not been fairly disclosed to the Board.

**Definition of  
“Associates”**

- (f) ~~For the purpose of paragraph (e)(iii), “Associates” mean, in relation to any Director of the Company:~~
- ~~(i) his spouse and any of his or his spouse’s children or step children under the age of 18 (“family interests”); and~~

- (ii) ~~the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and~~
- (iii) ~~any company in the equity capital of which he and/or his family interests taken together are directly or indirectly interested (other than through their respective interests in the capital of the Company) so as to exercise or control the exercise of 35% (or such lower amount as may from time to time be specified in the HK Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company.~~

#### Managing Directors

#### **Power to appoint Managing Directors, etc.**

108. The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director, or other Executive Director and/or such other employment or executive office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 105.

#### **Removal of Managing Director, etc.**

109. Every Director appointed to an office under Article 108 hereof shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, be liable to be dismissed or removed therefrom by the Board.

**Cessation of  
appointment**

110. A Director appointed to an office under Article 108 shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

**Powers may be  
delegated**

111. The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that it may think fit. But the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

**Management**

**General powers  
of Company  
vested in Board**

112. (a) Subject to any exercise by the Board of the powers conferred by Articles 113 to 115, the management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the ~~Law-Act~~ expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the ~~Law-Act~~ and of these Articles and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

(b) Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:

- (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; and
- (ii) to give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

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Part B  
r.5 (2)

**Loan, etc. to  
director or his  
close associates**

- (c) The Company shall not (i) make any loan, directly or indirectly, to a Director or, his close associate(s), or a body corporate controlled by such Director as defined in section 492 of the Companies Ordinance, or (ii) enter into guarantee or provide any security in connection with a loan made by any person to a Director, his close associate(s) or a body corporate controlled by such Director as defined in section 492 of the Companies Ordinance, if and to the extent it would be prohibited by the Companies Ordinance as if the Company were a company incorporated in Hong Kong. Article 112(c) shall only have effect for so long as the shares of the Company are listed on the Exchange. Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance as in force at the date of adoption of these Articles, and except as permitted under the Companies Law, the Company shall not directly or indirectly:
  - ~~(i) make a loan to a Director or his Associates (as defined in Article 107(f) above) or a director of any holding company of the Company;~~
  - ~~(ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or~~
  - ~~(iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.~~

Managers**Appointment and remuneration of managers**

113. The Board may from time to time appoint a general manager, manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them in connection with the conduct of the business of the Company.

**Tenure of office and powers**

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

**Terms and conditions of appointment**

115. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in its absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

Rotation of Directors**Rotation and retirement of Directors**

116. Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the rules of the Designated Stock Exchange, and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting one third of the Directors for the time being (or, if their number is not three or a multiple of three (3), then the number nearest to, but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

**Meeting to fill up vacancies**

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



Retiring Directors  
to remain in  
office till  
successors  
appointed

118. ~~If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:~~

~~(i) it shall be determined at such meeting to reduce the number of Directors; or~~

~~(ii) it is expressly resolved at such meeting not to fill up such vacated offices; or~~

~~(iii) a resolution for the re-election of such Directors is put to the meeting and lost. [Intentionally deleted]~~

**Power of general meeting to increase or reduce the number of Directors**

119. The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than two (2). Subject to the provisions of these Articles and the ~~Law~~Act, 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. ~~Any Director so appointed shall hold office only until the first general meeting after their appointment of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.~~

**Notice to be given when person proposed for election**

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r.4(4)  
r.4(5)

120. No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of director at any general meeting, unless during the period commencing no earlier than the day after the dispatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, a notice in writing signed by a member (not being the person to be proposed) duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose that person for election as a Director and notice in writing signed by that person to be proposed of his willingness to be elected shall have been delivered to the Company's principal place of business in Hong Kong not less than seven days before the date of the general meeting.

**Register of  
Directors and  
notification of  
changes to  
Registrar**

121. The Company shall keep at its registered office a register of directors and officers containing their names and addresses ~~and occupations~~ and any other particulars required by the ~~Law~~ Act and shall send to the Registrar of Companies of the Cayman Islands a copy of such register and shall from time to time notify to the Registrar of Companies of the Cayman Islands any change that takes place in relation to such Directors as required by the ~~Law~~ Act.

**Power to remove  
Director by  
ordinary resolution**  
App 13  
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r.5(1)  
App 3  
r.4(3)

122. The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his ~~period~~ term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director, and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provisions of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.

**Proceedings of Directors**

**Meetings of  
Directors/  
Quorum etc.**

123. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in any part of the world and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purposes of this Article an alternate Director shall be counted in a quorum in place of the Director who appointed him and an alternate Director who is an alternate for more than one Director shall for quorum purposes be counted separately in respect of himself (if he is a Director) and in respect of each Director for whom he is an alternate (but so that nothing in this provision shall be construed as authorising a meeting to be constituted when only one person is physically present). A meeting of the Board or any committee of the Board may be held by means of a telephone or tele-conferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

**Convening of  
board meeting**

124. A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director either in writing or by telephone or by facsimile, telex or telegram or electronic mail at the address or telephone, facsimile or telex number or electronic mail address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine.

**How questions to  
be decided**

125. Subject to Article 107, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.

**Chairman**

126. The Board may elect a Chairman of its meetings and determine the period (not being a period extending beyond the date of the annual general meeting at which such Chairman is due to retire by rotation under Article 116) for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

**Power of meeting**

127. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.

**Power to appoint  
committee and to  
delegate**

128. The Board may delegate any of its powers to committees consisting of such member or members of the Board (including alternate Directors in the absence of their appointers) as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.

**Acts of committee  
to be of same  
effect as act of  
Directors**

129. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.

**Proceedings of  
committee**

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

**Minutes of  
proceedings  
of meetings and  
Directors**

- (b) The Board shall cause minutes to be made of:
- (i) all appointments of officers made by the Board;
  - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 128;
  - (iii) all declarations made or notices given by any Director 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) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting or by the chairman of the succeeding meeting.

**When acts of  
Directors or  
committee to  
be valid  
notwithstanding  
defects**

131. All acts *bona fide* done by any meeting of the Board or by a committee of Directors or by any person acting as Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee as the case may be.

**Directors' powers  
when vacancies  
exist**

132. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.

**Directors'  
resolutions**

133. Unless required otherwise by the Listing Rules, a resolution in writing signed by each and every one of the Directors (or their respective alternates pursuant to Article 100(c)) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in like form each signed by one or more of the Directors or alternate Directors. Notwithstanding the foregoing, a resolution in writing shall not be valid and effective if the resolution relates to any matter or business in which a member of the Company with a substantial shareholding in the Company, or a Director, has an interest conflicting with that of the Company which the Board determines, prior to the passing of such resolution, to be material.

**Secretary****Appointment of  
Secretary**

134. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the ~~Law-Act~~ or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary appointed by the Board, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board.

**Same person not  
to act in two  
capacities at once**

135. A provision of the ~~Law-Act~~ or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

**General Management and Use of the Seal****Custody and use  
of seal**

136. The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which such seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Board for the purpose. The securities seal which shall be a facsimile of the common seal with the word "Securities" engraved thereon shall be used exclusively for sealing securities issued by the Company and for sealing documents creating or evidencing securities so issued. The Board may either generally or in any particular case resolve that the securities seal or any signatures or any of them may be affixed to certificates for shares, warrants, debentures or any other form of security by facsimile or other mechanical means specified in such authority or that any such certificates sealed with the securities seal need not be signed by any person. Every instrument to which the seal is affixed as aforesaid shall, as regards all persons dealing in good faith with the Company, be deemed to have been affixed to that instrument with the authority of the Directors previously given.

**Duplicate seal**

137. The Company may have a duplicate seal for use outside of the Cayman Islands as and where the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the agents of the Company for the purpose of affixing and using such duplicate seal and they may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate seal as aforesaid.

**Cheques and  
banking  
arrangements**

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

**Power to appoint  
attorney**

139. (a) The Board may from time to time and at any time, by power of attorney under the seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub delegate all or any of the powers, authorities and discretions vested in him.

**Execution of  
deeds by  
attorney**

(b) The Company may, by writing under its seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf in any part of the world and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the seal of the Company.

**Regional or local  
boards**

140. The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Cayman Islands, Hong Kong, the People's Republic of China or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

**Power to  
establish  
pension funds  
and employee  
share option  
schemes**

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



**Capitalisation of Reserves****Power to  
capitalise**

142. The Company in general meeting may upon the recommendation of the Board by ordinary resolution resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or funds or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares, debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in proportion aforesaid or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that a share premium account and a capital redemption reserve and any reserve or fund representing unrealised profits may, for the purposes of this Article, only be applied in paying up unissued shares to be issued to members of the Company as fully paid up shares or paying up calls or instalments due or payable on partly paid securities of the Company subject always to the provisions of the Law Act.

**Effect of  
resolution to  
capitalise**

143. (a) Wherever such a resolution as referred to in Article 142 shall have been passed the Board 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, debentures or other securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board:
- (i) to make such provision by the issue of fractional certificates or by payment in cash or otherwise (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) as they think fit in cases where shares, debentures or other securities become distributable in fractions;

- (ii) to exclude the right of participation or entitlement of any member with a registered address outside any territory where in the absence of a registration statement or other special or onerous formalities the circulation of an offer of such right or entitlement would or might be unlawful or where the Board consider the costs, expense or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefits of the Company; and
  - (iii) to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares, debentures or other securities to which they may be entitled upon such capitalisation, or, as the case may require, for 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 such members.
- (b) The Board may, in relation to any capitalisation sanctioned under this Article in its absolute discretion specify that, and in such circumstances and if directed so to do by a member or members entitled to an allotment and distribution credited as fully paid up of unissued shares or debentures in the Company pursuant to such capitalisation, shall allot and distribute credited as fully paid up the unissued shares, debentures or other securities to which that member is entitled to such person or persons as that member may nominate by notice in writing to the Company, such notice to be received not later than the day for which the general meeting of the Company to sanction the capitalisation is convened.

**Dividends and Reserves****Power to declare  
dividends**

144. (a) Subject to the ~~Law~~–Act and these Articles, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.
- (b) The dividends, interest and bonuses and any other benefits and advantages in the nature of income receivable in respect of the Company’s investments, and any commissions, trusteeship, agency, transfer and other fees and current receipts of the Company shall, subject to the payment thereout of the expenses of management, interest upon borrowed money and other expenses which in the opinion of the Board are of a revenue nature, constitute the profits of the Company available for distribution.

**Board’s power  
to pay interim  
dividends**

145. (a) The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts *bona fide*, the Board shall not incur any responsibility to the holders of shares conferring any preferential rights.
- (b) The Board may also pay half yearly or at other intervals to be selected by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits available for distribution justify the payment.

**Powers of  
Directors to  
declare and pay  
special  
dividends**

- (c) The Board may in addition from time to time declare and pay special dividends on shares of any class of such amounts and on such dates as they think fit, and the provisions of paragraph (a) as regards the powers and the exemption from liability of the Board as relate to declaration and payment of interim dividends shall apply, *mutatis mutandis*, to the declaration and payment of any such special dividends.

**Dividends not to  
be paid out of  
capital**

146. No dividend shall be declared or payable except out of the profits and reserves of the Company lawfully available for distribution including share premium. No dividend shall carry interest against the Company.

**Scrip dividends**

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

either

**As to cash  
election**

(i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:

(aa) the basis of any such allotment shall be determined by the Board;

(bb) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(cc) 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;

(dd) 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 satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company’s reserve accounts (including any special account, share premium account and capital redemption reserve (if there be any such reserve)) or profit or loss account or amounts otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non elected shares on such basis;

or

**As to scrip  
election**

- (ii) that shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
- (aa) the basis of any such allotment shall be determined by the Board;
- (bb) the Board, after determining the basis of allotment, shall give not less than two weeks’ notice in writing to shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

- (cc) 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;
  - (dd) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company’s reserve accounts (including any special account, share premium account and capital redemption reserve (if there be any such reserve)) or profit and loss account or amounts otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.
- (b) The shares allotted pursuant to the provisions of paragraph (a) of this Article shall be of the same class as the class of, and shall rank *pari passu* in all respects with the shares then held by the respective allottees save only as regards participation:
- (i) in the relevant dividend (or share or cash election in lieu thereof as aforesaid); or

- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend, unless contemporaneously with the announcement by the Board of its proposal to apply the provisions of paragraph (i) or (ii) of paragraph (a) in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of this paragraph (a) shall rank for participation in such distributions, bonuses or rights.
- (c) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (d) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (a) a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

- (e) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (a) shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, or where the Board considers the costs, expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefit of the Company, and in any such case the provisions aforesaid shall be read and construed subject to such determination.

**Share Premium  
and Reserves**

148. (a) The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. The Company may apply the share premium account in any manner permitted by the Companies ~~Law~~Act. The Company shall at all times comply with the provisions of the Companies ~~Law~~Act in relation to the share premium account.
- (b) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (including shares, warrants and other securities of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.



**Dividends to be  
paid in  
proportion  
to paid up  
capital**

149. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this Article no amount paid up on a share in advance of calls shall be treated as paid up on the share.

**Retention of  
dividends, etc.**

150. (a) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(b) The Board may retain any dividends or other monies payable upon shares in respect of which any person is, under the provisions as to the transmission of shares hereinbefore contained, entitled to become a member, or in respect of which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

**Deduction of  
debts**

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

**Dividend and call  
together**

151. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting resolves, but so that the call on each member shall not exceed the dividend payable to him, and so that the call 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 in  
specie**

152. The Board, with the sanction of the members in general meeting, may direct that any dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, 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 Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where required, a contract shall be filed in accordance with the provisions of the ~~Law Act~~ and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

**Effect of transfer**

153. (a) A transfer of shares shall not pass therewith the right to any dividend or bonus declared thereon before the registration of the transfer.
- (b) Any resolution declaring or resolving upon the payment of a dividend or other distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or made to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or other distribution shall be payable or made to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

**Receipt for  
dividends by  
joint holders of  
share**

154. If two or more persons are registered as joint holders of any shares, any one of such persons may give effectual receipts for any dividends, interim and special dividends or bonuses and other moneys payable or rights or property distributable in respect of such shares.

**Payment by post**

155. (a) Unless otherwise directed by the Board, any dividend, interest or other sum payable in cash to a holder of shares may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of the person whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares and shall be sent at his or their risk, and the payment of any such cheque or warrant by the bank on which it is drawn 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.

~~App 3  
r.13(1)~~

(b) The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

**Unclaimed  
dividend**  
~~App 3  
r.3(2)~~

156. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the exclusive benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or be required to account for any money earned thereon. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company and after such forfeiture no member or other person shall have any right to or claim in respect of such dividends or bonuses.

Untraceable Shareholders**Sale of shares  
of untraceable  
shareholders**

157. (a) The Company shall be entitled to sell any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if and provided that:

- (i) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years;
- (ii) the Company has not during that time or before the expiry of the three month period referred to in paragraph (iv) below received any indication of the whereabouts or existence of the member or person entitled to such shares by death, bankruptcy or operation of law;
- (iii) during the 12-year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and
- (iv) upon expiry of the 12-year period, the Company has caused an advertisement to be published in the newspapers, giving notice of its intention to sell such shares, and a period of three months has elapsed since such advertisement and the Exchange has been notified of such intention.

App 3  
r.13(2)(a)

App 3  
r.13(2)(b)

The net proceeds of any such 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.

- (b) To give effect to any sale contemplated by paragraph (a) the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such other documents as are necessary to effect the transfer, and such documents shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares or other securities in or of the Company or its holding company if any) or as the Board may from time to time think fit.

#### Document Destruction

#### **Destruction of registrable documents, etc.**

158. The Company shall be entitled to destroy all instruments of transfer, probate, letters of administration, stop notices, powers of attorney, certificates of marriage or death and other documents relating to or affecting title to securities in or of the Company ("Registrable Documents") which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register if purporting to have been made on the basis of an instrument of transfer or Registrable Document so destroyed was duly and properly made and every instrument of transfer or Registrable Document so destroyed was a valid and effective instrument or document duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed 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 provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice of the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained 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 other circumstances which would not attach to the Company in the absence of this Article; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

Notwithstanding any provision contained in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of any documents referred to in this Article or any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document might be relevant to a claim.

**Annual Returns and Filings**

**Annual returns  
and filings**

159. The Board shall make the requisite annual returns and any other requisite filings in accordance with the LawAct.

**Accounts**

**Accounts  
to be kept**  
App 13  
Part B  
r.4(1)

160. The Board shall cause to be 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 show and explain its transactions and otherwise in accordance with the LawAct.

**Where accounts  
are to be kept**

161. The books of account shall be kept at the Company’s principal place of business in Hong Kong or, subject to the provisions of the LawAct, at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

**Inspection by  
members**

162. The Board shall from time to time determine whether, to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members (other than officers of the Company) and no member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the ~~Law-Act~~ or any other relevant law or regulation or as authorised by the Board or by the Company in general meeting.

**Annual profit  
and loss account  
and balance  
sheet**

~~App-13~~  
~~Part B~~  
r.4(2)

163. (a) The Board shall, commencing with the first annual general meeting cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up and a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an Auditors' report on such accounts prepared pursuant to Article 164 and such other reports and accounts as may be required by law.

**Annual report  
of Directors  
and balance  
sheet to be  
sent to  
members etc.**

~~App-13~~  
~~Part B~~  
r.3(3)  
~~App-3~~  
r.5

(b) Printed copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent to every member of the Company and every holder of debentures of the Company, provided that the Company shall not be required to send printed copies of those documents 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.

Audit**Auditors**

App 13

Part B

r.4(2)

164. The Auditors shall audit the profit and loss account and balance sheet of the Company in each year and shall prepare a report thereon to be annexed thereto. Such report shall be laid before the Company at its annual general meeting in each year and shall be open to inspection by any member. The Auditors shall at the next annual general meeting following their appointment and at any other time during their term of office, upon request of the Board or any general meeting of the members, make a report on the accounts of the Company in general meeting during their tenure of office.

**Appointment, removal and remuneration of****Auditors**App 3r.17

165. The Company shall at ~~any~~every annual general meeting by ordinary resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company by ordinary resolution at the annual general meeting at which they are appointed, or in the manner specified in such resolution ~~provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board.~~ No person may be appointed as the, or an, Auditor, unless he is independent of the Company. ~~The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors.~~ If the office of Auditor becomes vacant by the resignation or death of the Auditor, or by the Auditor becoming incapable of acting by reason of illness or other disability, The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board. The Auditor so appointed shall hold office until the next general meeting of the Company.

**When accounts to be deemed settled**

166. Every statement of accounts audited by the Auditors and presented by the Board at an annual general meeting shall after approval at such meeting be conclusive 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 statement of account amended in respect of the error shall be conclusive.



Notices

Service of  
notices  
App 3  
r.7(1)

- 167. (a) Except as otherwise provided in these Articles, any notice or document (including a share certificate) may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company’s Website provided that the Company has obtained either (a) the member’s prior express positive confirmation in writing or (b) the member’s deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the manner prescribed and permitted under the Listing Rules and applicable laws~~newspapers~~. In the case of joint holders of a share, all notices shall be given to the holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.
  
- (b) Notice of every general meeting shall be given in any manner hereinbefore authorised to:
  - (i) every person shown as a member in the register of members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of members;
  
  - (ii) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member of record where the member of record but for his death or bankruptcy would be entitled to receive notice of the meeting;

- (iii) the Auditors;
- (iv) each Director and alternate Director;
- (v) the Exchange; and
- (vi) such other person to whom such notice is required to be given in accordance with the Listing Rules.

No other person shall be entitled to receive notices of general meetings.

Without limiting the generality of the foregoing but subject to the applicable laws and regulations and these Articles and any rules prescribed by the Designated Stock Exchange from time to time, a notice or document may be served or delivered by the Company to any shareholder by electronic means to such address as may from time to time be authorised by the shareholder concerned or by publishing it on a computer network and notifying the shareholder concerned, in such manner as he may from time to time authorise, that it has been so published.

167A. Any such notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.

167B. (1) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the Company's head office or registered office.

- (2) The Directors may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they deem fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Directors.

**Members out  
of Hong Kong**

App-3  
r.7(2)

168. A member shall be entitled to have notice served on him at any address within Hong Kong. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 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, provided that, without prejudice to the other provisions of these Articles, nothing in this Article 168 shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

App-3  
r.7(3)

**When notice by  
post deemed to be  
served**

169. Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but deposited by the Company at a registered address shall be deemed to have been served or delivered on the day that it was so deposited. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means authorised in writing by the shareholder concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose. Any notice or other document published by way of advertisement or on a computer network shall be deemed to have been served or delivered on the day it was so published.

Subject to any special provisions contained in these Articles or in any other laws, all notices required to be given by advertisement shall be advertised in at least one daily Chinese language and one daily English language newspaper circulating in Hong Kong or by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided.

Except where otherwise expressly stated, any notice to be given to or by any person pursuant to these Articles shall be in writing or, to the extent permitted by any applicable rules prescribed by the Designated Stock Exchange from time to time and subject to this Articles, contained in an electronic communication. A notice calling a meeting of the Directors need not be in writing.

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

170. A notice may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter addressed to him or them by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

**Transferee bound  
by prior notices**

171. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.

**Notice valid  
though member  
deceased**

172. Any notice or document delivered or sent by post or left at the registered address of any member in pursuance of these Articles, shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

**How notice to be signed**

173. The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.

**Information**

**Member not entitled to information**

174. No member shall be entitled to require discovery of or any information in respect of any detail of the Company’s trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board would not be in the interests of the members or the Company to communicate to the public.

**Directors entitled to disclose information**

175. The Board shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its members including, without limitation, information contained in the register of members and transfer books of the Company.

**Winding Up**

App 3  
r.21

176A. Subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.

**Power to distribute assets in specie following liquidation**

176. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the Company and any other sanction required by the ~~Law~~ Act divide among the members in specie or kind the whole or any part of the assets of the Company (whether the assets shall consist of property of one kind or shall consist of properties of different kinds) and may for such purpose set such value as he deems fair upon any property to be divided 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 authority or sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like authority or sanction and subject to the ~~Law~~ Act, 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 assets, shares or other securities in respect of which there is a liability.

**Distribution of  
assets in  
liquidation**

177. If the Company shall be wound up, and the assets available for distribution amongst the members as such shall be 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. And if in a winding up the assets available for distribution amongst the members shall be 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 paid up at the commencement of the winding up on the shares held by them respectively. This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

**Service of  
process**

178. In the event of a winding up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, 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 as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.

Indemnities**Indemnities of  
Directors  
and officers**

179. (a) Every Director, Auditor or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director, Auditor or other officer of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted.
- (b) Subject to the Companies Law Act, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

Financial Year**Financial year**

180. ~~The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it. Unless the Directors otherwise prescribe, the financial year of the Company shall begin on 1 April and end on 31 March in each year.~~

Amendment of Memorandum and Articles**Amendment of  
Memorandum  
and Articles**

App 13  
Part B  
r.16

181. Subject to the Law Act, the Company may at any time and from time to time by special resolution alter or amend its Memorandum of Association and Articles of Association in whole or in part.

Transfer by Way of Continuation**Transfer by Way of Continuation**

182. The Company shall, subject to the provisions of the Law Act and with the approval of a special resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

Mergers and Consolidations

**Mergers and Consolidations**

183. The Company shall, with the approval of a special resolution, have the power to merge or consolidate with one or more constituent companies (as defined in the LawAct), upon such terms as the Directors may determine.



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## NOTICE OF AGM

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### UPBEST GROUP LIMITED

美建集團有限公司\*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 335)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Upbest Group Limited (the “**Company**”) will be held at 2<sup>nd</sup> Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Friday, 26<sup>th</sup> August, 2022 at 1:00 p.m., to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31<sup>st</sup> March, 2022;
2. to declare and approve final dividend for the year ended 31<sup>st</sup> March, 2022 of HK2.0 cent per share of HK\$0.01 each (the “**Share(s)**”) of the Company;
3. to re-elect Dr. SZE Ping Fat as non-executive Director;
4. to re-elect Ms. CHENG Wai Ling, Annie as executive Director;
5. to authorize the board of Directors to fix the remuneration of the Directors;
6. to re-appoint Asian Alliance (HK) CPA Limited as the auditors of the Company and to authorize the board of Directors to fix their remuneration;

and considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

7. “**THAT:**
  - (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued Share(s) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

\* For identification purpose only

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## NOTICE OF AGM

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- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);
  
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing and the new share option schemes of the Company; or (iii) any scrip dividends or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of dividends on Shares in accordance with the articles of association of the Company (the “**Articles**”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
  - (aa) 20 per cent. of the number of issued Shares of the Company as at the date of the passing of this resolution; and
  
  - (bb) (if the Directors are so authorized by a separate ordinary resolution of the shareholders (the “**Shareholders**”) of the Company) the number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares of the Company as at the date of the passing of the resolution no. 10),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest 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 Articles, the Companies Act (the “**Companies Act**”) or any other applicable law of the Cayman Islands to be held; and
  
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.

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## NOTICE OF AGM

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“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

8. **“THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period (as defined below) shall not exceed 10 per cent. of the number of issued Shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest 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 Articles, the Companies Act or any other applicable law of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.”

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## NOTICE OF AGM

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9. “**THAT** the Directors be and are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 7 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

### SPECIAL RESOLUTION

To consider and if thought fit, passing the following special resolution with or without amendments:

10. “**THAT:**
- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing amended and restated memorandum of association and existing amended and restated articles of association of the Company, the details of which are set forth in Appendix III to the circular of the Company dated 20<sup>th</sup> July, 2022 (the “**Circular**”), be and are hereby approved;
  - (b) the second amended and restated memorandum of association and the second amended and restated articles of association of the Company (incorporating the Proposed Amendments) (the “**New Amended and Restated Memorandum and Articles of Association**”) in the form of the document marked “A” and produced to this meeting (for the purpose of identification initialed by the chairman of the meeting), be and is hereby approved and adopted as the memorandum of association and articles of association of the Company in substitution for, and to the exclusion of, the existing amended and restated memorandum of association and the existing amended and restated articles of association of the Company respectively with immediate effect; and
  - (c) any one director of the Company be and is hereby authorised to do all such acts and things and execute all such documents, deeds and make all such arrangements that he shall, in his absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Amended and Restated Memorandum and Articles of Association and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the Cayman Islands and Hong Kong to give effect to the adoption of the New Amended and Restated Memorandum and Articles of Association.”

By Order of the Board  
**Upbest Group Limited**  
**Cheng Lai Kei**  
*Company Secretary*

Hong Kong, 20<sup>th</sup> July, 2022

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## NOTICE OF AGM

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*Registered office:*

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

*Principal place of business:*

2<sup>nd</sup> Floor  
Wah Kit Commercial Centre  
300 Des Voeux Road Central  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority, at the offices of the Company at 2<sup>nd</sup> Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong no later than Wednesday, 24<sup>th</sup> August, 2022 at 1:00 p.m. (Hong Kong Time). Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish.
3. For the purposes of determining the eligibility of the Company's shareholders to attend and vote at the forthcoming annual general meeting (the "AGM"), and the entitlement to the final dividend, the details of the record date and the closure of register of members are set out below:

- (i) For determining eligibility to attend and vote at the forthcoming AGM:

Latest time to lodge transfer documents for registration. . . . . 4:30 p.m.  
on 19<sup>th</sup> August, 2022

Closure of register of members, no transfer of shares will be registered . . . . . 22<sup>nd</sup> August, 2022 to  
26<sup>th</sup> August, 2022  
(both days inclusive)

- (ii) For determining eligibility to the entitlements to the final dividend:

Latest time to lodge transfer documents for registration. . . . . 4:30 p.m.  
on 6<sup>th</sup> September, 2022

Closure of register of members, no transfer of shares  
will be registered . . . . . 7<sup>th</sup> September, 2022  
to 9<sup>th</sup> September, 2022  
(both days inclusive)

Record date . . . . . 9<sup>th</sup> September, 2022

All transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (and with effect from 15<sup>th</sup> August, 2022 onwards, at 17<sup>th</sup> Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong) no later than the aforementioned latest time.

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## NOTICE OF AGM

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4. For determining the entitlement to receive the proposed final dividend, the register of members of the Company will be closed from 7<sup>th</sup> September, 2022 to 9<sup>th</sup> September, 2022 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to receive the proposed final dividend, all transfer of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (and with effect from 15<sup>th</sup> August, 2022 onwards, at 17<sup>th</sup> Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong) for registration not later than 4:30 p.m. on 6<sup>th</sup> September, 2022.
5. In relation to proposed resolution no. 2 above, the final dividend comprise cash dividends of HK2.0 cents per share to be payable to the shareholders of the Company whose names appear on the register of members of the Company as at 9<sup>th</sup> September, 2022.
6. In relation to proposed resolutions nos. 7 and 9 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorize the allotment and issue of Shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company which may be approved by shareholders.
7. In relation to proposed resolution no. 8 above, the directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to this circular.
8. The Chinese translation of this notice is for reference only, and in case of any inconsistency, the English version shall prevail.