

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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



融太集團股份有限公司

MAGNUS CONCORDIA GROUP LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1172)

**PROPOSALS INVOLVING
(I) RE-ELECTION OF DIRECTORS;
(II) GRANT OF GENERAL MANDATE TO ISSUE SHARES;
(III) GRANT OF GENERAL MANDATE TO REPURCHASE SHARES;
(IV) ADOPTION OF NEW SHARE OPTION SCHEME; AND
(V) ADOPTION OF THE FOURTH AMENDED AND RESTATED
MEMORANDUM AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

Capitalized terms used herein shall have the same meaning as those defined in the section headed “Definitions” of this circular.

A notice convening the AGM to be held at Room 103, 1/F, Duke of Windsor Social Service Building, 15 Hennessy Road, Wanchai, Hong Kong on Wednesday, 31 August 2022 at 10:30 a.m. is set out on pages 84 to 88 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 websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mcgroup.hk).

Whether or not you intend to attend the said meeting, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (if the form of proxy will be deposited before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the form of proxy will be deposited on or after 15 August 2022), as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the said meeting (i.e. not later than 10:30 a.m. on Monday, 29 August 2022) or any adjournment thereof. 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 subsequently so wish. If you attend and vote at the AGM (or at any adjournment thereof), the authority of your proxy will be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In order to prevent the spread of Novel Coronavirus (“COVID-19”) pandemic and to safeguard the health and safety of Shareholders, the Company will implement, including but not limited to, the following precautionary measures at the Annual General Meeting:

- compulsory body temperature checks
- compulsory wearing of surgical face masks at all times
- no provision of refreshments and corporate gifts

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry to the AGM venue, at the Company’s discretion to the extent permitted by law. The Company requires attendees to wear surgical face masks at all times during the AGM and reminds Shareholders that they may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

CONTENTS

	<i>Page</i>
PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING	ii
DEFINITIONS	1
LETTER FROM THE BOARD	
1. Introduction	4
2. Proposed Re-election of Directors	5
3. Proposed Grant of General Mandates to Issue Shares and to Repurchase Shares	6
4. Adoption of New Share Option Scheme	7
5. Adoption of the Fourth Amended and Restated Memorandum and Articles of Association	11
6. Annual General Meeting and Proxy Arrangement	11
7. Voting at the Annual General Meeting	12
8. Responsibility Statement	12
9. Recommendations	13
10. General Information	13
APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING	14
APPENDIX II — EXPLANATORY STATEMENT ON REPURCHASE MANDATE	21
APPENDIX III — SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME	24
APPENDIX IV — PROPOSED AMENDMENTS TO THE THIRD AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION	35
NOTICE OF ANNUAL GENERAL MEETING	84

This circular is prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular will prevail.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (“**COVID-19**”) pandemic and recent guidelines or regulations for prevention and control of its spread, the Company will implement the following precautionary measures at the AGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) compulsory body temperature checks will be conducted on every attending Shareholder, proxy and other attendees at the entrance of the AGM venue. Any person with a body temperature of over 37.3 degrees Celsius or otherwise unwell will be denied entry into the AGM venue and be required to leave the AGM venue;
- (ii) all attendees may be asked whether (a) he/she has travelled outside of Hong Kong within 14-day period immediately prior to the AGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions will be denied entry into the AGM venue and be required to leave the AGM venue;
- (iii) all attendees are required to wear surgical face masks at the AGM venue at all times, and to maintain a safe distance with other attendees; and
- (iv) no refreshments and corporate gifts will be provided.

To the extent permitted under applicable laws, the Company reserves the right to deny entry into the AGM venue and require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all stakeholders’ health and safety and in response to the recent guidelines or regulations for prevention and control of COVID-19 pandemic, Shareholders are reminded that **physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by completing form of proxy in accordance with the instructions printed thereon, Shareholders may appoint the chairman of the AGM as their proxy to attend and vote on the relevant resolutions at the AGM instead of attending the AGM in person.**

The form of proxy is enclosed with this circular. Alternatively, the form of proxy can be downloaded from the “Investor Relations” section of the Company’s website at www.mcgroup.hk.com. If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the AGM arrangements at short notice. Shareholders should check the Company's website for further announcements and updates on the AGM arrangements.

If Shareholders have any questions relating to the AGM, please contact Tricor Investor Services Limited, the Company's branch share registrar and transfer office as follows:

Tricor Investor Services Limited

Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (before 15 August 2022) or
17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (on or after 15 August 2022)

Email: is-enquiries@hk.tricorglobal.com

Tel: 852 2980 1333

Fax: 852 2810 8185

DEFINITIONS

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

“Adoption Date”	the date on which the New Share Option Scheme becomes unconditional upon fulfilment of all the conditions set out in the paragraph headed “Conditions precedent for the New Share Option Scheme” in the section headed “LETTER FROM THE BOARD” of this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Room 103, 1/F, Duke of Windsor Social Service Building, 15 Hennessy Road, Wanchai, Hong Kong on Wednesday, 31 August 2022 at 10:30 a.m., the notice of which is set out on pages 84 to 88 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Company”	Magnus Concordia Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company or a duly authorised committee thereof
“Eligible Participant(s)”	has the meaning defined in the paragraph headed “2. PARTICIPANTS OF THE NEW SHARE OPTION SCHEME AND THE BASIS OF DETERMINING ELIGIBILITY OF PARTICIPANTS” in “APPENDIX III — SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME” of this circular
“Employee”	a person who is in the full-time or part-time employment of the Company, any Subsidiary or any company in which the Company owns any equity interest
“Existing Share Option Scheme”	the share option scheme of the Company adopted on 29 August 2012 and to be expired on 28 August 2022
“Grantee(s)”	any Eligible Participant(s) who accept(s) the Offer in accordance with the terms of the New Share Option Scheme or (where the context so permits) his/her Personal Representative(s)

DEFINITIONS

“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which any member of the Group holds any equity interest
“Issue Mandate”	as defined in paragraph 3(a) of the Letter from the Board
“Latest Practicable Date”	26 July 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company
“New Share Option Scheme”	the new share option scheme proposed to be adopted by an ordinary resolution to be passed by the Shareholders at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III to this circular
“Nomination Committee”	the nomination committee of the Board
“Offer”	an offer for the grant of an Option made in accordance with the New Share Option Scheme
“Offer Date”	the date, which must be a Business Day, on which an Offer is made to an Eligible Participant
“Option(s)”	option(s) to subscribe for Shares granted pursuant to the New Share Option Scheme
“Option Period”	a period (which may not end later than ten (10) years from the Offer Date) to be determined and notified by the Directors to the Grantee thereof and, in the absence of such determination, from the Offer Date of such Option to the earlier of the date on which such Option lapses under the New Share Option Scheme and ten (10) years from the Offer Date
“Personal Representative(s)”	means the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised)

DEFINITIONS

“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	as defined in paragraph 3(b) of the Letter from the Board
“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Company and must not, in aggregate, exceed 10% of the Shares in issue as at the date of approval of the New Share Option Scheme (excluding Options which have lapsed in accordance with the terms of the New Share Option Scheme or any other share option scheme of the Company), unless Shareholders’ approval has been obtained pursuant to the terms as set out in the New Share Option Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to the New Share Option Scheme
“Subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Chapter 622 of the Law of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong as administered by the Securities and Futures Commission of Hong Kong as amended, supplemented or otherwise modified from time to time
“Termination Date”	means close of business of the Company on the date which falls ten (10) years after the Adoption Date
“%”	per cent.



融太集團股份有限公司

MAGNUS CONCORDIA GROUP LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1172)

Executive Directors:

Ms. Zeng Zhu
Mr. Liang Fan
Mr. Huang Zhidan

Independent Non-executive Directors:

Mr. Ho Man
Mr. Xu Jianfeng
Mr. Wang Zhengjun

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong:*

Units D & E, 20 Floor
China Overseas Building
139 Hennessy Road
Wanchai
Hong Kong

29 July 2022

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS INVOLVING
(I) RE-ELECTION OF DIRECTORS;
(II) GRANT OF GENERAL MANDATE TO ISSUE SHARES;
(III) GRANT OF GENERAL MANDATE TO REPURCHASE SHARES;
(IV) ADOPTION OF NEW SHARE OPTION SCHEME; AND
(V) ADOPTION OF THE FOURTH AMENDED AND RESTATED
MEMORANDUM AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the Annual General Meeting to be held on Wednesday, 31 August 2022, resolutions will be proposed for, inter alia, (i) the re-election of Directors; (ii) the granting of Issue Mandate to the Directors; (iii) the granting of Repurchase Mandate to the Directors; (iv) the extension of the Issue Mandate by adding to it the number of issued Shares repurchased by the Company under the Repurchase Mandate; (v) the adoption of the New Share Option Scheme;

LETTER FROM THE BOARD

and (vi) the adoption of the Fourth Amended and Restated Memorandum and Articles of Association. The purpose of this circular is to provide the Shareholders with details of these proposals and the relevant information required under the Listing Rules.

2. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 116 of the Articles of Association, Ms. Zeng Zhu (“**Ms. Zeng**”) and Mr. Ho Man (“**Mr. Ho**”) shall retire from office by rotation at the Annual General Meeting.

In addition, in accordance with Article 99 of the Articles of Association, Mr. Liang Fan (“**Mr. Liang**”), Mr. Huang Zhidan (“**Mr. Huang**”), Mr. Xu Jianfeng (“**Mr. Xu**”) and Mr. Wang Zhengjun (“**Mr. Wang**”), being the Director(s) appointed by the Board after the Company’s last annual general meeting held on 26 August 2021, shall hold office until the next following general meeting of the Company.

In accordance with Article 116, all of the above Directors shall be eligible for re-election at the AGM.

The Nomination Committee, having reviewed the Board’s composition, nominated Ms. Zeng, Mr. Ho, Mr. Liang, Mr. Huang, Mr. Xu and Mr. Wang to the Board for it to recommend to Shareholders for re-election or election (as applicable) at the Annual General Meeting.

The Nomination Committee has also reviewed and considered each retiring Director’s respective experience, skills and knowledge. Given their different backgrounds and expertise, the Nomination Committee has assessed and is satisfied with the performance of the retiring Directors and considered that each of them contributes to the diversity of the Board. The Nomination Committee also assessed the experience, skills and knowledge of Ms. Zeng, Mr. Ho, Mr. Liang, Mr. Huang, Mr. Xu and Mr. Wang.

Moreover, the Nomination Committee had assessed and reviewed the written confirmation of the independence of Mr. Ho, Mr. Xu and Mr. Wang, the independent non-executive Director(s) and have offered themselves for re-election at the AGM. The committee members are satisfied that Mr. Ho, Mr. Xu and Mr. Wang remain independent in accordance with Rule 3.13 of the Listing Rules and are of the view that they have provided independent, balanced and objective views to the Company’s affairs.

The Board, having considered the nomination of the Nomination Committee, recommends the retiring Directors, Ms. Zeng and Mr. Ho, to stand for re-election and Mr. Liang, Mr. Huang, Mr. Xu and Mr. Wang to stand for re-election as Directors at the Annual General Meeting. Each of them abstained from voting at the Board meeting and the Nomination Committee meeting (as applicable) regarding their nominations.

The biographical details of the above six Directors which are required to be disclosed pursuant to Rule 13.74 of the Listing Rules are set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED GRANT OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the Company's annual general meeting held on 26 August 2021, general mandates were granted to the Directors: (i) to exercise the power of the Company to allot, issue and deal with additional Shares not exceeding 20% of the total number of Shares in issue as at the date thereof; and (ii) to exercise the power of the Company to repurchase Shares not exceeding 10% of the total number of Shares in issue as at the date thereof. As at the Latest Practicable Date, such mandates have not been used and, if not used by the date of the AGM, will lapse at the conclusion of the AGM. In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (a) to allot, issue or deal with Shares not exceeding 20% of the total number of issued Shares as at the date of passing such resolution (i.e. not exceeding 1,155,839,332 Shares based on the issued share capital of the Company of 5,779,196,660 Shares as at the Latest Practicable Date and assuming such share capital remains unchanged as at the date of the AGM) (the "**Issue Mandate**");
- (b) to purchase Shares on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange not exceeding 10% of the total number of issued Shares as at the date of passing such resolution (i.e. not exceeding 577,919,666 Shares based on the issued share capital of the Company of 5,779,196,660 Shares as at the Latest Practicable Date and assuming such share capital remains unchanged as at the date of the AGM) (the "**Repurchase Mandate**"); and
- (c) to extend the Issue Mandate by adding the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the AGM as set out on pages 85 to 87 of this circular.

The explanatory statement required by Rule 10.06(1)(b) of the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II hereto.

LETTER FROM THE BOARD

4. ADOPTION OF THE NEW SHARE OPTION SCHEME

On 29 August 2012, the Company adopted the Existing Share Option Scheme, which will expire on 28 August 2022. As at the Latest Practicable Date, there were no outstanding options under the Existing Share Option Scheme. At the Annual General Meeting, the ordinary resolution no. 7 will be proposed that the New Share Option Scheme be approved and adopted. The New Share Option Scheme will take effect, subject to the fulfilment of all conditions precedent as referred to in paragraph headed “Conditions precedent for the New Share Option Scheme” below, on the date of its adoption at the Annual General Meeting.

The purpose of the New Share Option Scheme is to enable the Group to grant Options to Eligible Participants as an incentive and rewards for their contribution to the Group. It will enable the Group to reward its Employees, the directors of the Group and other selected participants including non-employee participants (“**Non-employee Participants**”) for their contributions to the Group and to motivate them to contribute to the future development of the Group.

The Non-employee Participants include (i) suppliers; (ii) customers of the Group or any Invested Entity; (iii) any person that provides research, development or other technical support or any advisory, consultancy or professional services in relation to the Group’s business operation, financial and management advisory and consulting to any member of the Group or any Invested Entity as well as (iv) any other group or classes of participants who have contributed or may contribute by way of joint venture to the development and growth of the Group.

The customers and suppliers are included as Eligible Participants. Such customer and supplier may have and continue to provide positive impacts and/or services in relation to the Group’s business which is material to the business operations and long term growth of the Group as determined by the Board. The Board, on a case by case basis, will take into account the following factors when determining the eligibility of such customer or supplier, including but not limited to (i) in the case of supplier, whether such supplier has a proven track record of timely delivery of goods or services and the quality of goods or services delivered/provided; (ii) in the case of customer, whether such customer could bring positive impacts on the Group’s business and the Group’s future business plans in relation to further collaboration with such customer and the long term support that the Group may receive accordingly; (iii) the scale of such customer or supplier business dealings with the Group; and (iv) the length of business relationships between such customer or supplier and the Group or any Invested Entity. For illustrative purpose, in the event that a supplier of goods or services is considered to become an Eligible Participant, the Board will normally consider both qualitative and quantitative factors when determining the eligibility of such supplier, including but not limited to (i) the value of goods or services provided by such supplier; (ii) the quality of those goods or services; (iii) the background, reputation and track record of the supplier; and (iv) the replacement cost of such supplier and the materials (including continuity and stability of supply of such goods or services). In the event that a customer is considered to become an Eligible Participant, the Board, will normally consider both qualitative and quantitative factors when determining the eligibility of such customer, including but not limited to (i) the value of

LETTER FROM THE BOARD

goods or services to be sold to such customer; (ii) the creditability and the repayment ability of such customer; (iii) the background, reputation and track record of the customer; and (iv) financial impact casted by such customer on the Group.

The person or entity that provides research, development or other technological support or any advisory, consultancy or professional services in relation to the Group's business operation, financial and management advisory and consulting is included as Eligible Participant. Such person or entity may have contributions on the Group's business which is material to the business development and long term growth of the Group as determined by the Board. The Board, on a case by case basis, will take into account the following factors when determining the eligibility of such person or entity, including but not limited to (i) whether such person or entity could bring positive impacts on the Group's business; (ii) the Group's future business plans in relation to further collaboration with such person or entity and the long term support that the Group may receive accordingly; (iii) the scale of their business dealings with the Group; (iv) the length of business relationships between them and the Group; and (v) their capability, expertise or business connections. For illustrative purpose, in the event that a consultant or adviser is considered to become an Eligible Participant, the Board will normally consider both qualitative and quantitative factors when determining the eligibility of such consultant, including but not limited to (i) his/her contribution to the Group's competence or strategy in the relevant area by attributing to an increase in revenue or a reduction in costs; (ii) the background, reputation and track record of such consultant; and (iii) the replacement cost of such consultant (including continuity and stability of provision of the necessary services).

Other group or classes of participants who have contributed or may contribute by way of joint venture to the development and growth of the Group. Such participant may have positive impacts on the Group's business which is material to the business development and long term growth of the Group as determined by the Board. The Board will take into account the following factors when determining the eligibility of such participant, including but not limited to (i) whether such participant could bring positive impacts on the Group's business; (ii) the Group's future business plans in relation to further collaboration with such participant and the long term support that the Group may receive accordingly; (iii) the scale of their business dealings with the Group; and (iv) the length of business relationships between them and the Group.

The Board is of the view that, apart from the invaluable contributions from employees and directors of the Group, the success of the Group requires the co-operation and contribution from various other parties who provide or will provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are material to the long term growth of the Group. Including Non-employee Participants as Eligible Participants could allow the Board to have more flexibility in selecting Eligible Participants from a larger pool of potential participants and in turn motivate such participants to maximise their effort in making contributions to the Group. In particular, allowing the Group's business partners to hold equity incentives may encourage such parties to maintain sustainable business relationships with the Group, and continue to prioritise the Group as their business counterpart, and in turn contribute to the long-term development, growth and competitiveness of the Group.

LETTER FROM THE BOARD

In light of the above, the Board believes that the grant of Options to a wider category of the Eligible Participants, including employees, directors as well as non-employees of the Group is fair and reasonable and in the interest of the Company and its shareholders as whole.

The New Share Option Scheme will constitute a share option scheme under Chapter 17 of the Listing Rules. The terms of the New Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. A summary of the principal terms and conditions of the New Share Option Scheme is set out in Appendix III to this circular. A copy of the New Share Option Scheme will be published on the websites of Stock Exchange (www.hkexnews.hk) and the Company (www.mcgroup.hk) for display for a period of not less than 14 days before the date of the Annual General Meeting and the New Share Option Scheme will be made available for inspection at the Annual General Meeting. No Director is a trustee of the New Share Option Scheme or has a direct or indirect interest in the trustee of the New Share Option Scheme, if any.

The Directors may in its discretion prescribe the terms on which the Option(s) is to be granted (including (i) the Subscription Price (subject to the requirements of the Listing Rules); and (ii) the minimum period for which an Option must be held and/or a performance target which must be achieved before an Option can be exercised). The Board believes that this will provide the Board with more flexibility in imposing appropriate conditions in light of the circumstances of each grant and help facilitate the achievement of the purpose of the New Share Option Scheme, which is to provide incentives or rewards to Eligible Participants for their contribution to the Group, and will place the Group in a better position to attract and retain valuable human resources.

As at the Latest Practicable Date there were an aggregate of 5,779,196,660 Shares in issue. Assuming no further Shares have been issued or repurchased from the Latest Practicable Date to the date of the Annual General Meeting on which the New Share Option Scheme is expected to be conditionally approved and adopted by the Shareholders, the maximum number of Shares that can be issued upon exercise of the Options that may be granted under the New Share Option Scheme and any other scheme(s) is 577,919,666, representing 10% of the Shares in issue. The Directors will consider, among other factors, the timing, performance of the Eligible Participants as well as performance of the Company when granting Options under the New Share Option Scheme as and when it becomes effective and will comply with the Listing Rules upon such grants.

As at the Latest Practicable Date, the Company does not have any concrete plans to grant Options under the New Share Option Scheme.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the ordinary resolution in relation to the adoption of the New Share Option Scheme.

LETTER FROM THE BOARD

Conditions precedent for the New Share Option Scheme

The New Share Option Scheme will take effect upon satisfaction of the following conditions:

- (a) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be allotted and issued pursuant to the exercise of Options under the New Share Option Scheme; and
- (b) the passing of the ordinary resolution to adopt the New Share Option Scheme by the Shareholders in general meeting and to authorise the Directors to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme.

An application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

Value of the Options

The Board considers that the adoption of the New Share Option Scheme will serve as an alternative means to provide incentives or rewards to the Eligible Participants for their contribution to the Group and is in the best interests of the Company and the Shareholders as a whole.

Upon the grant of any Option, the Directors will consider factors such as the Subscription Price, the Option Period, the vesting period, performance targets (if any) and other conditions which the Board has the discretion to prescribe, to enable the purpose of the New Share Option Scheme to be served.

However, the Directors consider it is inappropriate to state the value of all Options that can be granted pursuant to the New Share Option Scheme as if they had been granted at the Latest Practicable Date since a number of variables crucial for the calculation cannot be determined. Such variables include the Subscription Price, exercise period, any conditions which the Options are subject to and other relevant variables. The Directors believe that any statement regarding the value of the Options based on a large number of speculative assumptions will not be meaningful and to certain extent would be misleading to the Shareholders.

LETTER FROM THE BOARD

5. ADOPTION OF THE FOURTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

On 1 January 2022, the Listing Rules were amended by, among other things, adopting a uniform set of 14 core standards for shareholder protections for issuers regardless of their place of incorporation set out in Appendix 3 to the Listing Rules. The Board proposes to make certain amendments to the Third Amended and Restated Memorandum and Articles of Association of the Company to conform to the said core standards for shareholder protections and to incorporate amendments and provisions to allow and facilitate hybrid and electronic meetings and certain housekeeping changes (such proposed amendments to the Third Amended and Restated Memorandum and Articles of Association of the Company are collectively referred to as the “**Proposed Amendments**”). The Board also proposes to adopt the Fourth Amended and Restated Memorandum and Articles of Association which consolidates the Proposed Amendments in substitution for, and to the exclusion of, the Third Amended and Restated Memorandum and Articles of Association in their entirety.

Details of the amendments to the Third Amended and Restated Memorandum and Articles of Association are set out in Appendix IV to this circular. A special resolution will be proposed at the Annual General Meeting to approve the Proposed Amendments and adoption of the Fourth Amended and Restated Memorandum and Articles of Association.

The Company’s legal advisers have confirmed that the Proposed Amendments conform with the requirements of the Listing Rules and the Cayman Islands laws. The Company also confirms that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice convening the AGM to be held at Room 103, 1/F, Duke of Windsor Social Service Building, 15 Hennessy Road, Wanchai, Hong Kong on Wednesday, 31 August 2022 at 10:30 a.m. is set out on pages 84 to 88 of this circular. At the AGM, ordinary resolutions will be proposed to the Shareholders to consider and to approve, inter alia, the re-election of Directors, the granting of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate and the adoption of the New Share Option Scheme. A special resolution will also be proposed to the Shareholders to consider and to approve the adoption of the Fourth Amended and Restated Memorandum and Articles of Association.

LETTER FROM THE BOARD

In order to determine Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 26 August 2022 to Wednesday, 31 August 2022, both days inclusive, during which period no Share transfers will be effected. In order to be qualified to attend and vote at the AGM, all the share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the transfer will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the transfer will be lodged on or after 15 August 2022) no later than 4:30 p.m. on Thursday, 25 August 2022.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Such form of proxy is also uploaded on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mcgroup.hk). Whether or not you intend to attend the Annual General Meeting, you are requested to complete and sign the said form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the form of proxy will be deposited before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the form of proxy will be deposited on or after 15 August 2022), not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. no later than 10:30 a.m. on Monday, 29 August 2022) or any adjournment thereof. Completion and return of the form of proxy will not prevent you from attending and voting at the Annual General Meeting or any adjournment thereof if you so wish and in such event, your form of proxy shall be deemed to be revoked.

7. VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Article 80 of the Articles of Association and Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the Annual General Meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by show of hands.

8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular, the omission of which would make any statement herein misleading insofar as it relates to the Company.

LETTER FROM THE BOARD

9. RECOMMENDATIONS

The Directors believe that (i) the re-election of Directors; (ii) the granting of Issue Mandate to the Directors; (iii) the granting of Repurchase Mandate to the Directors; (iv) the extension of the Issue Mandate by adding to it the number of issued Shares repurchased by the Company under the Repurchase Mandate; (v) the adoption of the New Share Option Scheme; and (vi) the adoption of the Fourth Amended and Restated Memorandum and Articles of Association are all in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend that all Shareholders vote in favour of the resolutions set out in the notice of the Annual General Meeting.

10. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Details of the Directors Proposed to be Re-elected at the Annual General Meeting), Appendix II (Explanatory Statement on Repurchase Mandate), Appendix III (Summary of the principal terms of the New Share Option Scheme) and Appendix IV (Proposed Amendments to the Third Amended and Restated Memorandum and Articles of Association) to this circular.

By Order of the Board
Magnus Concordia Group Limited
Zeng Zhu
Director

Set out below are details of the Directors who will retire at the AGM and, being eligible, will offer themselves for re-election at the AGM.

EXECUTIVE DIRECTORS

Ms. Zeng Zhu (曾竹)

Ms. Zeng Zhu (“**Ms. Zeng**”), aged 32, was appointed as an executive Director on 26 August 2021. She is also a member of the Nomination Committee and the Remuneration Committee. Prior to joining the Company, Ms. Zeng worked in the audit department of Deloitte Touche Tohmatsu Certified Public Accountants LLP Shenzhen Branch from September 2012 to October 2019, and her last position was an audit manager.

Ms. Zeng obtained a bachelor degree of accounting from the Southwestern University of Finance and Economics (西南財經大學) in June 2012. Ms. Zeng has about 10 years’ experience of providing audit and advisory services to listed companies, multinational companies and other entities. She has extensive experience in handling various investment projects, fund raising projects and corporate governance matters.

Save as disclosed above, Ms. Zeng (i) did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (ii) did not have any relationships with any other Directors, senior management of the Company, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Ms. Zeng did not have and was not deemed to have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Ms. Zeng entered into a service agreement with the Company for a term of three years commencing from 26 August 2021. The appointment of Ms. Zeng is subject to the Articles of Association and the Listing Rules which contain provisions for retirement by rotation and re-election of directors at annual general meetings of the Company.

Pursuant to the service agreement, Ms. Zeng is entitled to an annual Director’s fee of HK\$240,000 and discretionary bonuses as may be determined by the Board. The amounts of emolument of the executive Directors are determined by reference to their duties and responsibilities within the Company, the remuneration benchmark in the industry and the prevailing market conditions.

As far as the Directors are aware, there is no information of Ms. Zeng to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters in relation to Ms. Zeng’s appointment that need to be brought to the attention of the Shareholders.

Mr. Liang Fan (梁繁)

Mr. Liang Fan (“Mr. Liang”), aged 41, was appointed as an executive Director on 13 April 2022. Mr. Liang has been working as the group general manager of Zigong Zhongzhi Cultural Tourism Investment Company Limited* (自貢中置文化旅遊投資有限公司) (“**Zhongzhi**”), which is a wholly-owned subsidiary of the Company, since December 2021. Prior to joining Zhongzhi, he worked as the general manager of Hainan Haili Private Equity Fund Management Co., Ltd.* (海南海利私募基金管理有限公司) from June 2021 to November 2021, a fund manager of Tibet Link Up Investment Management Co., Ltd.* (西藏滙昇投資管理有限公司) from September 2019 to January 2021, and had worked as the chief business manager and later a senior business manager of the corporate finance department of Sichuan Branch of CITIC Securities Co., Ltd. from November 2006 to June 2019. Mr. Liang obtained an electronic information engineering graduate qualification from the University of Electronic Science and Technology of China in 2006. Mr. Liang is experienced in corporate management, fund investment and management, mergers and acquisitions and corporate finance.

Save as disclosed above, Mr. Liang (i) did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (ii) did not have any relationships with any other Directors, senior management of the Company, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Mr. Liang did not have and was not deemed to have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Pursuant to the service agreement dated 13 April 2022 entered into between the Company and Mr. Liang, the appointment of Mr. Liang is for a term of three years commencing from 13 April 2022. The appointment of Mr. Liang is subject to the Articles of Association and the Listing Rules which contain provisions for retirement by rotation and re-election of directors at annual general meetings of the Company.

Pursuant to the service agreement, Mr. Liang is entitled to an annual Director’s fee of HK\$240,000. Pursuant to the terms of employment contract entered into between Mr. Liang and Zhongzhi effective from 13 April 2022, he is entitled to receive an emolument of RMB194,832 (equivalent to approximately HK\$240,000) per annum and an annual discretionary performance bonus. The amounts of emolument of the executive Directors are determined by reference to their duties and responsibilities within the Company, the remuneration benchmark in the industry and the prevailing market conditions.

As far as the Directors are aware, there is no information of Mr. Liang to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters in relation to Mr. Liang’s appointment that need to be brought to the attention of the Shareholders.

Mr. Huang Zhidan (黃志丹)

Mr. Huang Zhidan, (“**Mr. Huang**”), aged 55, was appointment as an executive Director on 15 July 2022. He has in-depth knowledge and experience in corporate finance. He is the chief operational officer of Guangzhou Industrial Investment Fund Management Co., Ltd. and the Chairman of SFund International Investment Fund Management Limited (“**SFund International**”), substantial shareholders of the Company, since September 2021. Prior to joining SFund International, Mr. Huang was a party committee member of China Zheshang Bank Guangzhou Branch (“**China Zheshang Bank**”) from June 2015 to September 2020 and vice president of China Zheshang Bank from June 2016 to September 2020. He also held multiple roles in various commercial banks including the leader of the founding committee, party secretary and president of The Industrial Bank Co., Ltd. Zhuhai Branch from July 2009 to June 2015. Prior to that, he also worked in Bank of China. He obtained a postgraduate degree in economic management from GuangDong Academy of Social Sciences in 2002.

Save as disclosed above, Mr. Huang (i) did not hold any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong and overseas; (ii) did not have any relationships with any other Directors, senior management of the Company, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Mr. Huang did not have and was not deemed to have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of SFO.

Pursuant to the service agreement dated 15 July 2022 entered into between the Company and Mr. Huang, the appointment of Mr. Huang is for a term of three years commencing from 15 July 2022. The appointment of Mr. Huang is subject to the Articles of Association and the Listing Rules which contain provisions for retirement by rotation and re-election of directors at annual general meetings of the Company.

According to the terms of service contract of Mr. Huang, he is not entitled to any Director’s fee but is entitled to discretionary bonus as may be determined by the Board. The amounts of emolument of executive Directors are determined by reference to their duties and responsibilities within the Company, the remuneration benchmark in the industry and the prevailing market conditions.

As far as the Directors are aware, there is no information of Mr. Huang to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters in relation to Mr. Huang’s appointment that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS**Mr. Ho Man (何敏)**

Mr. Ho Man (“**Mr. Ho**”), aged 52, was appointed as an independent non-executive Director on 26 January 2018. He is also the Chairman of the Audit Committee and a member of both the Remuneration Committee and Nomination Committee of the Company. Mr. Ho has over 20 years of working experience in private equity investment and finance and is currently the managing director of an investment holding company. Prior to that, Mr. Ho served as an executive partner representative of a Chengdu-based private equity investment fund from December 2011 to May 2014. Mr. Ho worked for a Hong Kong-based private fund management company during January 2010 to December 2013 and was the managing director and head of China growth and expansion capital of CLSA Capital Partners (HK) Limited from August 1997 to October 2009.

Mr. Ho was an independent non-executive director of Fantasia Holdings Group Co., Limited (stock code: 1777) from October 2009 to October 2021 and CIMC-TianDa Holding Company Limited (stock code: 445) from July 2015 to January 2021 which was privatized in January 2021, all being company listed on the Main Board of the Stock Exchange.

Mr. Ho has been an independent non-executive director of Fu Shou Yuan International Group Limited (stock code: 1448) since December 2013; an independent non-executive director of Wanjia Group Holdings Limited (stock code: 401) since February 2018; and an independent non-executive director of Grand Ocean Advanced Resources Company Limited (stock code: 65) since 22 January 2020, all being companies listed on the Main Board of the Stock Exchange.

Mr. Ho was awarded an Executive Master of Business Administration degree from Tsinghua University and a master’s degree in finance from the London Business School. He is also a Chartered Financial Analyst.

Save as disclosed above, Mr. Ho (1) did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (2) did not have any relationships with any other Directors, senior management of the Company, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Mr. Ho did not have and was not deemed to have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment dated 20 January 2020 entered into between the Company and Mr. Ho, the appointment of Mr. Ho is for a term of two years commencing from 26 January 2020. The appointment of Mr. Ho is subject to the Articles of Association and the Listing Rules which contain provisions for retirement by rotation and re-election of directors at annual general meetings of the Company.

Pursuant to the said letter of appointment, Mr. Ho is entitled to an annual Director's fee of HK\$276,000 and other discretionary bonuses as may be determined by the Board. The amounts of emolument of the independent non-executive Directors are determined by reference to their duties and responsibilities within the Company, the remuneration benchmark in the industry and the prevailing market conditions.

As far as the Directors are aware, there is no information of Mr. Ho to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters in relation to Mr. Ho's appointment that need to be brought to the attention of the Shareholders.

Mr. Xu Jianfeng (徐健鋒)

Mr. Xu Jianfeng ("Mr. Xu"), aged 52, was appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee on 26 January 2022. Mr. Xu has been the senior partner of Sichuan Yongdaohe Certified Public Accountants Co., Ltd ("**Sichuan Yongdaohe CPA**") since 2005, and in charge of corporate auditing, accounting consultation, corporate investment and mergers and acquisitions. Mr. Xu obtained a bachelor's degree in accounting from Southwestern University of Finance and Economics in the People's Republic of China (the "**PRC**") in 2003 and a bachelor's degree in law from Sichuan University in the PRC in 2007. Mr. Xu is also a certified public accountant* (註冊會計師) in the PRC, a certified internal auditor* (國際註冊內部審計師), a certified public valuer* (註冊資產評估師) in the PRC, a certified real estate appraiser* (註冊房地產估價師) in the PRC and a certified human resources professional, Grade 1* (國家一級人力資源管理師), in the PRC.

Mr. Xu has extensive experience in corporate financial management, corporate investment and financing and corporate governance. Before joining Sichuan Yongdaohe CPA, he worked in Sichuan Tianyuan Certified Public Accountants Co., Ltd from 2001 to 2005, and his last position was the senior manager. From 1990 to 2001, Mr. Xu served as the audit section officer of the Second Light Industry Bureau of Rong County, Sichuan Province* (四川省榮縣二輕工業局) (currently known as Economy, Commerce and Information Technology Bureau of Rong County, Sichuan Province* (四川省榮縣經濟商務和信息化局)). Mr. Xu is currently the executive chairman of the domestic advisory committee of Chinese Relief & Development Foundation, Sichuan Province* (四川省科技扶貧基金會國內諮詢委員會), the president of Guoyang Charity Fund Working Committee, Sichuan Province* (四川省果洋愛心公益基金工作委員會), the deputy director of Civilian Aging Working Committee of Chengdu City* (民建成都市老齡工作委員會), the chairman of Guoyang Health Industry Investment Co., Ltd., Sichuan Province* (四川果洋健康產業投資股份有限公司), the chairman of Guoyang Investment Management Co., Ltd., Sichuan Province* (四川果洋投資管理有限公司), and the chairman of Chengdu Guoyang Holiday Agriculture Co., Ltd.* (成都果洋假日農業有限公司).

Save as disclosed above, Mr. Xu (1) did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (2) did not have any relationships with any other Directors, senior management of the Company, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Mr. Xu did not have and was not deemed to have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment dated 21 January 2022 entered into between the Company and Mr. Xu, the appointment of Mr. Xu is for a term of two years commencing from 26 January 2022. The appointment of Mr. Xu is subject to the Articles of Association and the Listing Rules which contain provisions for retirement by rotation and re-election of directors at annual general meetings of the Company.

Pursuant to the said letter of appointment, Mr. Xu is entitled to an annual Director's fee of HK\$120,000 and other discretionary bonuses as may be determined by the Board. The amounts of emolument of the independent non-executive Directors are determined by reference to their duties and responsibilities within the Company, the remuneration benchmark in the industry and the prevailing market conditions.

As far as the Directors are aware, there is no information of Mr. Xu to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters in relation to Mr. Xu's appointment that need to be brought to the attention of the Shareholders.

Mr. Wang Zhengjun (王政君)

Mr. Wang Zhengjun (“**Mr. Wang**”), aged 50, was appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee on 26 January 2022. Mr. Wang serves as the Dean of the Dongwei Research Institute of Beijing Dongwei Law Firm from 2021 and is mainly responsible for negotiating commercial litigation cases, commercial bankruptcy cases, corporate mergers and acquisitions and reorganisation, advising legal opinions, research on legal professional issues and conducting legal case studies.

Mr. Wang possess years of experience in enterprise operation and management. Before joining Beijing Dongwei Law Firm, Mr. Wang served in Law Press China from 2013 to 2020 and his last position was the deputy general manager and the sales director. Mr. Wang worked in China Legal Books Co., Ltd. from 2005 to 2012 and his last position was the chairman of the board and the general manager.

Mr. Wang obtained a bachelor’s degree in economics from the School of Economics, Renmin University of China in 1994. He received a master’s degree from the Law School of Renmin University of China in 2000.

Save as disclosed above, Mr. Wang (1) did not hold any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (2) did not have any relationships with any other Directors, senior management of the Company, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Mr. Wang did not have and was not deemed to have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment dated 21 January 2022 entered into between the Company and Mr. Wang, the appointment of Mr. Wang is for a term of two years commencing from 26 January 2022. The appointment of Mr. Wang is subject to the Articles of Association and the Listing Rules which contain provisions for retirement by rotation and re-election of directors at annual general meetings of the Company.

Pursuant to the said letter of appointment, Mr. Wang is entitled to an annual Director’s fee of HK\$120,000 and other discretionary bonuses as may be determined by the Board. The amounts of emolument of the independent non-executive Directors are determined by reference to their duties and responsibilities within the Company, the remuneration benchmark in the industry and the prevailing market conditions.

As far as the Directors are aware, there is no information of Mr. Wang to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters in relation to Mr. Wang’s appointment that need to be brought to the attention of the Shareholders.

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

REASONS FOR REPURCHASES

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

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,779,196,660 Shares. Subject to the passing of the ordinary resolution set out in item 5 of the notice of the AGM in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the AGM, i.e. being 5,779,196,660 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, 577,919,666 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and the Articles of Association and the laws of the Cayman Islands which provide that the amount of capital repaid in connection with Share repurchases may only be paid out of either the capital paid up on the relevant Shares, or the Company's profits, or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on repurchase of Shares may only be paid out of either or both the profit of the Company or share premium account of the Company.

IMPACT OF REPURCHASES

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

TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder, or a 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 Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Qingda, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of Integrity Fund, is the controlling Shareholder (as defined in the Listing Rules) and is interested in 1,913,063,473 Shares, representing approximately 33.10% of the issued share capital of the Company. In addition, to the best of the knowledge and belief of the Company, Huijin Dingsheng International Holding Company Limited ("**Huijin**"), a company incorporated in the British Virgin Islands, which is wholly-owned by Ms. Xu Ruiqiao, is a substantial Shareholder (as defined in the Listing Rules) and is interested in 1,618,143,724 Shares, representing approximately 28% of the issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate (presuming there is no other change in the issued share capital of the Company), the shareholding of Qingda and Huijin will increase from approximately 33.10% to 36.78% and 28% to 31.11% of the issued share capital of the Company respectively, and such increases would give rise to an obligation to make a mandatory offer to shareholders under Rules 26 and 32 of the Takeover Code. The Directors have no intention to repurchase any Shares to the extent that it will trigger the obligations under the Takeover Code to make a mandatory offer.

Save as aforesaid, the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase of shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the number of the company's issued shares would be in public hands. The Directors therefore will not propose to repurchase Shares if it would result in less than the prescribed minimum percentage of Shares in public hands.

SHARES REPURCHASE MADE BY THE COMPANY

There was no repurchase made by the Company of any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices per Share at which the Shares had been traded on the Stock Exchange during each month from July 2021 up to and including the Latest Practicable Date were as follows:

	Share price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
July	0.077	0.066
August	0.085	0.068
September	0.075	0.074
October	0.074	0.074
November	0.075	0.066
December	0.068	0.061
2022		
January	0.076	0.067
February	0.073	0.055
March	0.07	0.05
April	0.149	0.07
May	0.156	0.112
June	0.146	0.075
July (up to and including the Latest Practicable Date)	0.08	0.07

GENERAL

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

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

As at the Latest Practicable Date, no core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares to the Company, nor have any such core connected persons undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

Set out below is a summary of the principal terms of the New Share Option Scheme:

1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to enable the Group to grant Options to Eligible Participants as incentives or rewards for their contribution to the Group, in particular:

- (a) to motivate them to optimise their performance and efficiency for the benefit of the Group; and
- (b) to attract and retain or otherwise maintain ongoing business relationships with them whose contributions are or will be beneficial to the Group.

2. PARTICIPANTS OF THE NEW SHARE OPTION SCHEME AND THE BASIS OF DETERMINING ELIGIBILITY OF PARTICIPANTS

The Directors may, at its discretion, invite any person belonging to any class of the Eligible Participants to take up Options to subscribe for Shares. In determining the basis of eligibility of each Eligible Participant, the Directors would mainly take into account of the experience of the Eligible Participant on the Group's business, the length of service of the Eligible Participant with the Group or the length of business relationship the Eligible Participant has established with the Group and such other factors as the Directors may at its discretion consider appropriate.

The Eligible Participants include:

- (1) any Employee;
- (2) any non-executive directors (including INEDs) of the Company, any Subsidiary or any Invested Entity;
- (3) any supplier of goods or services to any member of the Group or any Invested Entity;
- (4) any customer of any member of the Group or any Invested Entity;
- (5) any person or entity that provides research, development or other technical support or any advisory, consultancy or professional services in relation to the Group's business operation, financial and management advisory and consulting to any member of the Group or any Invested Entity; and
- (6) any other group or classes of participants who have contributed or may contribute by way of joint venture to the development and growth of the Group.

3. CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be allotted and issued pursuant to the exercise of Options under the New Share Option Scheme; and
- (b) the passing of the ordinary resolution to adopt the New Share Option Scheme by the shareholders in general meeting and to authorize the Directors to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme.

4. GRANT OF OPTIONS AND ACCEPTANCE OF OFFERS

The Directors shall, in accordance with the provisions of the New Share Option Scheme and the Listing Rules, be entitled but shall not be bound, at any time within a period of ten (10) years commencing on the Adoption Date to make an Offer to such Eligible Participant as the Board may in its discretion select to subscribe for such number of Shares at the Subscription Price as the Board shall determine. The Board shall not make an Offer to any Eligible Participant after inside information has come to its knowledge until (and including) the trading day after the Company has announced the information pursuant to the requirements of the Listing Rules. In particular, during the period commencing one month immediately before the earlier of

- (a) the date of the Board meeting (such date to first be notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to announce its results for any year or half-year, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, no Option may be granted.

The Directors shall forward to the Eligible Participant in writing in such form as the Directors may from time to time determine. The Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including his Personal Representative(s)) for a period of ten (10) Business Days provided that no such Offer shall be open for acceptance after the Termination Date or after the New Share Option Scheme has been terminated. An Option shall be deemed to have been granted and accepted by the Grantee and to have taken effect when the duplicate letter constituting acceptances of the Options duly signed by the Grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date.

5. SUBSCRIPTION PRICE

The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to the terms in the New Share Option Scheme, be at the absolute discretion of the Directors, provided that it shall be not less than the highest of:

- (a) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date;
- (b) the average closing price of Shares as stated in the Stock Exchange's daily quotations sheet for the five (5) Business Days immediately preceding the Offer Date; and
- (c) the nominal value of the Shares.

6. MAXIMUM NUMBER OF THE SHARES AVAILABLE FOR SUBSCRIPTION

- (a) Subject to the Listing Rules, the overall limit on the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not exceed 30 per cent. of the relevant class of Shares in issue from time to time. No Options may be granted under the New Share Option Scheme or any other share option schemes of the Company if this will result in this limit being exceeded.
- (b) Subject to the limit mentioned in (a) above, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed the Scheme Mandate Limit, representing 10% of the Shares in issue as at the date of the approval of the New Share Option Scheme, unless Shareholders' approval has been obtained pursuant to sub-paragraphs (c) and (d) below. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (c) Subject to the limit mentioned in (a) above, the Company may refresh the Scheme Mandate Limit at any time subject to approval of the Shareholders in general meeting, provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of passing the relevant resolution. Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised Options) will not be counted for the purpose of calculating this limit. The Company must send a circular to the Shareholders containing such information as required under the Listing Rules.
- (d) Subject to the limit mentioned in (a) above, the Company may also seek separate approval of the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company

before such approval is sought. The Company must send a circular to the Shareholders containing a generic description of the specified Eligible Participants, the number and terms of Options to be granted, the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose and such other information as required under the Listing Rules.

- (e) If the Company conducts a share consolidation or subdivision after the 10% limit has been approved in general meeting, the maximum number of Shares that may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company under the 10% limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

7. MAXIMUM ENTITLEMENT OF EACH GRANTEE

The total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Participant or grantee (including exercised and outstanding options) in any twelve (12)-month period up to the date of grant shall not exceed 1% of the Shares in issue. Where it is proposed that any offer is to be made to an Eligible Participant (or where approximate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the twelve (12)-month period up to and including the relevant date of grant to exceed such limit, such offer and any acceptance thereof must be conditional upon Shareholders' approval in general meeting with such Eligible Participant (or where appropriate, an existing grantee) and his, her or its close associates (or his, her or its associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Participant or grantee, the number and terms of options to be granted (and options previously granted) to such Eligible Participant, the information required under the Listing Rules. The number and terms (including the subscription price) of options to be granted to such Eligible Participant must be fixed before the date on which Shareholders' approval is sought and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

Any grant of Options to a Director, chief executive or substantial Shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate who is the grantee of the Options). Where Options are proposed to be granted to a substantial Shareholder (as defined in the Listing Rules) of the Company or an independent non-executive Director or any of their respective associates and if such grant would result in the total number of Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant to such person (i) representing in aggregate over 0.1% of the total issued Shares; and (ii) having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, then the proposed grant must be subject to

the approval of Shareholders taken on a poll in a general meeting. The Eligible Participant, and his close associates (his associates if the Eligible Participant is a connected person) of the Company must abstain from voting in favour of the proposed grant at such general meeting. A circular must be prepared by the Company explaining the proposed grant, disclosing, among other matters, (i) the number and terms of the Options to be granted, (ii) containing a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a grantee) on whether or not to vote in favour of the proposed grant, (iii) containing information as may be required by the Stock Exchange from time to time.

Any change in the terms of Options granted to a substantial Shareholder (as defined in the Listing Rules) or an independent non-executive Director, or any of their respective associates must be approved by Shareholders in a general meeting.

8. RIGHTS OF GRANTEES

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any Option or attempt to do so (save that the Grantee may nominate a nominee in whose name the Shares issued pursuant to the New Share Option Scheme may be registered). Any breach of the foregoing by a Grantee shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee.

An Option shall be exercisable in whole or in part in accordance with the terms and conditions of the New Share Option Scheme by the Grantee by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised. Such notice is to be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given.

The Shares to be allotted upon the exercise of an Option will not carry voting rights or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) until completion of the registration of the Grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of Options will rank *pari passu* and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise, save that they will not rank for any dividend or other distribution declared or recommended or resolved to be paid or made by reference to a record date falling on or before the date of exercise.

9. TIME OF EXERCISE OF AN OPTION AND DURATION OF THE NEW SHARE OPTION SCHEME

A period (which may not end later than ten (10) years from the Offer Date) to be determined and notified by the Directors to the Grantee thereof and, in the absence of such determination, from the date of acceptance of the offer of such Option to the earlier of the date on which such Option lapses and ten (10) years from the Offer Date. The Board may, at its absolute discretion, fix any minimum period for which an Option must be held and any other conditions that must be fulfilled before the Options can be exercised upon the grant of an Option to an Eligible Participant.

Subject to earlier termination by the Company in general meeting or by the Board, the New Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date.

Subject as hereinafter provided, an Option may (and may only) be exercised by the Grantee at any time or times during the Option Period provided that:

- (a) in the event of the Grantee, who is an employee of the Group at the time of the grant of the Option, ceasing to be an employee thereof by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the Board) and none of the events which would be a ground for termination of his relationship with the Company and/or any of its Subsidiaries specified in paragraph 12(f) has occurred, the Grantee or, as appropriate, his Personal Representative(s) may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of the New Share Option Scheme within a period of 12 months (or such longer period as the Board may determine) from the date of cessation of being an Eligible Participant or death);
- (b) in the event that the Grantee, who is an employee of the Group at the time of the grant of the Option, ceases to be an employee thereof by reason other than his death, ill-health, injury, disability or termination of his relationship with the Company and/or any of its Subsidiaries on one of more of the grounds specified in paragraph 12(f), the Grantee may exercise the Option up to the entitlement of the Grantee as at the date of cessation (to the extent not already exercised) in whole or in part in accordance with the provisions of the New Share Option Scheme within a period of one month (or such longer period as the Board may determine) from such cessation which date shall be the last actual working day with the Company or the relevant Subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse (or such longer period as the Company may determine);

- (c) in the event a general offer by way of take-over is made to all the Shareholders and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Grantee (or his legal Personal Representative(s)) shall be entitled to exercise the Options (to the extent not already exercised) at any time until whichever is the earlier of the date of expiry of the Exercise Period or the last day of the period of twenty-one (21) days after the date on which the offer becomes or is declared unconditional or such earlier time and date as shall be notified by the Company, after which the Options shall lapse;
- (d) if a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee on the same date as it despatches the notice which is sent to each shareholder or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his Personal Representative(s)) may forthwith but no later than five (5) Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting or such time as shall be notified by the Company exercise any of the Options whether in full or in part. Subject to the above, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the expiry of the period referred to above. The Company may require the Grantee (or his Personal Representative(s)) to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and
- (e) in the event a notice is given by the Company to the Shareholders to convene a Shareholders' meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it despatches such notice to convene the Shareholders' meeting, give notice thereof to all Grantees and thereupon, each Grantee (or his Personal Representative(s)) shall be entitled to exercise all or any of his Options at any time not later than two (2) Business Days prior to the proposed general meeting of the Company (excluding any period(s) of closure of the Company's share registers) by giving notice in writing to the Company, accompanied by a payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than one (1) Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid. Subject thereto, all Options then outstanding shall lapse automatically and determine on the commencement of the winding-up of the Company.

10. MINIMUM PERIOD OF HOLDING AN OPTION AND PERFORMANCE TARGET

Unless otherwise determined by the Board and specified in the offer letter to be given to the Eligible Participant at the time of the offer of the Option, there is neither any performance targets that need to be achieved by the Grantee before an Option can be exercised nor any minimum period for which an Option must be held before the Option can be exercised.

11. REORGANISATION OF CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Company whilst any Option may become or remains exercisable, whether by way of capitalisation issue, rights issue, open offer (if there is a price-dilutive element), consolidation, subdivision or reduction of share capital of the Company, such corresponding alterations (if any) shall be made in the number of Shares subject to any outstanding Options and/or the subscription price per Share of each outstanding Option and the auditors of the Company or an independent financial adviser shall certify in writing to the Board that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes and/or such requirement prescribed from time to time under the Listing Rules.

The method of adjustment is set out as below:

Adjustment (or alteration) to number of Share Options

Capitalization of profits or reserves

$$Q = Q_0 \times (1 + n)$$

Where: “Q₀” represents the number of Options before the adjustment; “n” represents the ratio per Share of the conversion of profits or reserves into new Shares; “Q” represents the number of Options after the adjustment.

Consolidation of Shares or share subdivision or reduction of the share capital

$$Q = Q_0 \times n$$

Where: “Q₀” represents the number of Options before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “Q” represents the number of Options after the adjustment.

Rights issue

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: “Q₀” represents the number of Options before the adjustment; “P₁” represents the closing price as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of allotment; “Q” represents the number of Options after the adjustment.

Additional issuance

In the event of additional issuance of new Shares by the Company, the number of Options will not be adjusted.

Adjustment (or alteration) to the Subscription Price*Capitalization of profits or reserves*

$$P = P_0 \div (1 + n)$$

Where: “P₀” represents the Subscription Price before the adjustment; “n” represents the ratio per Share of the conversion of profits or reserves into new Shares; “P” represents the Subscription Price after the adjustment.

Consolidation of Shares or share subdivision or reduction of the share capital

$$P = P_0 \div n$$

Where: “P₀” represents the Subscription Price before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “P” represents the Subscription Price after the adjustment.

Rights issue

$$P = P_0 \times (P_1 + P_2 \times n) \div (P_1 \times (1 + n))$$

Where: “P₀” represents the Subscription Price before the adjustment; “P₁” represents the closing price as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of allotment; “P” represents the Subscription Price after the adjustment.

Additional issuance

In the event of additional issuance of new Shares by the Company, the Subscription Price of Options will not be adjusted.

Any adjustments required under Rule 17.03(13) must give a participant the same proportion of the equity capital as that to which that person was previously entitled, but no such adjustments may be made to the extent that a share would be issued at less than its nominal value (if any).

The capacity of the auditors of the Company or the approved independent financial adviser, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in the absence of manifest error, be final and conclusive and binding on the Company and the Grantees.

12. EARLY TERMINATION OF OPTION PERIOD

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the date of expiry of the Option Period;
- (b) the expiry of any of the periods referred to in paragraph 9(a) and 9(b);
- (c) the date on which the offer referred to in paragraph 9(c) closes;
- (d) subject to paragraph 9(e), the date of the commencement of the winding-up of the Company;
- (e) subject to paragraph 9(d), the date when the proposed compromise or arrangement becomes effective;
- (f) the date on which the Grantee who is an Employee ceases to be an Eligible Participant by reason of such Grantee's resignation from the employment of the Company or any of its Subsidiaries or the termination of his or her employment or contract on the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or is unable to pay his or her debts or has become insolvent or has made any arrangement or has compromised with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or has been in breach of contract. A resolution of the Board to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive;
- (g) in respect of a Grantee other than an Employee, the date on which the Directors shall at their absolute discretion determine that:
 - (1) (i) the Grantee or his associate has committed any breach of any contract entered into between the Grantee or his associate on the one part and any member of the Group or any Invested Entity on the other part; or
 - (ii) the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or
 - (iii) the Grantee could no longer make any contribution to the growth and development of any member of the Group by reason of the cessation of its relations with the Group or by any other reason whatsoever; and
- (2) the Option shall lapse as a result of any event specified in sub-paragraph (1)(i), (1)(ii) or (1)(iii) above; and

- (h) the date on which the Directors shall exercise the Company's right to cancel the Option at any time after the Grantee commits a breach referred to in paragraph 8 or the Options are cancelled in accordance with the terms of the New Share Option Scheme.

13. CANCELLATION OF OPTION GRANTED

Any cancellation of Options granted but not exercised must be approved by the Grantees of the relevant Options in writing. For avoidance of doubt, such approval is not required in the event any Option is cancelled pursuant to paragraph 12 above.

14. ALTERATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (a) any alteration to the advantage of the Grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and
- (b) any material alteration to the terms and conditions of the New Share Option Scheme or any change to the terms of Options granted shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any Option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the Grantees' approval in accordance with the terms of the New Share Option Scheme. The amended terms of the New Share Option Scheme shall still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme must be approved by shareholders of the Company in general meeting.

15. TERMINATION

The Company may by resolution in general meeting or the Board at any time terminate the operation of the New Share Option Scheme and in such event no further Options shall be offered but the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any outstanding Options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme.

Outstanding Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

The following are the proposed amendments to the Third Amended and Restated Memorandum and Articles of Association. Unless otherwise specified, clauses, paragraphs and article numbers referred to herein are clauses, paragraphs and article numbers of the Third Amended and Restated Memorandum and Articles of Association.

Proposed amendments

Cover page



融太集團股份有限公司
MAGNUS CONCORDIA GROUP LTD
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1172)

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

MAGNUS CONCORDIA GROUP LIMITED

融太集團股份有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1172)

(Adopted by a Special Resolution passed at a general meeting held on 25th August, 2016[31 August], 2022)

Article Proposed amendments
No. (showing changes to the Third Amended and Restated Memorandum of
Association)

Heading

CAYMAN ISLANDS

The Companies ~~Law Act~~ (As

Revised) (Cap. 22) Company

Limited by Shares

THIRD-FOURTH AMENDED AND

RESTATED MEMORANDUM OF

ASSOCIATION OF

MAGNUS CONCORDIA GROUP LIMITED (FORMERLY
KNOWN AS MIDAS PRINTING GROUP LIMITED)

(Adopted by a Special Resolution passed at a general meeting held on ~~25th August,~~
2016[31 August], 2022)

1. The name of the Company is Magnus Concordia Group Limited.
2. The registered office of the Company shall be at the offices of ~~ConyersCodan~~ Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands or at such other place in the Cayman Islands as the Board may from time to time decide.

4. Except as prohibited or limited by the Companies ~~Law~~Act, 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 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 Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the 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.

6. The share capital of the Company is HK\$820,000,000 divided into 8,000,000,000 ordinary shares of HK\$0.10 each, 1,000,000,000 Series A Preference Shares of HK\$0.01 each and 1,000,000,000 Series B Preference Shares 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 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. (*Notes*)

7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 193 of the Companies ~~Law~~Act and, subject to the provisions of the Companies ~~Law~~Act and the 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.

Marginal Note	Article No.	Proposed amendments (showing changes to the Third Amended and Restated Articles of Association)
----------------------	--------------------	--

Heading

CAYMAN ISLANDS

The Companies Law Act (2001 Second RevisionAs

Revised) (Cap. 22) Company Limited by

Shares

THIRD-FOURTH AMENDED AND

RESTATED ARTICLES OF

ASSOCIATION

OF

**MAGNUS CONCORDIA GROUP LIMITED (FORMERLY
KNOWN AS MIDAS PRINTING GROUP LIMITED)**

(Adopted by a Special Resolution passed at general meeting held
on 25th August, 2016[31 August], 2022)

**Exclusion of
Table A**

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

Act

“Act” shall mean the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands;

<u>Announcement</u>	<u>“Announcement” shall mean an official publication of a notice or document of the Company, including a publication, subject to and to such extent permitted by the Listing Rules, by electronic communication or by advertisement published in the newspapers or in such manner or means ascribed and permitted by the Listing Rules and applicable laws;</u>
associate	“associate” shall have the meaning attributed to it in the rules of the Exchange;
capital	“capital” shall mean the share capital of the Company from time to time of the Company;
<u>close associate</u>	<u>“close associate” shall mean, in relation to any Director, shall have the same meaning as defined in the Rules Governing the Listing of Securities on the Exchange (“Listing Rules”) as modified from time to time, except that for purposes of Article 107 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules;</u>
the Company	“the Company” or “this Company” shall mean—Midas International Holdings Limited <u>Magnus Concordia Group Limited</u>;
the Companies Law/the Law	shall mean the Companies Law of the Cayman Islands;
the Companies Ordinance	“the Companies Ordinance” shall mean the Companies Ordinance (Cap. 32622 of the Laws of Hong Kong) as in force from time to time;
Distributable Profits	“Distributable Profits” shall mean the funds of the Company lawfully available for distribution as a dividend in compliance with the LawAct;
dividend	“dividend” shall include bonus dividends and distributions permitted by the LawAct to be categorised as dividends;
dollars/HK\$	“dollars” and “HK\$” shall mean dollars legally current in Hong Kong;

<u>electronic communication</u>	<u>“electronic communication” shall mean a communication sent, transmitted, conveyed and received by wire, by radio, by optical means or by other electron magnetic means in any form through any medium;</u>
<u>electronic means</u>	<u>“electronic means” shall include sending or otherwise making available to the intended recipients of the communication an electronic communication;</u>
<u>electronic meeting</u>	<u>“electronic meeting” shall mean a general meeting held and conducted wholly and exclusively by virtual attendance and participation by members, proxies and/or Directors by means of electronic facilities;</u>
<u>hybrid meeting</u>	<u>“hybrid meeting” shall mean a general meeting convened for the (i) physical attendance and participation by members, proxies, and/or Directors at the Principal Meeting Place and where applicable, one or more Meeting Locations and (ii) virtual attendance and participation by members, proxies and/or Directors by means of electronic facilities;</u>
<u>Meeting Location</u>	<u>“Meeting Location” shall mean has the meaning given to it in Article 79A;</u>
<u>Ordinary Shares</u>	<u>“Ordinary Shares” shall mean the ordinary shares of HK\$Hong Kong dollars 0.10 par value each in the authorised capital of the Company issued subject to and in accordance with the provisions of the LawAct and of these Articles and having the rights provided for under these Articles;</u>
<u>physical meeting</u>	<u>“physical meeting” shall mean a general meeting held and conducted by physical attendance and participation by members, proxies and/or Directors at the Principal Meeting Place and/or where applicable, one or more Meeting Locations;</u>
<u>Principal Meeting Place</u>	<u>“Principal Meeting Place” shall mean shall have the meaning given to it in Article 73(a);</u>
<u>Series A Preference Shares</u>	<u>“Series A Preference Shares” shall mean the non-voting redeemable Series A preference shares of HK\$Hong Kong dollars 0.01 par value each in the authorised capital of the Company to be issued subject to and in accordance with Section 37 of the LawAct and these Articles and having the rights provided for under these Articles;</u>

- Series B Preference Shares** “Series B Preference Shares” shall mean the non-voting redeemable Series B preference shares of ~~HK\$~~Hong Kong dollars 0.01 par value each in the authorised capital of the Company to be issued subject to and in accordance with Section 37 of the ~~Law Act~~ and these Articles and having the rights provided for under these Articles;
- special resolution** “special resolution” shall have the same meaning as ascribed thereto in the ~~Law Act~~ 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;
- Statutes** “Statutes” shall mean the ~~Law Act~~ and every other law of the Legislature of the Cayman Islands for the time being in force applying to or affecting the Company, its memorandum of association and/or these Articles;
- Words in ~~Law Act~~ to bear same meaning in Articles** Subject as aforesaid, any words defined in the ~~Law Act~~ shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles;
- 2A. In these Articles, unless there be something within the subject or context inconsistent with such construction:
- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include both gender and the neuter;
- (c) words importing persons include companies, associations and bodies of persons whether corporate or not;
- (d) the words:
- (i) “may” shall be construed as permissive;
- (ii) “shall” or “will” shall be construed as imperative;

- (e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing or reproducing words or figures in a legible and non-transitory form or, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the member's election comply with all applicable Statutes, rules and regulations;
- (f) references to any law, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;
- (g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Articles if not inconsistent with the subject in the context;
- (h) references to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;
- (i) Section 8 and Section 19 of the Electronic Transactions Act (Revised) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent they impose obligations or requirements in addition to those set out in these Articles;

- (j) a reference to a meeting: (a) shall mean a meeting convened and held in any manner permitted by these Articles and any member, proxies and/or Directors (including, without limitation, the chairman of such meeting) attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and other applicable laws, rules and regulations and these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly;
- (k) references to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes and other applicable laws, rules and regulations or these Articles to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;
- (l) references to electronic facilities include, without limitation, online platforms(s), website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise);
- (m) where a member is a corporation, any reference in these Articles to a member shall, where the context requires, refer to a duly authorised representative of such member; and
- (n) nothing in these Articles precludes the holding and conducting of a general meeting in such a way that persons who are not present together at the same place or places may by electronic means attend and participate in it.

Capital

3. The capital of the Company at the date of the adoption of these Articles is HK\$Hong Kong dollars 820,000,000 divided into 8,000,000,000 Ordinary Shares, 1,000,000,000 Series A Preference Shares and 1,000,000,000 Series B Preference Shares.

- Issue of shares** 4. (a) 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.
- (b) (ii) (4) As to the Share Premium Account
- So far as it is permitted by law, including but not limited to the ~~Law Act~~, the Company shall not (except for the purposes of paying the amount in redeeming the Preference Shares or in relation to or in connection with conversion of the Series A Preference Shares including any adjustment thereof), following the issue of the Preference Shares, take any step which will or may have the effect of reducing the amount of premium in the share premium account below an amount equal to the aggregate amount for redemption on the Final Redemption Date of any outstanding Preference Shares.
- (7) As to Dividend
- Subject to the provisions of the ~~Law Act~~ and these Articles, the Preference Shares shall be entitled to receive, in priority to any dividend to the holders of Ordinary Shares of the Company such cumulative and preference dividends of at such rate and payable at such time as the Directors shall, subject to the ~~Law Act~~, from time to time decide. Dividends and distributions on the Preference Shares of the Company outstanding and payment of the same shall be out of the Distributable Profits.

(8) As to Redemption

Subject to the provisions of the ~~Law~~Act, and the Memorandum of Association of the Company, and in particular Article 9(b), and the prior approval of the Company, at any time, the Preference Shares (in the case of the Series A Preference Shares, the Series A Preference Shares which have not been previously converted) may be redeemable at the option of the Company at such redemption price and on such other terms as the Directors may determine.

(ee) Redemption of the Preference Shares shall be effected in such manner as the Directors shall, subject to this Articles and as the ~~Law~~Act or other applicable laws or regulations may allow, from time to time determine.

(10) (cc) Conversion of the Series A Preference Shares shall be effected in such manner as the Directors shall, subject to these Articles and as the ~~Law~~Act or other applicable laws or regulations may allow, from time to time determine.

**How class rights
may be
modified**

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 either with the consent in writing of the holders representing of not less than at least 75%three fourths in nominal value of the issued shares of that class total voting rights of holders of shares of that class or with the sanction of a special resolution passed by at least three fourths of the votes cast by the holders of the shares of that class present and voting in person or by proxy at a separate meeting of the such the holders of shares of the class and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate general meeting ~~at~~ the provisions of these Articles relating to general meetings shall, *mutatis mutandis*, apply, but so that the necessary quorum shall be not less than 2 persons holding or representing by proxy one-third of the total voting rights of holders of shares of that class, and at an adjourned meeting or postponed meeting one person holding shares of that class or his proxyfor 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 at least one third in nominal value of the issued shares of that class, and that any holder of shares of the class present in person or by proxy may demand a poll.

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

7. Subject to the ~~Law~~Act, or any other law or so far as not prohibited by any law 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 all or 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.

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 the Board may deem fit.

- | | | |
|--|-----|---|
| 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. |
| Share register | 14. | <p>(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.</p> <p>(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.</p> |
| | 15. | (a) Except when a register is closed <u>in accordance with the terms equivalent to the relevant section of the Companies Ordinance</u> 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. |

- (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 such fee not exceeding ~~HK\$~~Hong Kong dollars 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\$~~Hong Kong dollars 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.

Share certificates 16.

Every person whose name is entered as a member in the register shall be entitled without payment to receive, within the relevant time limit as 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 17.
to be sealed**

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 or imprinted with the authority of the Board.

- 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~~ has been served, in the manner in which notices may be sent to members of the Company as provided in these Articles, on the registered holder for the time being of the shares or the person, ~~of which the Company has notice, entitled thereto to the shares~~ by reason of such holder's death, mental disorder, ~~or~~ bankruptcy or winding-up.
- Form of transfer** 37. (1) ~~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. Subject to these Articles, any member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.~~

(2) Notwithstanding the provisions of subparagraph (1) above, for so long as any shares are listed on the Exchange, titles to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares. The register of members of the Company in respect of its listed shares (whether the register or a branch register) may be kept by recording the particulars required by Section 40 of the Act in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares.

**When transfer
books and
register may
close**

44. The registration of transfers may, on 14 days' notice being given by announcement or by electronic communication or by advertisement published in the newspapers and where applicable, by any electronic means in such manner as may be accepted by the Exchange, 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).

**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.

63. (a) (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 other undistributable reserve in any manner authorised and subject to any conditions prescribed by the ~~LawAct~~.
- 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 ~~LawAct~~, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the ~~LawAct~~ in regard to the registration of mortgages and charges therein specified and otherwise.
- When annual general meeting to be held** 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 such annual general meeting shall be held within six (6) months after the end of the Company's financial year ~~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 18 months of its incorporation, it need not be held in the year of its incorporation or in the following years.~~ 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. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held as a physical meeting in any part of the world and at one or more locations as provided in Article 79A, as hybrid meeting or as an electronic meeting, as may be determined by the Board in its absolute discretion.

**Convening of
extraordinary
general
meeting**

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~~Any two or more members of the Company ~~(including a recognized clearing house (or its nominees))~~ (including a recognized clearing house (or its nominees)) holding at the date of deposit of the requisition not less than one-tenth of the voting rights at general meetings (on a one vote per share basis) in the share capital of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition and/or add resolutions to the agenda of a meeting. Such written requisition shall be 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(s), provided that such requisitionists 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. 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~~a physical meeting at only one location which will be the Principal Meeting Place, 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.

**Notice of
meetings**

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 clear days' notice in writing, or in any case such other minimum notice period as may be specified in the Listing Rules from time to time and any other extraordinary general meeting shall be called by not less than 14 clear days' notice in writing, or in any case such other minimum notice period as may be specified in the Listing Rules from time to time. 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~~ (a) time and date of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is one more than one meeting location as determined by the Board pursuant to Article 79A, the principal place of the meeting (the "Principal Meeting Place") and the other place(s) of the meeting, (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting and (d) , and agenda of the meeting, particulars of the resolutions 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. 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, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a member and to each of Directors and the Auditors.

- (b) Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in paragraph (a) hereof, if permitted by the Listing Rules, 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.
 - (d) The Board shall have the power to provide in every Notice calling a general meeting the circumstances in which a postponement or change of the relevant general meeting may occur automatically without further notice including, without limitation, where a tropical cyclone warning signal no. 8 or above, black rainstorm warning or other similar event is in force at any time prior to or at the time of the general meeting on the day of the general meeting.
75. (c) the election of Directors whether by rotation or otherwise in place of those retiring;
- (d) the appointment of Auditors (where special notice of the intention for such appointment is not required by the Act) and other officers;

- Quorum** 76. For all purposes the quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation by its duly authorised representatives) or by proxy provided always that if the Company has only one member of record the quorum shall be that one member present in person (or, in the case of a member being a corporation by its duly authorised representatives) or by proxy. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business. Two members entitled to vote and present (including attendance by electronic means) in person or by proxy or, for quorum purposes only, two persons appointed by the clearing house (in the case of a member being a corporation) by its duly authorised representative or proxy shall form a quorum for all purposes.
- 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 present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and (where applicable) such place(s) and in such form and manner referred to in Article 71 as the Chairman (or in default, the Board) may absolutely determine, and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the member or members present in person (or, in the case of a member being a corporation by its duly authorised representatives) or by proxy shall be a quorum and may transact the business for which the meeting was called.

**Power to adjourn 79.
general
meeting/
business of
adjourned
meeting**

Subject to Article 79C, theThe Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least ~~seven~~7 clear days' notice of the adjourned meeting shall be given, specifying the details set out in Article 73(a) place, the day and the hour of the adjourned meeting shall be given in the same manner as in the ease 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.

- 79A.
- (1) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations (“Meeting Location(s)”) determined by the Board at its absolute discretion. Any member or any proxy attending and participating in such way or any member or proxy attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.
- (2) All general meetings are subject to the following and, where appropriate, all references to a “member” or “members” in this sub-paragraph (2) shall include a duly authorised representative or duly authorised representatives or a proxy or proxies respectively:
- (a) where a member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;

- (b) members present in person or by proxy or (in the case of a member being a corporation) by its duly authorised representative at a Meeting Location and/or members attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that members at all Meeting Locations and members participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;
- (c) where members attend a meeting by being present at one of the Meeting Locations and/or where members participating in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more members or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and
- (d) if any of the Meeting Locations is not in the same jurisdiction as the Principal Meeting Place and/or in the case of a hybrid meeting, the provisions of these Articles concerning the service and giving of notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place; and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the notice for the meeting.

79B. The Board and, at any general meeting, the chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or participation in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a member who, pursuant to such arrangements, is not entitled to attend, in person or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations; and the entitlement of any member so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

79C. If it appears to the chairman of the general meeting that:

- (a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Article 79A(1) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of the meeting; or
- (b) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or
- (c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (d) there is violence or the threat of violence, unruly behavior or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

then, without prejudice to any other power which the chairman of the meeting may have under these Articles or at common law, the chairman may, at his/her absolute discretion, without the consent of the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting (including adjournment for indefinite period). All business conducted at the meeting up to the time of such adjournment shall be valid.

79D. The Board and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction the Board or the chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place, determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Members shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Article shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.

- 79E. If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from the members. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Article shall be subject to the following:
- (a) when a meeting is so postponed, the Company shall endeavor to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of a meeting);
 - (b) when only the form of the meeting or electronic facilities specified in the notice are changed, the Board shall notify the members of details of such change in such manner as the Board may determine;
 - (c) when a meeting is postponed or changed in accordance with this Article, subject to and without prejudice to Article 79, unless already specified in the original notice of the meeting, the Board shall fix the date, time, place (if applicable) and electronic facilities (if applicable) for the postponed or changed meeting and shall notify the members of such details in such manner as the Board may determine; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Articles not less than 48 hours before the time of the postponed meeting; and

- (d) notice of the business to be transacted at the postponed or changed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed or changed meeting is the same as that set out in the original notice of general meeting circulated to the members.
- 79F. All persons seeking to attend and participate in an electronic meeting or a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Article 79C, any inability of a person or persons to attend or participate in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.
- 79G. Without prejudice to other provisions in Articles 79A to 79F, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- 79H. Without prejudice to Articles 79A to 79G, and subject to the Statutes and the Listing Rules and any other applicable laws, the Board may resolve to enable persons entitled to attend an electronic meeting to do so by simultaneous attendance by means of electronic facilities with no member necessarily in physical attendance and without any particular Meeting Location being designated. Each member or (in the case of a member being a corporation) its duly authorised representative or its proxy shall be counted in the quorum for, and entitled to vote at, the electronic meeting in question, and that general meeting shall be duly constituted and its proceedings valid if the Chairman of the electronic meeting is satisfied that adequate facilities are available throughout the electronic meeting to ensure that members attending the electronic meeting who are not present together at the same place may, by means of electronic facilities, attend and speak or communicate and vote at it.

Right to demand a poll and what is to be evidence of the passing of a resolution where poll not demanded 80. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is required under the Listing Rules or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded.

In case of a physical meeting where a show of hands is allowed, before or on the declaration of the results of the show of hands,
a poll may be demanded by:

(a) ~~the Chairman of the meeting; or~~

(b)(a) at least ~~five~~ three members present in person ~~(or, in the case of a member being a corporation by its duly authorised representative)~~ or by proxy and for the time being entitled to vote at the meeting; or

(e)(b) any member or members present in person ~~(or, in the case of a member being a corporation by its duly authorised representative)~~ or by proxy and representing ~~in the aggregate~~ not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or

(d)(c) any member or members present in person ~~(or, in the case of a member being a corporation by its duly authorised representative)~~ or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Unless a poll is so required or demanded and not withdrawn, a declaration by the Chairman that a resolution has ~~on a show of hands~~ been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority or lost, and an entry to that effect in the Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- | | | |
|--|-------------|---|
| Poll | 81. | (a) If a poll is demanded as aforesaid, it shall (subject as provided in Article 82) be taken in such manner (including the use of ballot or voting papers or tickets <u>or through e-voting platform</u>) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting <u>or postponed meeting</u> at which the poll was demanded as the Chairman directs. No notice need <u>to</u> be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is earlier. |
| In what case poll taken without adjournment | 82. | Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment <u>or postponement</u> shall be taken at the meeting and without adjournment <u>or postponement</u> . |
| Votes of members | 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 every member who is present in person (or, in the case of a member being a corporation by its duly authorised representative) shall have one vote, and on a poll every member 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. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. |
| | <u>85A.</u> | <u>Votes (whether on a show of hands and/or by way of a poll) may be cast by such means, electronic or otherwise, as the Board or the Chairman of the meeting may in its/his sole discretion determine.</u> |
| 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 <u>or postponed meeting</u> (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. |

89. (b) All members (including a member which is a clearing house (or its nominee(s)) shall have the right to (a) speak at a general meeting and (b) vote at a general meeting except where a member is required by the Listing Rules to abstain from voting to approve the matter under consideration. Where any member is, under the ~~rules of the Exchange~~Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

**Objections to
voting**

- (c) 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 or postponed 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

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 or representative to attend and vote instead of him. A member which is a corporation may execute a form of proxy under the hand of a duly authorised officer. ~~and a~~ A proxy so appointed shall have the same right as the member, including the right to speak at the meeting, as if it were a natural person shareholder present in person at any general meeting. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint 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**

91. The instrument appointing a proxy shall be in writing and if the Board in its absolute discretion determines, may be contained in an electronic communication, and: (i) if in writing but not contained in an electronic communication, 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 an officer, attorney or other person duly authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts; or (ii) in the case of an appointment contained in an electronic communication, submitted by or on behalf of the appointer, subject to such terms and conditions and authenticated in such manner as the Board may in its absolute discretion determine.

- 91A. The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Articles) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Article is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information.

- Delivery of authority for appointment of proxy or copy resolution appointing representative** 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), or if the Company has provided an electronic address in accordance with the preceding paragraph, shall be received at the electronic address specified, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or postponed 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 or postponed 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.
- 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 or postponement of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date. The Board may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required under these Articles has not been received in accordance with the requirements of these Articles. Subject to the aforesaid, if the proxy appointment and any of the information required under these Articles is not received in the manner set out in these Articles, the appointee shall not be entitled to vote in respect of the shares in question.

- 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 or postponed meeting at which the proxy is used.
- Corporations/
clearing houses acting by
representatives at meetings**
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 as if it were an individual member of the Company and where a corporation is so represented, it shall be treated as being present at any meeting in person.

- (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) ~~who enjoy rights equivalent to the rights of other members,~~ at any general meeting of the Company (including but not limited to general meetings and creditors meetings) or at any general meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be deemed to have been duly authorised without further evidence of the fact and 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 authorisation, including the right to speak and vote individually on a show of hands or on a poll; ~~notwithstanding any contrary provision contained in Article 85.~~

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

99. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the ~~next following~~ first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting, ~~provided that, if such meeting is an annual general meeting of the Company,~~ 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.
106. (vii) if he shall be removed from office by ~~special~~ordinary resolution of the members of the Company under Article 122(a).

- | | | |
|---|------|--|
| General powers of Company vested in Board | 112. | <p>(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.</p> <p>(c) 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 LawAct, the Company shall not directly or indirectly:</p> |
| Power of general meeting to increase or reduce the number of Directors | 119. | <p>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. Subject to the provisions of these Articles and the LawAct, 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 next following general meeting of the Company and shall then be eligible for re-election, but, if such meeting is an annual general meeting of the Company, such Director shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.</p> |
| Register of Directors and notification of changes to Registrar | 121. | <p>The Company shall keep at its 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 LawAct.</p> |

- Power to remove Director by ~~special~~ ordinary resolution** 122. (a) The ~~Company members~~ may by ~~special~~ 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 (but without prejudice to any claim for damages under any such agreement), 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.
- Meetings of Directors/
Quorum etc.** 123. The Board may meet together for the despatch of business, adjourn or postpone 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, electronic facilities 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 <u>whenever he shall be required so to do by any Director</u> . Notice thereof shall be given to each Director either in writing or by telephone or by facsimile, telex or telegram at the address or telephone, facsimile or telex number from time to time notified to the Company by such Director, <u>or by electronic means to an electronic address from time to time notified to the Company by such Director or (if the recipient consents to it being made available on a website) by making it available on a website</u> or in such other manner as the Board may from time to time determine provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. |
| Directors'
resolutions | 133. | 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. <u>A notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his/her signature to such resolution in writing for the purpose of this Article.</u> |
| 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. |

- | | | |
|---|------|---|
| Power to capitalise | 142. | The Directors may 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 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. |
| 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. |
| Powers of Directors to declare and pay special dividends | 145. | (c) Without prejudice to the full force and effect of the provisions of paragraphs (a) and (b) above, the Board may in addition from time to time declare and pay special dividends on shares of the Company of any class of such amounts and on such dates as they think fit. The Board may apply any part of the profits or the Company's reserve accounts (including any share premium account or special account), profit and loss account or amounts otherwise available for distribution as the Board may determine in any declaration and payment of any special dividends in accordance with the Law Act, and for such purpose, 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. |

- 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.
- 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.

157. (a) (iv) upon expiry of the 12-year period, the Company has given notice of its intention to sell such shares to, and caused ~~an both~~ advertisement to be published both in the ~~daily~~ newspapers and in a newspaper circulating in the area of the last known address of such member or any person entitled to the share under Article 46 and where applicable, in each case in accordance with the requirements of the Exchange, ~~giving notice of its intention to sell such shares,~~ and a period of three months or such shorter period as may be allowed by the Exchange has elapsed since such advertisement and the Exchange has been notified of such ~~intention~~ advertisement.
- Annual returns and filings** 159. The Board shall make the requisite annual returns and any other requisite filings in accordance with the ~~Law~~Act.
- Accounts to be kept** 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 ~~Law~~Act.
- 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 ~~Law~~Act, 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.

163. (c) The requirement to send to a person referred to in paragraph (b) the documents referred to in that paragraph shall be deemed satisfied where, in accordance with all the applicable rules and regulations, including, without limitation, the Listing Rules and the ~~Law~~Act, the Company publishes copies of the documents referred to in paragraph (b) on the Company's computer network, the Company's website or by any other permitted manner (including electronic means in such manner as may be accepted by the Exchange), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

**Appointment and
remuneration
of Auditors**

165. The ~~members~~Company shall at any 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 members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term. The remuneration of the Auditors shall be fixed by the ~~Company~~ members at the annual general meeting by ordinary resolution at which they are appointed provided that, subject to compliance with the Listing Rules, 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. Subject to compliance with the Listing Rules, ~~the~~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.~~ 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. Subject to compliance with the Listing Rules, ~~t~~The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.

Service of notices 167. (1) Any notice or document (including any “corporate communication” within the meaning ascribed thereto under the Listing Rules), whether or not, to be given or issued under these Articles from the Company ~~to a member~~ shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such notice and document may be given or issued ~~served or delivered~~ by the Company ~~on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by advertisement in appropriate newspapers in accordance with the requirements of the Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Exchange, and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.~~following means:

**When notice
deemed to be
served**

- (a) by serving it personally on the relevant person;
- (b) by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;
- (c) by delivering or leaving it at such address as aforesaid;
- (d) by placing an advertisement in appropriate newspapers or other publication and where applicable, in accordance with the Exchange;

- (e) by sending and transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Article 167(5), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person;
 - (f) by publishing it on the Company's website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or for giving notification to any such person stating that the notice, document or publication is available on the Company's website (a "notice of availability"); or
 - (g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.
- (2) The notice of availability may be given by any of the means set out above other than by posting it on a website.
- (3) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.
- (4) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.

- (5) Every member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Articles may register with the Company an electronic address to which notices can be served upon him.
- (6) Subject to any applicable laws, rules and regulations and the terms of these Articles, any notice, document or publication, including but not limited to the documents referred to in Articles 163 and 167 may be given in the English language only or in both the English language and the Chinese language.
168. (c) if published on the Company's website, shall be deemed to have been served on the day on which the notice, document or publication first so appears on the Company's website to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Articles, whichever is later;
- ~~(e)(d)~~ if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and
- ~~(d)(e)~~ may be given to a member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations if published as an advertisement in a newspaper or other publication permitted under these Articles, shall be deemed to have been served on the day on which the advertisement first so appears.

- | | | |
|--|------|--|
| Power to
distribute
assets <i>in specie</i>
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 <u>Act</u> divide among the members <i>in specie</i> 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 <u>Act</u> , 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. |
| | 179. | (b) Subject to the Companies Law <u>Act</u> , 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 | 180. | <u>Unless the Board otherwise determines, the financial year of the Company shall end on 31 March each year.</u> The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it. |
| Amendment of
Memorandum
and Articles | 181. | Subject to the Law <u>Act</u> , the Company members 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. |

NOTICE OF ANNUAL GENERAL MEETING



融太集團股份有限公司

MAGNUS CONCORDIA GROUP LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1172)

NOTICE IS HEREBY GIVEN that the annual general meeting of Magnus Concordia Group Limited (the “**Company**”) will be held at Room 103, 1/F, Duke of Windsor Social Service Building, 15 Hennessy Road, Wanchai, Hong Kong on Wednesday, 31 August 2022 at 10:30 a.m. for the following purposes:

1. To consider and receive the audited consolidated financial statements and the directors’ report and the auditor’s report of the Company for the year ended 31 March 2022.
2.
 - (a) To re-elect Ms. Zeng Zhu as an executive director of the Company.
 - (b) To re-elect Mr. Ho Man as an independent non-executive director of the Company.
 - (c) To re-elect Mr. Liang Fan as an executive director of the Company.
 - (d) To re-elect Mr. Huang Zhidan as an executive director of the Company.
 - (e) To re-elect Mr. Xu Jianfeng as an independent non-executive director of the Company.
 - (f) To re-elect Mr. Wang Zhengjun as an independent non-executive director of the Company.
 - (g) To authorize the board of directors of the Company to fix the remuneration of the respective directors of the Company.
3. To re-appoint Moore Stephens CPA Limited as the auditor of the Company and to authorize the board of directors of the Company to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorized and unissued Shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares in the share capital allotted, issued or dealt with, or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise), issued or dealt with, by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company; or (3) the exercise of options granted under any share option scheme of the Company; or (4) the exercise of the outstanding conversion rights attaching to any convertible bonds or securities issued by the Company, which are convertible into shares of the Company, shall not exceed 20 per cent of the total number of issued shares of the Company at the date of passing this resolution, and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares of the Company is conducted, the maximum number of shares of the Company that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution:

“**Relevant Period**” means the period from 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 of Association of the Company or any applicable laws to be held; or
- (iii) the revocation or variation of authority given under this resolution by an ordinary resolution of the Company’s shareholders in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).”

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

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own ordinary shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the total number of issued shares of the Company at the date of passing this resolution, and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares of the Company is conducted, the maximum number of shares of the Company that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution, “**Relevant Period**” means the period from 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 of Association of the Company or any applicable laws to be held; or
 - (iii) the revocation or variation of authority given under this resolution by an ordinary resolution of the Company’s shareholders in general meeting.”
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT** conditional upon the resolutions set out in items 4 and 5 of the notice convening this meeting (the “**Notice**”) being passed, the aggregate number of shares of the Company which are purchased by the Company under the authority granted to the directors of the Company by the resolution set out in item 5 of the Notice shall be added to the aggregate number of shares of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to the resolution set out in item 4 of the Notice provided that such number of shares of the Company so repurchased shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing this resolution.”
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT** subject to and unconditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval for the listing of and permission to deal in the shares of the Company to be issued pursuant to the exercise of any options (the “**Options**”) to be granted pursuant to the new share option scheme of the Company (the “**New Share Option Scheme**”), the rules of which are contained in the document marked “A” produced to the meeting and for the purposes of identification signed by the Chairman thereof, the New Share Option Scheme be and is hereby approved and adopted and the Directors be and are hereby authorized to grant Options under the New Share Option Scheme, to administer the New Share Option Scheme in accordance with its terms, to allot and issue shares pursuant to the exercise of any Options, to modify and/or amend the rules of the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the rules of the New Share Option Scheme relating to the modification and/or amendment and is in compliance with Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

8. To consider and, if thought fit, pass the following resolution (with or without modification) as a special resolution:

“**THAT** the amendments to the Third Amended and Restated Memorandum and Articles of Association of the Company set out in Appendix IV to the circular of the Company dated 29 July 2022 of which this notice forms part be and are hereby approved and that the Fourth Amended and Restated Memorandum and Articles of Association of the Company (the “**Fourth Amended and Restated Memorandum and Articles of Association**”) which consolidate all the aforesaid amendments (in the form produced to this meeting and marked “A” and signed by the chairman of the meeting for the purpose of identification) be and is hereby adopted as the Fourth Amended and Restated Memorandum and Articles of Association, and that any one Director or company secretary of the Company be and is hereby authorised to do all things necessary to implement the adoption of the Fourth Amended and Restated Memorandum and Articles of Association.”

By Order of the Board
Magnus Concordia Group Limited
Zeng Zhu
Director

Hong Kong, 29 July 2022

Notes:

1. Any shareholder of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend and vote in his/her/its stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the form of proxy will be deposited before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the form of proxy will be deposited on or after 15 August 2022) not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 10:30 a.m. on Monday, 29 August 2022) or any adjourned meeting. Delivery of any instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked. The form of proxy must be signed by the appointor or his/her attorney authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.
3. To ascertain shareholders' eligibility to attend and vote at this meeting, the register of members of the Company will be closed from Friday, 26 August 2022 to Wednesday, 31 August 2022, both days inclusive, during which period no share transfers of the Company will be effected. In order to be qualified for attending and voting at this meeting, all the share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the transfer will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the transfer will be lodged on or after 15 August 2022) no later than 4:30 p.m. on Thursday, 25 August 2022.
4. Where there are joint registered holders of any share, any one of such persons may vote at this meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, one of the said persons so 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 in the register in respect of the relevant joint holding.

As at the date of this notice, Ms. Zeng Zhu, Mr. Liang Fan and Mr. Huang Zhidan are the executive directors of the Company; and Mr. Ho Man, Mr. Xu Jianfeng and Mr. Wang Zhengjun are the independent non-executive directors of the Company.