

**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 your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Southwest Securities International Securities Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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## **Southwest Securities International Securities Limited**

**西證國際證券股份有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 812)**

- (1) RE-ELECTION OF DIRECTORS;  
(2) GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;  
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS AND  
ADOPTION OF THE AMENDED AND RESTATED  
BYE-LAWS OF THE COMPANY;  
AND  
(4) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Southwest Securities International Securities Limited to be held at Meeting Room Hennessy, 31F, Hysan Place, 500 Hennessy Rd, Causeway Bay, Hong Kong on 21 June 2023 at 09:30 a.m. is set out on pages 34 to 38 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the enclosed form in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar of Southwest Securities International Securities Limited in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so desire.

\* *For identification purpose only*

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Meeting Room Hennessy, 31F, Hysan Place, 500 Hennessy Rd, Causeway Bay, Hong Kong on Wednesday, 21 June 2023 at 09:30 a.m. or any adjournment thereof
“AGM Notice”	the notice convening the AGM set out on pages 34 to 38 of this circular
“Amended and Restated Bye-laws”	the amended and restated Bye-laws of the Company proposed to be adopted by Shareholders by special resolution at the AGM, the draft of which is set out in Appendix III to this circular with the Proposed Amendments marked up against the conformed version of the Bye-laws published on the websites of the Company and the Stock Exchange
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Bye-laws”	the Bye-laws of the Company as adopted on 7 January 2002 and amended from time to time
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time)
“Company”	Southwest Securities International Securities Limited, an exempted company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the Issue Mandate may be extended by the addition thereto the total number of Shares repurchased under the Repurchase Mandate

## DEFINITIONS

“General Mandates”	the Issue Mandate, the Repurchase Mandate and the Extension Mandate
“Government”	The Government of Hong Kong
“Group”	the Company and its subsidiaries
“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
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue or deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of passing the relevant resolution at the AGM
“Latest Practicable Date”	22 May 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Amendments”	proposed amendments and restatement of the Bye-laws as set out in Appendix III to this circular
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution at the AGM
“SFC”	Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

## DEFINITIONS

“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“SWSC”	西南證券股份有限公司 (Southwest Securities Co., Ltd.*), a company established in the PRC with limited liability, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600369)
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as may be amended from time to time
“%”	per cent.

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LETTER FROM THE BOARD

**Southwest Securities International Securities Limited**

**西證國際證券股份有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 812)**

*Executive Directors:*

Mr. ZHANG Hongwei (*Chairman*)

Mr. HUANG Changsheng

*Independent Non-executive Directors:*

Mr. MENG Gaoyuan

Mr. LIANG Jilin

Mr. CAO Ping

*Registered Office:*

Clarendon House

2 Church Street

Hamilton, HM11

Bermuda

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

14/F, One Hysan

Avenue Causeway Bay

Hong Kong

29 May 2023

*To the Shareholders*

Dear Sir or Madam,

- (1) RE-ELECTION OF DIRECTORS;  
(2) GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;  
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS AND  
ADOPTION OF THE AMENDED AND RESTATED  
BYE-LAWS OF THE COMPANY;  
AND  
(4) NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information in respect of, among other matters, (i) the re-election of Directors; (ii) the granting of the General Mandates; and (iii) the proposed amendments to The Bye-Laws and adoption of the Amended and Restated Bye-laws, and to give you notice of the AGM.

**2. RE-ELECTION OF DIRECTORS**

The Board currently comprises five Directors, of which there are two executive Directors and three independent non-executive Directors. According to the Bye-law 87 of the Bye-laws, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to but not less than one-third, shall

\* *For identification purpose only*

## LETTER FROM THE BOARD

retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Pursuant to the new code provision B.2.2 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, every Director (including those appointed for a specific term) should be subject to retirement by rotation at least once every three years. Accordingly, Mr. MENG Gaoyuan (“**Mr. Meng**”) and Mr. Liang Jilin (“**Mr. Liang**”) shall retire by rotation at the AGM and being eligible, will offer themselves for re-election at the AGM.

Pursuant to the Bye-law 86 of the Bye-laws, any Director appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting. Accordingly, Mr. CAO Ping (“**Mr. Cao**”), who was appointed as an independent non-executive Director by the Board on 1 November 2022, will retire at the AGM and being eligible, will offer himself for re-election at the AGM.

The Company continuously seeks to enhance the effectiveness of its Board and recognises and embraces the benefits of having a diverse Board as an essential element in maintaining competitiveness. The Nomination Committee has reviewed the diversity of the Board and considered that the Directors proposed for re-election are able to contribute to the Board a diverse range perspectives, including, but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and other qualifications.

The Board has considered the proposal of the Nomination Committee with regards to the re-election of each of Mr. Meng, Mr. Liang and Mr. Cao as an independent non-executive Director of the Company. The Board and the Nomination Committee considered that Mr. Meng, Mr. Liang and Mr. Cao have brought a wealth of experience in management and strategic planning of listed companies to the Group and each of them has the required character, integrity and knowledge to continue fulfilling the role of an independent non-executive Director. Each of Mr. Meng, Mr. Liang and Mr. Cao provides objective and independent point of view from different dimensions, as well as contribute professional, unique experience and diversity to the Board.

Mr. Meng, Mr. Liang and Mr. Cao, being independent non-executive Directors proposed for re-election, have confirmed that they fulfill all the requirements under Rule 3.13 of the Listing Rules. The Nomination Committee and the Board had reviewed the confirmations of independence of Mr. Meng, Mr. Liang and Mr. Cao and were satisfied that they meet the independence criteria set out under Rule 3.13 of the Listing Rules. Given that Mr. Meng, Mr. Liang and Mr. Cao have experience in various fields which are relevant to the Company’s business, Mr. Meng, Mr. Liang and Mr. Cao have demonstrated their abilities to provide independent views to the Company’s matters. Accordingly, the Nomination Committee and the Board considered Mr. Meng, Mr. Liang and Mr. Cao to be independent and were satisfied that Mr. Meng, Mr. Liang and Mr. Cao have the required character, integrity and experience to continue fulfilling the roles of the independent non-executive Directors.

## LETTER FROM THE BOARD

Pursuant to Rule 13.74 of the Listing Rules, the biographical details of the Directors proposed for re-election at the AGM required under Rule 13.51(2) of Listing Rules are set out in Appendix I to this circular.

### 3. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

#### Issue Mandate

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of passing of the relevant resolution. As at the Latest Practicable Date, a total of 3,661,830,613 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 732,366,122 Shares, without taking into account any additional Shares which may be issued pursuant to the Extension Mandate.

#### Repurchase Mandate

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase, on the Stock Exchange, Shares not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution. As at the Latest Practicable Date, a total of 3,661,830,613 Shares were in issue. Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 366,183,061 Shares. Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix II to this circular.

#### Extension Mandate

In addition, an ordinary resolution will also be proposed at the AGM to extend the Issue Mandate by the addition thereto the total number of Shares repurchased under the Repurchase Mandate.

The Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the Company is required by the Companies Act or the Bye-laws to hold its next annual general meeting; or (c) when revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

## LETTER FROM THE BOARD

An explanatory statement containing information relating to the Repurchase Mandate as required pursuant to the Listing Rules, is set out in the Appendix II of this circular.

The Directors have no immediate plans to allot, issue, or deal with any new Shares other than Shares which may fall to be issued under the share option scheme(s) (if any) of the Company or pursuant to any scrip dividend scheme or under similar arrangement which may be approved by the Shareholders from time to time or as the result of conversion of any convertible preference share or perpetual convertible bond securities of the Company (if any) in issue or repurchase any Shares pursuant to the relevant mandates.

#### **4. PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS OF THE COMPANY**

The Board proposes that the Proposed Amendments be made to the Bye-laws by way of adoption of the Amended and Restated Bye-laws in substitution for and to the exclusion of the Bye-laws, for the purposes of, among other things, (i) bringing the Bye-laws in alignment with the Core Shareholder Protection Standards set out in Appendix 3 of the Listing Rules; (ii) making house-keeping amendments to the Bye-laws to clarify the existing practices of the Company and to reflect certain updates in relation to the Companies Act and the applicable laws of Bermuda and the Listing Rules; and (iii) making consequential amendments in line with the Proposed Amendments.

#### **5. AGM**

The notice of the AGM is set out on pages 34 to 38 of this circular. At the AGM, resolutions will be proposed to approve the re-election of the Directors and the granting of the General Mandates. All resolutions will be put to vote by way of poll at the AGM and no shareholder will be required to abstain from voting at the AGM in respect of these resolutions. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under rule 13.39(5) of the Listing Rules.

A proxy form for the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon to the office of the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

The transfer books and register of members will be closed from Friday, 16 June 2023 to Wednesday, 21 June 2023, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share

## LETTER FROM THE BOARD

registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 15 June 2023.

### 6. RESPONSIBILITY STATEMENT

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

### 7. RECOMMENDATION

The Board is of the opinion that (i) the proposed re-election of the Directors; (ii) the grant of the proposed General Mandates in the manner set out in the notice of AGM and (iii) the adoption of Amended and Restated Bye-laws are in the interests of the Company and Shareholders as a whole, and accordingly, the Board recommends all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,  
For and on behalf of  
**Southwest Securities International Securities Limited**  
**ZHANG Hongwei**  
*Chairman*

The biographical details of the Directors proposed to be re-elected at the AGM are set out as follows:

**Mr. Meng Gaoyuan (蒙高原)**, aged 51, has been appointed as an independent non-executive Director, the chairman of Audit Committee, a member of the Remuneration Committee and the Nomination Committee since 27 January 2015. Mr. Meng has been qualified as a certified public accountant in the PRC since 1999. Mr. Meng served in Chongqing Kanghua Certified Public Accountants LLP\* (重慶康華會計師事務所(特殊普通合夥)) as, respectively, a department senior manager, deputy general manager, the chairman of the board and the chief partner since September 1998. Mr. Meng graduated from Jiangxi College of Finance and Economics\* (江西財經學院) (now known as Jiangxi University of Finance and Economics) in the PRC with a bachelor degree majoring in finance, accounting and auditing in July 1994. He obtained a master of business administration degree from Chongqing University of Technology. He has abundant experience in accounting, audit and finance.

Save as disclosed above, as at the Latest Practicable Date, Mr. Meng did not hold any position in the Company or any of its subsidiaries, nor directorship in any listed public companies in Hong Kong or overseas during the past three years, and did not have any other major appointments or professional qualifications. Save as disclosed above, as at the Latest Practicable Date, he did not have any other relationship with any other Directors, senior management of the Company or substantial shareholders or controlling shareholders of the Company.

Mr. Meng has entered into a director's service agreement with the Company for a term of three years, subject to retirement by rotation and re-election in accordance with the Bye-laws, which may be terminated by either the Company or Mr. Meng by giving two months' prior written notice or otherwise in accordance with the terms of the director's service agreement. In accordance with the Bye-laws, Mr. Meng shall be eligible for re-election at the AGM. Under the director's service agreement, Mr. Meng is entitled to a director's fee of HK\$204,000 per annum which is determined with reference to, among others, his experience, roles and responsibility within the Group, the prevailing market conditions and the recommendations from the Remuneration Committee. Mr. Meng is also entitled to discretionary benefits (as decided by the Board or the Remuneration Committee). The total amount of Mr. Meng's emolument received in 2022 is HK\$204,000.

As at the Latest Practicable Date, Mr. Meng did not have, and was not deemed to have, any interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO and save as disclosed above, he is not aware of any other matters that need to be brought to the attention of the Shareholders. There is no other information in relation to Mr. Meng that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

**Mr. Liang Jilin (梁繼林)**, aged 66, has been appointed as an independent non-executive Director and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee since 1 July 2020. He has been appointed as the chairman of the Nomination Committee since 12 April 2022. Mr. Liang acted as the deputy general manager of CCCG Real Estate Corporation Limited\* (中房地產股份有限公司) (now known as CCCG Real Estate Co., Ltd. (中交地產股份有限公司), SZSE stock code: 000736) from June 2009 to September 2015 and later became the chief economist from September 2015 to September 2016. Mr. Liang consecutively served as the deputy general manager, general manager, chairman of the board of directors, branch secretary of Party and legal representative of Shenzhen Zhongzhu Huizhi Industrial Co., Ltd.\* (深圳市中住匯智實業有限公司) (now known as CCCG Real Estate Corporation Limited\* 中交地產產業發展有限公司) from March 1999 to October 2016. He was the chairman of the board of directors of Shenzhen Huahui Storage Co., Ltd.\* (深圳市華匯倉儲有限公司) from October 2001 to December 2005. Mr. Liang graduated from Chief of Staff of Army College of the Chinese People's Liberation Army\* (中國人民解放軍陸軍參謀學院) with a bachelor's degree in military science in July 1994, majoring in military theory, and obtained the qualification of Senior Schemer of China Scheming Research Institute in February 2005.

Save as disclosed above, as at the Latest Practicable Date, Mr. Liang did not hold any position in the Company or any of its subsidiaries, nor directorship in any listed public companies in Hong Kong or overseas during the past three years, and did not have any other major appointments or professional qualifications. Save as disclosed above, as at the Latest Practicable Date, he did not have any other relationship with any other Directors, senior management of the Company or substantial shareholders or controlling shareholders of the Company.

Mr. Liang has entered into a director's service agreement with the Company for a term of three years, subject to retirement by rotation and re-election in accordance with the Bye-laws, which may be terminated by either the Company or Mr. Liang by giving two months' prior written notice or otherwise in accordance with the terms of the director's service agreement. In accordance with the Bye-laws, Mr. Liang shall be eligible for re-election at the AGM. Under the director's service agreement, Mr. Liang is entitled to a director's fee of HK\$204,000 per annum which is determined with reference to, among others, his experience, roles and responsibility within the Group, the prevailing market conditions and the recommendations from the Remuneration Committee. Mr. Liang is also entitled to discretionary benefits (as decided by the Board or the Remuneration Committee). The total amount of Mr. Liang's emolument received in 2022 is HK\$204,000.

As at the Latest Practicable Date, Mr. Liang did not have, and was not deemed to have, any interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO and save as disclosed above, he is not aware of any other matters that need to be brought to the attention of the Shareholders. There is no other information in relation to Mr. Liang that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

**Mr. Cao Ping (曹平)**, aged 55, has been appointed as an independent non-executive director, the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company since 1 November 2022. Mr. Cao is currently a solicitor, partner and director of Chongqing Senswins Solicitors (重慶盛世文輝律師事務所). He was re-elected as the chairman of the Chongqing Branch of the British Chamber of Commerce Southwest China, and the director of foreign-related professional committee of the Chongqing Lawyers Association and WTO. Mr. Cao has been the director of mediation professional committee of the Chongqing Lawyers Association since 2020; he has been the secretary-general of the Chongqing Liangjiang International Business Mediation Centre (重慶市兩江國際商務調解中心) since 2021. After obtaining a master's degree in English from Sichuan International Studies University in 1992, Mr. Cao obtained the qualification to practice law in China in 1995. In 1999, he attended the School of Oriental and African Studies at the University of London and received his training at Clifford Chance, Fountain Court Chambers, and Gallant in Hong Kong. Since then, Mr. Cao has served as a solicitor and partner of Z & Z Law Firm in Chongqing, a solicitor in the Guangzhou representative office of Pinsent Masons in United Kingdom, and a solicitor of in the Shanghai representative office of Cameron Mckenna. Mr. Cao continued his studies at Temple University Beasley School of Law in the United States and Tsinghua University in 2015 and became a member of the All China Lawyers Association's leading foreign lawyer talent pool in 2015. He joined the All China Lawyers Association's One Belt One Road Lawyers Expert Bank in 2016. Mr. Cao has over 20 years of rich experience in foreign-related legal affairs, international finance, foreign trade, energy, domestic and foreign infrastructure, real estate development and other fields.

Save as disclosed above, as at the Latest Practicable Date, Mr. Cao did not hold any position in the Company or any of its subsidiaries, nor directorship in any listed public companies in Hong Kong or overseas during the past three years, and did not have any other major appointments or professional qualifications. Save as disclosed above, as at the Latest Practicable Date, he did not have any other relationship with any other Directors, senior management of the Company or substantial shareholders or controlling shareholders of the Company.

Mr. Cao has entered into a director's service agreement with the Company for a term of three years, subject to retirement by rotation and re-election in accordance with the Bye-laws, which may be terminated by either the Company or Mr. Cao by giving two months' prior written notice or otherwise in accordance with the terms of the director's service agreement. In accordance with the Bye-laws, Mr. Cao shall be eligible for re-election at the AGM. Under the director's service agreement, Mr. Cao is entitled to a director's fee of HK\$204,000 per annum which is determined with reference to, among others, his experience, roles and responsibility within the Group, the prevailing market conditions and the recommendations from the Remuneration Committee. Mr. Cao is also entitled to discretionary benefits (as decided by the Board or the Remuneration Committee). The total amount of Mr. Cao's emolument received in 2022 is HK\$34,000.

As at the Latest Practicable Date, Mr. Cao did not have, and was not deemed to have, any interest in the Shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO and save as disclosed above, he is not aware of any other matters that need to be brought to the attention of the Shareholders. There is no other information in relation to Mr. Cao that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

*This Appendix serves as an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide you with all the information in relation to the Repurchase Mandate for your consideration.*

## **1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

## **2. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, there were in total 3,661,830,613 Shares in issue. Subject to the passing of the proposed ordinary resolution at the AGM granting the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased from the Latest Practicable Date to the date of the AGM, the Company will be authorised under the Repurchase Mandate to repurchase on the Stock Exchange a maximum of 366,183,061 Shares, representing 10% of the total number of Shares in issue as at the date of the passing of the said resolution at the AGM.

## **3. REASONS FOR REPURCHASE**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a authority from the Shareholders to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share. Shareholders can be assured that the Directors will only make where they consider that such repurchase will benefit the Company and its Shareholders.

## **4. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the applicable laws of Bermuda, including capital paid up on the Shares to be repurchased, profits otherwise available for distribution and sums standing to either the share premium account or contributed surplus account of the Company.

## **5. IMPACT OF THE REPURCHASE**

The Directors anticipate that there would not be a material adverse impact on the working capital or gearing position of the Company (on the basis of the consolidated financial position disclosed in the latest published audited accounts of the Company for the year ended 31 December 2022), in the event that the proposed Repurchase Mandate was to be exercised in full during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a

material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

## **6. DISCLOSURE OF INTERESTS**

None of the Directors or, to the best of their knowledge and belief of the Directors having made all reasonable enquiries nor any of their respective close associates currently intend to sell any Shares to the Company under the Repurchase Mandate if such mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to sell any of the Shares held by him to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

## **7. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the memorandum of association and Bye-laws of the Company and the applicable laws of Bermuda.

## **8. EFFECT OF THE TAKEOVERS CODE**

If a Shareholder's proportionate interest in the voting capital of the Company increases as a result of a share repurchase, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and becomes obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Company, Southwest Securities International Investment Limited, a wholly-owned subsidiary of SWSC, beneficially owned Shares representing approximately 74.10% of the total issued share capital of the Company. In the event the power to repurchase Shares under the Repurchase Mandate is exercised in full and assuming that there is no change in the issued share capital of the Company after the Latest Practicable Date, Southwest Securities International Investment Limited's percentage holding in the Company would be increased to approximately 82.33% of the total issued share capital of the Company, which would result in the Company's public float falling below the prescribed minimum percentage level as required under the Listing Rules. The Directors have no present intention to exercise the power under the Repurchase Mandate to repurchase Shares. The Directors have no intention to exercise the Repurchase Mandate to such an extent so as to trigger the number of Shares which are in the hands of public falling below 25% of the total issued share capital of the Company.

<b>APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE</b>
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Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any Share repurchase effected pursuant to the Repurchase Mandate.

#### **9. SHARE REPURCHASES BY THE COMPANY**

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

#### **10. SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	<b>Price per Share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2022</b>		
May	0.046	0.032
June	0.039	0.030
July	0.038	0.029
August	0.037	0.028
September	0.031	0.023
October	0.030	0.021
November	0.027	0.021
December	0.032	0.024
<b>2023</b>		
January	0.044	0.029
February	0.043	0.031
March	0.038	0.030
April	0.045	0.030
May (up to the Latest Practicable Date)	0.036	0.027

The proposed amendments to the relevant existing Bye-laws are shown by mark-up as follows:

1. “Act” the Companies Act 1981 of Bermuda, as amended from time to time.
- “appointed newspaper” has the meaning ascribed to it in the Act.
- “associate” has the meaning attributed to it in the Listing Rules of the Designated Stock Exchange.
- “Chairman” the chairman of the Board, as elected pursuant to Bye-law 118.
- “clearing house” a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any amendments thereto for the time in force or a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.
- “close associate” has the meaning attributed to it in the Listing Rules.
- “Company” Southwest Securities International Securities Limited~~Tanrieh Financial Holdings Limited.~~
- “Deputy Chairman” the deputy chairman of the Board, as elected pursuant to Bye-law 118.
- “HK Companies Ordinance” the Companies Ordinance, Cap. 622 of the Laws of Hong Kong as may be amended from time to time.
- “Listing Rules” the rules and regulations of the Designated Stock Exchange.
- “Newspaper(s)” in relation to any newspaper circulating in the territory where the shares of the Company are listed or quoted on a stock exchange in such territory, shall mean a newspaper published daily and circulating generally in such territory and specified for this purpose by the stock exchange in such territory.

“Statutes”

the Act, ~~the Electronic Transactions Act 1999 of Bermuda,~~ and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.

2. (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 all other applicable laws, rules and regulations and other applicable laws, rules and regulations, any visible form, 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;
- (h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, by proxy or, in the case of such Members being as are corporations, by their respective duly authorised representatives, ~~or, where proxies are allowed, by proxy~~ at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- (i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, by proxy or, in the case of ~~such any~~ Members being ~~a~~ corporations, by their respective its duly authorised representatives, ~~or, where proxies are allowed, by proxy~~ at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- (j) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-third of the votes cast by such Members as, being entitled so to do, vote in person or, by proxy or, in the case of such Members being corporations, by their respective duly authorised corporate representatives, at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- ~~(j)~~(k) a special resolution and an extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes;
- ~~(k)~~(l) 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;

- (m) 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 raise questions, make statements, 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 all other applicable laws, rules and regulations or these Bye-laws to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly; and
- (n) where a Member is a corporation, any reference in these Bye-laws to a Member shall, where the context requires, refer to a duly authorised representative of such Member.
3. (1) The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into shares of par value HK\$0.1 each.
- (2) Subject to the Act, the Company's memorandum of association and, where applicable, the Listing Rules of any Designated Stock Exchange and/or any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit. Such purchased or acquired shares shall be cancelled.
9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~
10. Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the Members holders of together holding not less than three-fourths of the voting rights of the issued shares of that class or with the sanction of a special

resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

- (a) the necessary quorum (other than at an adjourned or a postponed meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned or postponed meeting of such holders, two holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum; and
12. (1) Subject to the Act, these Bye-laws, any direction that may be given by the Company in general meeting and, where applicable, the Listing Rules of any Designated Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the 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 and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.
- (2) The Board may issue warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.
16. Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.

25. Subject to these Bye-laws and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no ~~m~~Member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.
29. No Member shall be entitled to receive any dividend or bonus or to be present, speak and vote (save as proxy for another Member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
44. ~~Except when the Register is closed in accordance with the Act, any Member may inspect during business hours any Register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the HK Companies Ordinance. Subject to the provisions of the Act, the Register may be closed at such time or for such period not exceeding in the whole thirty (30) days in each year as the Board may determine. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper in accordance with the requirements of any Designated Stock Exchange or by any means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.~~
45. (b) determining the Members entitled to receive notice of and to attend, speak and vote at any general meeting of the Company.
46. Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the Listing R~~ules of the Designated Stock Exchange~~ or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock 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.
48. (3) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other

branch register. In the event of any such transfer, the Member shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

51. The registration of transfers of shares or of any class of shares may, after notice has been given by announcements or by electronic communication or by advertisement in an appointed newspaper and, where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means in such manner as may be accepted by the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.
54. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 75(2) being met, such a person may attend, speak and vote at meetings.
55. (c) the Company, if so required by the Listing Rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in ~~n~~Newspapers in accordance with the requirements of, the Designated Stock Exchange to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.
56. An annual general meeting of the Company shall be held in each financial year ~~other than the year in which its statutory meeting is convened at such time (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting unless a longer period would not infringe the rules of the Designated Stock Exchange, if any)~~ and place as may be determined by the Board; and such annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any).

57A. All Members 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.

58. The Board may whenever it thinks fit call special general meetings, and subject as otherwise provided by the Act, one or more Members holding at the date of deposit of the requisition in aggregate shares that represent not less than one-tenth of the voting rights at general meeting paid up capital of the Company, on a one vote per share basis, in the share capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act.
59. (1) An annual general meeting and a general meeting for the passing of an extraordinary resolution shall be called by Notice of not less than twenty-one (21) clear days ~~and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty one (21) clear days and not less than ten (10) clear business days.~~ All general meeting of the Company (including without limitation a other special general meetings), other than an annual general meeting or a general meeting for the passing of an extraordinary resolution, shall ~~may~~ be called by Notice of not less than fourteen (14) clear days ~~and not less than ten (10) clear business days~~ but if permitted by the Listing Rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend, speak and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend, speak and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) of the voting rights at the meeting of all the Members in nominal value of the issued shares giving that right.
61. (2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy or, for quorum purpose only, two persons appointed by the clearing house as authorised representative(s) or proxy(ies) shall form a quorum for all purposes.
62. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the chairman of the meeting (or in

~~default, the Directors~~~~Board~~) may absolutely determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.

63. ~~The president of the Company or~~ ~~the e~~Chairman, if one is appointed, shall preside as chairman at every general meeting. If at any general meeting ~~the president or the e~~Chairman, ~~as the case may be,~~ is not present within fifteen (15) minutes after the time appointed for holding the general meeting, or if ~~neither of them~~ ~~the Chairman is not~~ willing to act as chairman of the general meeting, or if no Chairman is appointed, the Deputy Chairman, if one is appointed, shall preside as chairman of such general meeting. If at any general meeting both the Chairman and the Deputy Chairman are not present within fifteen (15) minutes after the time appointed for holding the general meeting, or if both the Chairman and the Deputy Chairman are not willing to act as chairman of the general meeting, or if no Chairman nor the Deputy Chairman is appointed, the Directors present shall choose one of their number to act as chairman of the general meeting, or if one Director only is present he shall preside as chairman of the general meeting if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman of the general meeting chosen shall retire from the chair, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall elect one of ~~them~~ ~~ir number~~ to be the chairman of the general meeting.
64. The chairman of the general meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and from place to place as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' Notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.
- 64A. If, after the sending of Notice of a general meeting but before the general meeting is held, or after the adjournment of a general meeting but before the adjourned general 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 specified in the Notice calling the meeting, they may change or postpone the meeting to another date, time and/or place 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, or that there is an

outbreak of pandemic that, in the opinion of the Directors, cause the Company unable to hold the relevant general meeting, on the day of the meeting (such circumstances, the “Circumstances”). This Bye-law shall be subject to the following:

- (a) when a meeting is so postponed due to one or more of the Circumstances as set out in the original Notice of a general meeting, the Company shall endeavour to post a notice of such postponement with a new date for the postponed general meeting (if such new date has not yet been provided in the original Notice of the general meeting) on the Company’s website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of such meeting), but otherwise the Company shall, in accordance with paragraph (c) below, endeavor to publish a new Notice of a postponed general meeting;
  - (b) when only the form of the meeting or electronic facilities as specified in the Notice are changed, while other details of the Notice remain unchanged, the Directors shall notify the Members of details of such change in such manner as the Directors may determine;
  - (c) subject to paragraphs (a) and (b) above, when a meeting is postponed or changed in accordance with this Bye-law, subject to and without prejudice to Bye-law 64, unless already specified in the original Notice of the meeting, the Directors shall fix the date, time and place for the postponed or changed meeting and shall notify the Members of such details in such manner as the Directors may determine and in compliance with the notice requirements under Bye-law 59; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Bye-laws not less than forth-eight (48) hours before the time of the postponed or changed 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.
68. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the ~~Listing Rules of the Designated Stock Exchange~~.
75. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to

vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or ~~postponed meeting~~ ~~poll~~, as the case may be.

76. (1) No Member shall, unless the Board otherwise determines, be entitled to attend, speak and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- (2) Where the Company has knowledge that any Member is, under the Listing Rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
77. (c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting, ~~or adjourned meeting or postponed meeting~~ on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting ~~or postponed meeting~~ at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

78. Any Member entitled to attend, speak and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend, speak and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.
80. (1) The Company may, at its absolute discretion, provide an electronic address or electronic means 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 Bye-laws) and notice of termination of the authority of a proxy). If such an electronic address or electronic means 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 or by such electronic means of submission, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. The Company may also 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 or electronic means of submission 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 and decide what method should be used to determine at what time the instruction or notification is treated as being received by the Company. If any document or information required to be sent to the Company under this Bye-law 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 or via electronic means of submission provided in accordance with this Bye-law or if no electronic address or electronic means of submission is so designated by the Company for the receipt of such document or information.

- (2) 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 certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate), or if the Company has provided an electronic address or electronic means of submission in accordance with the preceding paragraph, shall be received at the electronic address specified or via electronic means of submission, not less than forty-eight (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. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from such date, except at an adjourned meeting or a postponed meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending, speaking and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
81. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall 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. The instrument of proxy shall, 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. 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 Bye-laws has not been received in accordance with the requirements of these Bye-laws.

Subject to aforesaid, if the proxy appointment and any of the information required under these Bye-laws is not received in the manner set out in these Bye-laws, the appointee shall not be entitled to vote in respect of the shares in question.

82. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) at least two (2) hours at least before the commencement of the meeting, ~~or adjourned meeting or postponed meeting~~, or the taking of the poll, at which the instrument of proxy is used.
84. (1) Any corporation which is a Member may in accordance with its constitutional documents or in the absence of such provision by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members or subject to the Statutes, at any meeting of creditors of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.
- (2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may appoint proxies or authorise such persons as it thinks fit to act as its representatives, who enjoy rights equivalent to the rights of other Members, at any meeting of the Company or at any meeting of any class of Members, or subject to the Statutes, at any meeting of creditors of the Company, provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person were the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to speak, the right to vote on a poll and, where a show of hands is allowed, the right to vote individually on a show of hands.
85. (1) Subject to the Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend, speak and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to

sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.

86. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 87 or at any special general meeting and shall hold office for such terms as the Members may determine or, in the absence of such determination, in accordance with Bye-law 87 until the next appointment of Directors—or until their successors are elected or appointed or their office is otherwise vacated. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.
- (2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in a general meetings. Any Director so appointed by the Board shall hold office only ~~until the next following general meeting of the Company (in case of filling a casual vacancy)~~ or until the next following first annual general meeting of the Company after his appointment ~~(in the case of an addition to the Board)~~, and shall then be eligible for re-election at that meeting.
87. (1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not three (3) or a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term, the chairman of the Board and managing director of the Company) shall be subject to retirement at least once every three (3) years.
88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend, speak and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

96. The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting (or if the Company shall so resolve, by the Directors) and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.
103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) any contract or arrangement for the giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associates or obligations incurred or undertaken by him or any of his close associates at the request of or for the benefit of the Company or any of its subsidiaries;
  - (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
  - (iv) any contract or arrangement in which the Director or his close associate(s) is/ are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; or
  - (v) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his close associates and to employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.

112. Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending, speaking and voting at general meetings of the Company, appointment of Directors and otherwise.
114. The Board may meet for the despatch of business, adjourn or postpone and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting of the Board shall have an additional or casting vote.
115. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board whenever he shall be required to do so by any Director, of which a Notice of a meeting of the Board may be given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or by electronic means to an electronic address from time to time notified to the Company by such Director or (if the recipient consents to it being made available on a website) by making it available on a website or by electronic mail or in such other manner as the Board may from time to time determine ~~whenever he shall be required so to do by the president or chairman, as the case may be, or any Director.~~
118. The Board may elect a chairman (the “Chairman”) and one or more deputy chairman (each a “Deputy Chairman”) ~~of its meetings~~ and determine the period for which they are respectively to hold such office. The Chairman, if one is appointed, shall preside as chairman at every meeting of the Board. If at any meeting of the Board, if no eChairman or dDeputy eChairman is elected, or if at any meeting neither the eChairman nor any dDeputy eChairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting of the Board.
146. (1) (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the ~~shareholders~~ Members entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:
- (b) that the ~~shareholders~~ Members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
- (3) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to ~~shareholders~~ Members to elect to receive such dividend in cash in lieu of such allotment.

- (4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any ~~shareholders~~ Member with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.
148. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law and subject to Section 40(2A) of the Act, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.
150. (4) A certificate or report by the ~~A~~auditors for the time being of the Company as to whether or not the Subscription Rights Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Rights Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and ~~Members~~ shareholders.
153. Subject to Section 88 of the Act and Bye-law 153A, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the annual general meeting and laid before the Company in

the annual general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.

- 153A. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the ~~Listing Rules of the Designated Stock Exchange~~, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 153 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summarised~~y~~ financial statement derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summarised~~y~~ financial statement, a complete printed copy of the Company's annual financial statement and the directors' report thereon.
- 153B. The requirement to send to a person referred to in Bye-law 153 the documents referred to in that provision or a summary financial report in accordance with Bye-law 153A shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the ~~Listing Rules of the Designated Stock Exchange~~, the Company publishes copies of the documents referred to in Bye-law 153 and, if applicable, a summary financial report complying with Bye-law 153A, on the Company's ~~website computer network~~ or in any other permitted manner (including by sending any form of electronic communication), 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.
154. (1) Subject to Section 88 of the Act and any applicable laws and regulations in any applicable jurisdictions, at the annual general meeting or at a subsequent special general meeting in each year, the Members ~~shall~~ may by an ordinary resolution appoint an ~~a~~Auditor to audit the accounts of the Company and such ~~a~~Auditor shall hold office until ~~the Members appoint~~ another ~~a~~Auditor is appointed. Such ~~a~~Auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an ~~A~~auditor of the Company. Subject to the Listing Rules, the Board may fill any casual vacancy in the office of Auditor, but while the vacancy continues the surviving or continuing Auditor, if any, may act. The remuneration of any Auditor appointed by the Board under this Bye-law may be fixed by the Board. Any Auditor appointed by the Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-appointment at that meeting by the Members under this Bye-law at such remuneration to be determined by the Members under Bye-law 156.

154. (3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~extraordinary 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.
156. The remuneration of the Auditor shall be fixed by the Company in general meeting by ordinary resolution or in such manner as the Members may determine by ordinary resolution.
157. If the office of ~~A~~auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Members may at a general meeting by ordinary resolutions, or the Directors, or the Company in general meeting shall ~~may~~ fill the vacancy and fix the remuneration of the Auditor so appointed.
159. The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of Bermuda or of a country or jurisdiction other than Bermuda. If the auditing standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.
160. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the Listing Rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws 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 communication and any such Notice and document may be 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 appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the

requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the Designated Stock 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.

164. (2) A resolution that the Company ~~be wound up by the court or~~ be wound up voluntarily shall be a special resolution.
165. If the Company shall be wound up (~~whether the liquidation is voluntarily or by the court~~) the liquidator may, with the authority of a special resolution and any other sanction required by the Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property 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, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

## NOTICE OF ANNUAL GENERAL MEETING

### Southwest Securities International Securities Limited

西證國際證券股份有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 812)

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Southwest Securities International Securities Limited (the “**Company**”) will be held at Meeting Room Hennessy, 31F, Hysan Place, 500 Hennessy Rd, Causeway Bay, Hong Kong on 21 June 2023 at 09:30 a.m. for the following purposes:

#### ORDINARY RESOLUTIONS

1. To receive and consider the report of the directors, audited consolidated financial statements and the independent auditor’s report for the year ended 31 December 2022.
2. To re-elect the following retiring directors of the Company:
  - (a) Mr. MENG Gaoyuan as an independent non-executive director of the Company;
  - (b) Mr. LIANG Jilin as an independent non-executive director of the Company; and
  - (c) Mr. CAO Ping as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company.
4. To re-appoint SHINEWING (HK) CPA Limited as auditors of the Company and to authorise the Board to fix their remuneration.

By way of special business, to consider and, if thought fit, to pass each of the following resolutions, with or without modification, as ordinary resolutions:

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with the unissued ordinary shares of HK\$0.10 each in the share capital of the Company (the “**Shares**” and each a “**Share**”) and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* For identification purpose only

## NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval granted in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) the exercise of any options granted under the share option scheme(s) of the Company approved by The Stock Exchange of Hong Kong Limited, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 20% of the total number of issued Shares of the Company as at the date of passing this resolution, and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the 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 any applicable laws of Bermuda or the Company’s Bye-laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the Company in general meeting; and

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

## NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase issued ordinary shares of HK\$0.10 each in the capital of the Company (the “Shares” and each a “Share”) subject to and in accordance with all applicable laws and the rules requirements (as amended from time to time) of The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;
- (c) the aggregate nominal amount of the shares of the Company which is authorised to be repurchased by the Company pursuant to the approval in paragraph (a) shall not exceed 366,183,061 Shares, representing 10% of the total number of issued Shares of the Company as at the date of passing this resolution, and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

**“Relevant Period”** means the period from the 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 any applicable laws of Bermuda or the Company’s Bye-laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting.”

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

**“THAT** conditional upon the passing of resolutions nos. 5 and 6 as set out in the notice convening the meeting of which these resolutions form part, the general mandate granted to the directors of the Company pursuant to resolution no. 5 as set out in the notice convening the meeting of which this resolution forms part be and is

## NOTICE OF ANNUAL GENERAL MEETING

hereby extended by the addition thereto of such number of Shares representing the total number of Shares of the Company repurchased by the Company under the authority granted pursuant to resolution no. 6 as set out in the notice convening the meeting of which this resolution forms part, provided that such number of Shares shall not exceed 10% of the total number of issued Shares of the Company as at the date of passing this resolution.”

### SPECIAL RESOLUTION

To consider and, if thought fit, pass the following resolution (with or without modifications) as a special resolution of the Company:

8. **“THAT**

- (A) the existing Bye-laws of the Company be and are hereby amended by the proposed amendments to the Bye-laws of the Company as set out in Appendix III to the circular of the Company dated 29 May 2023 (the **“Proposed Amendments”**);
- (B) the amended and restated Bye-laws (**“Amended and Restated Bye-laws”**), a copy of which has been produced to the Meeting and initialled by the chairman of the Meeting for the purpose of identification, reflecting all the Proposed Amendments, be and are hereby approved and adopted in substitution for and to the exclusion of the existing Bye-laws with immediate effect; and
- (C) any one director or the company secretary of the Company be and are hereby authorised to do all acts and things and execute any further documents and take all steps which, in his/her opinion, may be necessary to implement and give effect to the adoption of the Amended and Restated Bye-laws of the Company, including without limitation, attending to the necessary filings with the Registrar of Companies in Bermuda and Hong Kong.”

By order of the Board  
**Southwest Securities International Securities Limited**  
**Zhang Hongwei**  
*Chairman*

Hong Kong, 29 May 2023

*Head Office and Principal Place of Business in Hong Kong:*  
14/F, One Hysan Avenue  
Causeway Bay Hong Kong

*As at the date of this notice, the executive directors of the Company are Mr. Zhang Hongwei (Chairman) and Mr. Huang Changsheng; and the independent non-executive directors of the Company are Mr. Meng Gaoyuan, Mr. Liang Jilin and Mr. Cao Ping.*

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. A proxy form for use at the meeting is enclosed.
2. Any Shareholder entitled to attend and vote at the meeting of the Company shall be entitled to appoint one or more proxies to attend and vote instead of him. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly 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 authorized to sign the same.
4. To be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be deposited at the Company's Hong Kong branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude a member from attending the meeting and voting in person. In such event, the form of proxy will be deemed to have been revoked.
5. A proxy needs not be a Shareholder. A Shareholder may appoint a proxy in respect of part of his holding of Shares in the Company.
6. The transfer books and register of members will be closed from Friday, 16 June 2023 to Wednesday, 21 June 2023, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 15 June 2023.
7. In the case of joint holders of a Share/Shares in the Company if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
8. If tropical cyclone warning signal no. 8 or above is hoisted or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force at 7:30 a.m. on Wednesday, 21 June 2023, the AGM will be postponed and further announcement for details of alternative meeting arrangements will be made. The AGM will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the AGM under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.