

(The English version shall always prevail in case of any inconsistency between English and its Chinese translation.)

**AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION  
AND  
SECOND AMENDED AND RESTATED  
ARTICLES OF ASSOCIATION  
OF  
Tianda Pharmaceuticals Limited  
天大藥業有限公司**

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**Incorporated in the Cayman Islands on the 21st day of January, 1992**

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**THE COMPANIES ACT (AS REVISED)**  
**EXEMPTED COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION**  
**OF**  
**Tianda Pharmaceuticals Limited**  
天大藥業有限公司

(Adopted pursuant to a special resolution passed at the annual general meeting held on 27 June 2023)

1. The name of the Company is Tianda Pharmaceuticals Limited and its dual foreign name is 天大藥業有限公司.
2. The Registered Office of the Company will be situate at Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 6(4) of the Companies Act (Revised).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 26(2) of the Companies Act (Revised).
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks and Trust Companies Act, 1989, or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Act, 1979 (as amended), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Act, 1984.
6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of the members is limited.
8. The capital of the Company is HK\$400,000,000.00 divided into 4,000,000,000 shares with a nominal or par value of HK\$0.10 each provided always that subject to the provisions of the Companies Act (Revised) and the Articles of Association the Company shall have power to redeem or purchase any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

**THE COMPANIES ACT (As Revised)**  
**Exempted Company Limited by Shares**

**SECOND AMENDED AND RESTATED**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**Tianda Pharmaceuticals Limited**  
天大藥業有限公司

(Adopted by way of special resolution passed at the annual general meeting held on 27 June 2023)

**PRELIMINARY**

1. The regulations contained or incorporated in Table “A” in the First Schedule of the Act (As Revised) shall not apply to the Company.

2. In these regulations unless there is something in the subject or context inconsistent therewith:–

“the Act” means the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as modified from time to time;

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

“associates” in relation to a Director, shall have the meaning attributed to it in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

“auditors” means the persons appointed by the Company from time to time to perform the duties of auditors of the Company;

“Board” or “Directors” shall mean the board of directors of the Company or the directors present at a meeting of directors of the Company at which a quorum is present;

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

“clear days” in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“Clearing Houses” means a clearing house recognised by the laws of jurisdiction in which the shares of the Company are listed on a stock exchange in such jurisdictions;

“the Company” or “this Company” means Tianda Pharmaceuticals Limited 天大藥業有限公司;

“the Companies Ordinance” means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended from time to time;

“Designated Stock Exchange” a stock exchange in respect of which the shares of the Company are listed or quoted and where such stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;

“the Directors” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present, and references in the Articles to Directors shall be to both executive and non-executive Directors unless otherwise indicated;

“dollars” or “HK\$” means Hong Kong Dollars;

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

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

“month” means calendar month;

“Notice” written notice unless otherwise specifically stated and as further defined in these Articles;

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

“ordinary resolution” 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, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 58;

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

“published in the newspaper” means published as a paid advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper, being in each case a newspaper published daily and circulating generally in Hong Kong and specified or not excluded for this purpose by the Designated Stock Exchange;

“the register” means the register of members of the Company and shall include any branch register;

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

“seal” means the common seal of the Company or where appropriate the official seal of the Company for use in any particular state, country or territory outside the Cayman Islands;

“share(s)” means share(s) in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;

“shareholders” or “members” means the duly registered holders of shares;

“special resolution” 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, in the case of such Members as are corporations, by their respective duly authorized representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 58;

A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles or the Statutes;

“Statutes” the Act and every other law of the Legislature of the Cayman Islands for the time being in force applying to or affecting the Company, its Memorandum of Association and/or these Articles;

“subsidiary” and “holding company” have the meanings attributed to them in the rules of the Designated Stock Exchange;

“substantial shareholder” means a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the stock exchange in the relevant territory from time to time) of the voting power at any general meeting of the Company;

“in writing” or “written” shall mean written or printed or printed by lithography or printed by photography or typewritten or produced by any other modes of representing words or figures in a 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 the Act and all applicable rules and regulations;

“year” means calendar year.

References to a document being executed include references to its being executed under hand or under seal or, to the extent permitted by, and in accordance with the Act and other applicable laws, rules and regulations, by electronic signature or by any other method. References to a document, to the extent permitted by, and in accordance with the Act and other applicable laws, rules and regulations, include references to any information in visible form whether having physical substance or not.

3. (A) The singular includes the plural and vice versa. Words importing any gender include the other genders.
- (B) Save as aforesaid any words or expressions defined in the Act shall if not inconsistent with the subject or context bear the same meaning in these presents.

- (C) The headings shall not affect the construction of these presents.

## **CAPITAL AND SHARES**

4. (A) The authorised share capital of the Company on the date on which these Articles come into effect is HK\$400,000,000 dividend into 4,000,000,000 shares of HK\$0.10 each.
- (B) Subject to the provisions of the Act and of the Articles relating to new shares, all unissued shares in the Company including any new shares created upon an increase of capital shall be under the control of the Directors who may offer, allot, grant options over or otherwise dispose of them to such persons, on such terms and conditions and at such times as the Directors shall in their sole and absolute discretion think fit, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Act.
5. (A) The Company may at any time pay a commission or brokerage to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company but so that the conditions and requirements of the Act shall be observed and complied with and in each case the commission or brokerage shall not exceed 10 per cent of the price at which the shares are issued.
- (B) The Directors may issue warrants to subscribe for any class of shares or securities of the Company on such terms as they may from time to time determine. Where share warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed and have received an indemnity in satisfactory form with regard to the issue of any new warrant.
6. (A) Subject to the provisions, if any, the Memorandum of Association and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of share capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same shall not make specific provision, as the Directors may determine) and any preference share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company is liable, to be redeemed on such terms and in such manner as the Company may by such special resolution determine.
- (B) The Company may by ordinary resolution, before the issue of any new shares, make any provisions as to the issue and allotment of such shares including, but without prejudice to the generality of the foregoing, a provision that the new shares or any of them shall be offered in the first instance to all the holders for the time being of shares of any class in proportion to the number of the shares held by them respectively but in default of any such determination such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.

7. (A) If at any time the capital is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, be varied with the consent in writing of the holders of not less than three-fourths of the voting rights of the members holding shares in that class or with the approval of a resolution passed by at least three-fourths of the votes cast by the holders of the shares of that class present and voting in person or by proxy at a separate general meeting of such holders. To any such separate general meeting all the provisions of the Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be not less than two persons holding (or, in the case of a member being a corporation, by its duly authorised representative) or representing by proxy not less than one-third of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy may demand a poll and that at any adjourned meeting of such holders two holders present in person (or, in the case of a member being a corporation, by its authorised representative) or by proxy (whatever the number of shares held by him) shall be a quorum.
- (B) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. Except as otherwise expressly provided by the Articles or required by law or ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by the Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
9. Subject to the provisions of the Act and subject further to compliance with the rules and regulations of the relevant stock exchange on which the shares of the Company are listed and any other relevant regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.
10. Subject to the provisions of the Act and the Memorandum of Association and subject further to compliance with the rules and regulations of the relevant stock exchange on which the shares of the Company are listed and any other relevant regulatory authority, the Directors may exercise the power of the Company to purchase or otherwise acquire its own shares and/or warrants upon such terms and subject to such conditions as the Directors may deem fit. Where the Directors exercise the power of the Company to purchase for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price and if purchases are made by tender, the tenders shall be available to all members alike.

## REGISTER OF MEMBERS AND SHARE CERTIFICATES

11. (A) The Directors shall cause to be kept at such place as they shall deem fit a register of the members and there shall be entered therein the particulars of members and the class of shares issued to each of them in accordance with the Act.
- (B) The Company may establish and maintain a branch register of members in accordance with Article 160.
- (C) Except where the register is closed, the register and any branch register shall during business hours be opened to the inspection of any member without charge.
- (D) For the purpose of Article 11(C), the reference to business hours is subject to such reasonable restrictions as the Company in general meeting may impose, to the extent permitted under the Act and the rules of the Designated Stock Exchange.
- (E) Any member may require a copy of the register, or of any part thereof, on payment of HK\$0.25, or such lesser sum as the Company may prescribe, for every 100 words or fractional part thereof required to be copied. The Company shall cause any copy so required by any person to be sent to that person within a period of 10 days commencing on the date next after the date on which the request is received by the Company.
- (F) Subject to the rules of the Designated Stock Exchange, the register may, after notice has been published in the newspaper circulating generally in Hong Kong in accordance with the requirements of the Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such time or for such period not exceeding in the whole 30 days in each year as the Directors may determine in accordance with the terms equivalent to the relevant section of the Companies Ordinance.
- (G) The Company shall, on demand, provide any person who is entitled to inspect the register seeking to inspect a register or part of a register that is closed under this Article with a certificate signed by the company secretary of the Company stating the period for which, and by whose authority, it is closed.



12. (A) Every person whose name is entered as a member in the register shall be entitled without payment to receive within 2 months or within such other period, if shorter, as the stock exchange on which the shares are listed may from time to time determine after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment, in the case of a transfer, of such maximum fee permitted or prescribed from time for time by such other exchange, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.
  - (B) Every certificate for shares or debentures or representing any other form of security of the Company shall be issued under the seal.
  - (C) Every share certificate hereafter issued shall specify the number of shares in respect of which it is issued and may otherwise be in such form as the Directors may from time to time prescribe.
13. If a share certificate is defaced, worn out, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding the maximum fee permitted or prescribed from time to time by the relevant stock exchange on which the shares of the Company are listed and on such terms, if any, as to publication of notices, evidence and indemnity and to payment of any exceptional costs and the reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Directors may think fit and, where it is defaced or worn out, after delivery of the defaced or worn out certificate to the Company.
  14. If any share stand in the names of 2 or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of the Articles, all or any other matters connected with the Company, except the transfer of the share.

#### **LIEN**

15. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not; but the Directors may at any time declare any share to be for some specified period wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends, bonuses and distributions payable in respect thereof.

16. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the share, or the person entitled thereto by reason of the death, mental disorder or bankruptcy of the registered holder.
17. The net proceeds of such sale after the payment of the costs thereof shall be received by the Company and applied in or towards payment, fulfilment or discharge of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable or due to be fulfilled or discharged, and any residue shall (subject to a like lien for debts or liabilities or engagements not presently payable or due to be fulfilled or discharged as existed upon the shares prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the shares sold) be paid to the person who was the holder of such shares immediately before the sale of such shares. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

#### **CALLS ON SHARES**

18. The Directors may from time to time make such calls as they may think fit upon the members in respect of all or any part of the moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the shares and/or by way of premiums) and not by the conditions of issue or allotment thereof made payable at a date fixed by or in accordance with such terms of issue or allotment; and each member shall (subject to receiving at least 14 days' notice specifying the time and place of payment and to whom such call shall be paid) pay to the Company at the time and place and to the person so specified the amount called on his shares. A call shall be deemed to have been made when the resolution of the Directors authorising such call is passed and may be made payable in one sum or by instalments. A call may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable on such call notwithstanding any subsequent transfer of the shares in respect of which the call was made.
19. A copy of the notice referred to in Article 18 shall be sent to the members in the manner in which notices may be sent to members by the Company as herein provided.
20. In addition to the giving of notice in accordance with Article 18, notice of the person appointed to receive payment of every call and of the time and place appointed for payment may be given to the members affected by notice to be inserted once in the Hong Kong Government Gazette and published in the newspaper.
21. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect of such share or other moneys due in respect thereof.
22. The Directors may from time to time at their discretion extend the time fixed for any call and may extend such time as regards all or any of the members whom, by reason of residence outside Hong Kong or other cause, the Directors may deem entitled to any such extension but no member shall be entitled to any such extension except as a matter of grace and favour.

23. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 20 per cent per annum as the Directors shall fix from the day appointed for the payment thereof to the time of the actual payment but the Directors shall be at liberty to waive payment of that interest wholly or in part.
24. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member who is entitled) at any general meeting, either personally or by proxy or authorised representative or be reckoned in a quorum or to exercise any other privilege as a member until all calls and instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
25. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of the Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matters whatsoever and the proof of the matters aforesaid only shall be conclusive evidence of the existence of the debt.
26. Any sum (whether on account of the nominal value of the share and/or by way of premium) which by the terms of issue or allotment of a share becomes payable upon allotment or at any date fixed by or in accordance with such terms of issue or allotment shall for all the purposes of the Articles be deemed to be a call duly made, notified and payable on the date on which by the terms of issue or allotment the same becomes payable. In case of non-payment all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
27. The Directors may make arrangements on the issue of shares for differences in the amount of calls to be paid and in the times of payment between one allottee or holder and another.
28. The Directors may, if they think fit, receive from any member willing to advance the same and either in money or money's worth all or any part of the moneys uncalled and unpaid or instalments not yet payable upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in general meeting, 6 per cent per annum) as may be agreed upon between the member paying the sum in advance and the Directors. The Directors may at any time repay the amount so advanced or any part thereof upon giving to such member not less than one month's notice in writing of their intention in that behalf, unless before the expiration of such notice the amount proposed to be repaid shall have been called up on the shares in respect of which it was advanced in which event the same shall be applied in or towards satisfaction of the call under the applicable provisions of the Articles.

#### **FORFEITURE OF SHARES**

29. If a member fails to pay in full any call or instalment of a call on the day appointed for the payment thereof, the Directors may at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 24, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment.

30. The notice shall name a further day (not earlier than 14 days after the date of service of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which the call was made will be liable to be forfeited.
31. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares but not paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder and in such case, references in these presents to forfeiture shall include surrender.
32. Unless cancelled in accordance with the requirements of the Act, any share so forfeited shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of either to the person who was, before the forfeiture, the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Directors think fit and at any time before a sale or disposition thereof the forfeiture may be cancelled on such terms as the Directors think fit.
33. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all calls already made and moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares and without any deduction or allowance for the value of the shares at the date of forfeiture (together with interest thereon at such rate not exceeding 20 per cent per annum as the Directors may prescribe from the date of forfeiture if the Directors think fit to enforce payment of such interest) but his liability shall cease if and when the Company shall receive payment in full of all such calls, monies and interests in respect of the shares. For the purposes of this Article, any sum which by the terms of issue of a share is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share and/or by way of premium, shall, notwithstanding that such time has not yet arrived be deemed to be payable at the date of forfeiture and the same shall become due and payable immediately upon the forfeiture but interest thereon shall only be payable in respect of any period between the said fixed time and, if later, the date of actual payment.
34. A statutory declaration in writing to the effect that the declarant is a Director or the secretary of the Company and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale, reallocation or disposition thereof and may, subject to the restrictions contained in the Articles, execute a transfer of the share in favour of the person to whom the share is sold, reallocated or disposed of and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, reallocation or disposal of the share.
35. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register.

36. (A) Notwithstanding any such forfeiture as aforesaid, the Directors may at any time, before any shares so forfeited shall have been sold, reallocated or otherwise disposed of, permit the shares forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares and upon such further terms (if any) as they think fit.
- (B) The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
- (C) The provisions of these Articles as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **STOCK**

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

### **TRANSFER OF SHARES**

41. (A) All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand or by mechanically imprinted signatures or such other manner as the Board may from time to time approve.
- (B) The instrument of transfer shall be executed by or on behalf of both the transferor and the transferee.
- (C) The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register in respect thereof.

42. Nothing in the Articles shall preclude the Directors from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person. The Directors in their sole and absolute discretion and without assigning any reason therefor may decline to register any transfer of shares which are not fully paid up to a person of whom they do not approve and they may also refuse to register any transfer of share (not being a fully paid up share) on which the Company has a lien. The Directors shall not register a transfer to a person who is known to them to be an infant or a person of unsound mind or under any other legal disability but the Directors shall not be bound to enquire into the age or soundness of mind or legal ability of any transferee.
43. Every instrument of transfer shall be left at the office or at such other place as the Directors may appoint for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer the shares. If the Directors refuse to register a transfer they shall within 2 months after the date on which the transfer was lodged with the Company send to each of the transferor and transferee notice of the refusal. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same together with the share certificate and such other evidence as aforesaid within 2 months after the date on which the transfer was lodged with the Company.
44. The Directors may also decline to recognise any instrument of transfer unless:–
- (i) the maximum fee permitted or prescribed from time to time by the relevant stock exchange on which the shares of the Company are listed is paid to the Company for registering any transfer or other document relating to or affecting the title to the shares involved or for otherwise making an entry in the register relating to such shares;
  - (ii) the instrument of transfer is in respect of only one class of shares;
  - (iii) the instrument of transfer is properly stamped; and
  - (iv) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed 4.
45. Upon every transfer of shares the certificate relating to the shares to be transferred held by the transferor shall be given up to be cancelled and shall forthwith be cancelled accordingly and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge.
46. The registration of transfers may be suspended and the register closed at such times and for such periods as the Directors may from time to time determine provided always that such registration shall not be suspended or the register closed for more than 30 days in any year or, if the Company in general meeting approves, 60 days in any year.

#### **UNTRACED SHAREHOLDERS**

47. The Company may sell any shares in the Company if:–
- (i) all cheques or warrants, being not less than 3 in total number, for any sum payable in cash to the holder of such shares in respect of them sent in the manner authorised by the Articles of the Company have remained uncashed for a period of 12 years;

- (ii) the Company has not at any time during the 12 year period received any indication of the existence of the member or of any person who is entitled to such shares; and
- (iii) upon expiry of the 12 year period, the Company has caused an advertisement to be published in the newspaper giving notice of its intention to sell such shares and a period of 3 months has elapsed since the date of such advertisement and the Company has notified the relevant stock exchange on which the shares of the Company are listed of such intention.

To give effect to any such sale the Directors may authorise any person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

#### **TRANSMISSION OF SHARES**

- 48. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder and the legal personal representatives of the deceased where he was a sole holder shall be the only persons recognised by the Company as having any title to his interest in the share; but nothing herein contained shall release the estate of the deceased (whether sole or joint holder) from any liability in respect of any share which had been held by him jointly with other persons or solely.
- 49. Any person to whom the right to any share has been transmitted by death, bankruptcy or operation of law may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the shares, whether in whole or part, or to have some person nominated by him registered as the transferee thereof, whether in whole or part, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the shares by the original member before the event giving rise to the transmission. The merger of any 2 or more corporations under the laws of one or more foreign countries or states shall constitute a transmission by operation of law for the purposes of this Article.
- 50. If the person so becoming entitled shall elect to be registered himself, whether in whole or part in respect of the shares involved, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered in respect of the shares the right to which has been so transmitted, he shall testify his election by executing in favour of that person a transfer of the relevant shares. All the limitations, restrictions and provisions of the Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the transmission had not occurred and the notice or transfer were a transfer signed by the original registered holder.

51. Any person to whom the right to any share has been transmitted by operation of law shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 days the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with but, subject to the requirements of Article 75 being met, such person may vote at meetings of the Company.

#### **ALTERATION OF CAPITAL**

52. The Company in general meeting may, from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.
53. Except so far as otherwise provided by the conditions of issue or by the Articles, any new shares issued as a consequence of an alteration of capital shall be subject to the same provisions with reference to the payments of calls and instalments, liens, transfer, transmission, forfeiture, cancellation, surrender, voting and otherwise as the shares in the original capital.
54. The Company may from time to time by ordinary resolution:–
- (i) consolidate and divide all or any of its capital into shares of larger amount than its existing shares; on any consolidation of fully paid shares into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of the shares to be consolidated determine which particular shares are to be consolidated into each consolidated share and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
  - (ii) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act; and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; and
  - (iii) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its capital by the amount of the shares so cancelled.
55. The Company may from time to time by special resolution, subject to any confirmation or consent required by the Act, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.



## GENERAL MEETINGS

56. The Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meetings in that financial year and shall specify the meeting as such in the notices calling it 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 rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board. All general meetings other than annual general meetings shall be called extraordinary general meetings. A meeting of the members of any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.
  
57. The Directors may, whenever they think fit, convene an extraordinary general meeting. Subject to the rules of the Designated Stock Exchange, any one or more members (including a recognised Clearing House (or its nominees)) holding at the date of the deposit of the requisition in aggregate not less than 10 per cent of such of the paid up capital of the Company as at the date of the deposit carrying the rights of voting at general meetings of the Company (on a one vote per share basis) may also make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting. Such requisition shall be made in writing to the Directors or the secretary for the purpose of requiring an extraordinary general meeting to be called by the Directors for the transaction of any business or resolution specified in such requisition, and shall be signed by the requisitionists and deposited at the office. If the Directors do not within 21 days from the date of the deposit of such requisition proceed duly to convene an extraordinary general meeting, the requisitionists themselves may convene the extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Directors to convene such a meeting shall be reimbursed to them by the Company.

## NOTICE OF GENERAL MEETINGS

58. An annual general meeting must be called by notice in writing of not less than twenty-one (21) clear days. All other general meetings (including an extraordinary general meeting) must be called by notice in writing of not less than fourteen (14) clear days. The Notice shall specify the place, the day, the hour and the agenda of the meeting and particulars of the resolutions to be considered at that meeting and in case of special business, the general nature of that business. The Notice convening an annual general meeting shall specify the meeting as such and the notice convening a meeting to pass a special resolution shall specify the intention to propose the relevant resolution as a special resolution.
59. Subject to the foregoing Article, the notice of every general meeting shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting to such persons as are under the Articles entitled to receive such notices from the Company Provided that subject to the provisions of the Act and the rules of the Designated Stock Exchange, a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—
- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than 95 per cent in nominal value of the shares giving that right.
60. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate any resolution passed or any proceedings at any meeting.

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

#### **PROCEEDINGS AT GENERAL MEETINGS**

62. All business shall be deemed special that is transacted at an extraordinary general meeting and at an annual general meeting, with the exception of the declaration and sanctioning of a dividend, making a call in accordance with the provisions of the Articles, the reading, consideration and adoption of the accounts, balance sheet and the reports of the Directors and other documents required to be annexed to the balance sheet, the election of Directors in the place of those retiring at the meeting whether by rotation or otherwise, the appointment of the auditors (where special notice of the intention for such appointment is not required by the Act) and the fixing, or the determination of the method of fixing, of the remuneration of the Directors and of the auditors.
63. For all purposes the quorum for a general meeting shall be 2 members entitled to vote present in person or by separate proxy or representative. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business provided that the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting.
64. If within 5 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Directors and if at the adjourned meeting a quorum is not present within 5 minutes from the time appointed for the meeting, any member present (or, in the case of a member being a corporation by its duly authorized representative) or by proxy and entitled to vote shall be a quorum for all purposes and may transact the business for which the meeting was called.
65. Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.
66. The chairman, if any, of the Directors or, in his absence, the deputy chairman, if any, shall preside as chairman at every general meeting of the Company.
67. If there is no such chairman or deputy chairman or if at any meeting neither of such chairman or deputy chairman is present within 5 minutes after the time appointed for holding the meeting or is willing to act as chairman, the Directors present shall choose one of their number as chairman and if only one Director shall be present he shall, if willing to act, preside as chairman. If no Director shall be present or if all the Directors present decline to take the chair or if the chairman chosen shall retire from the chair, then the members present shall choose one of their own number to be the chairman.

68. The chairman 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 and from place to place as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least 7 clear days' written notice specifying the place, the day and the hour of the adjourned meeting shall be given as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
69. (A) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorized representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.
- (B) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
- (i) by at least three Members present in person or in the case of a Member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting;
  - (ii) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one tenth of the total voting rights of all Members having the right to vote at the meeting; or
  - (iii) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.

70. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. 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 rules of the Designated Stock Exchange.
71. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Act. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
72. INTENTIONALLY DELETED
73. INTENTIONALLY DELETED

#### **VOTES OF MEMBERS**

74. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person or by proxy or by authorised representative shall have one vote, and on a poll every member present in person or by proxy or by authorised representative shall have one vote for each share of which he is the holder and which is fully paid up or credited as fully paid up and shall have for every partly paid share of which he is the holder the fraction of one vote equal to the proportion which the nominal amount due and paid up or credited as paid up thereon bears to the nominal value of the share (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purpose of this Article as paid up on the share). A person entitled to cast more than one vote upon a poll need not use all his votes or cast all the votes he uses in the same way.
75. Any person entitled under Article 49 to be registered as a shareholder may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Directors of his right to be registered as the holder of such shares or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
76. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy or by representative, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.
77. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court and any such committee, receiver, curator bonis or other person may on a poll vote by proxy.

78. If (a) any objection shall be raised to the qualification of any voter or (b) any votes have been counted which ought not to have been counted or which might have been rejected or (c) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.
78. (A) Where the Company has knowledge that any member is, under the 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.
- (B) All members shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration.
79. Any member of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy (which term shall for the purposes of this Article and Articles 80 to 85 include a representative appointed under Article 86). A proxy need not be a member of the Company. 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 on the same occasion provided that if more than one proxy is so appointed, the appointment shall specify the number and the class of shares in respect of which each such proxy is so appointed. A proxy shall be entitled to exercise the same powers on behalf of a Member who is an individual and for whom he acts as proxy as such Member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Member which is a corporation and for which he acts as proxy as such Member could exercise if it were an individual Member.
80. 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 seal or under the hand of an officer or attorney duly authorized. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

81. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the office or at the place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting or in any notice of any adjourned meeting or, in either case, in any document sent therewith or in the instrument of proxy issued by the Company not less than 48 hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person (or in the case of a member being a corporation, its duly authorised representative) at the meeting or poll concerned and in such event, the instrument appointing a proxy shall be deemed to be revoked.
82. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution unless it states that it is valid for all meetings whatsoever until revoked with the exception that any instrument may be used at any adjournment of the meeting for which it was originally intended and on a poll demanded at a meeting or adjourned meeting provided that in all these cases the meeting was originally held within 12 months from such date.
83. The instrument appointing a proxy to vote at a general meeting 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 of the meeting as for the meeting to which it relates.
84. 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 the revocation of the proxy or power of attorney or other authority under which the proxy was executed or transfer of the share in respect of which the proxy is given provided that no intimation in writing of the death, insanity, revocation or transfer has been received at the office or such other place as was specified for the deposit of instrument of proxy or by the chairman of the meeting at least 2 hours before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.
85. An instrument appointing a proxy whether for a specified meeting or otherwise may be in any usual or common form or in any other form which the Directors may approve provided that no provision contained herein shall prohibit, and the Directors shall not prohibit, the use of a two-way proxy form and the Directors may, if they think fit, send out with the notice of any meeting forms of instruments of proxy for use at the meeting.
86. (A) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorize such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. Reference in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representatives.

- (B) Where a Clearing House or its nominee(s) is a Member, it may authorise such person or persons as it thinks fit to act as its representative(s) (or proxies), 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 provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same powers on behalf of the Clearing House or its nominee(s) could exercise as if such person were an individual member of the Company in respect of the number and class of shares specified in the relevant authorisation, including the right to speak and vote individually on a show of hands or on a poll. Any reference in these Articles to a duly authorised representative of a member being a corporation shall mean a representative authorised under the provisions of this Article.
- (C) Authorised representative(s) and proxy(ies) shall be entitled to vote in respect of a resolution whether such resolution is to be passed by a show of hands or by poll.

#### **OFFICE**

87. The office shall be at such place in the Cayman Islands as the Directors shall from time to time appoint.

#### **DIRECTORS**

88. 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. Any Director so appointed shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election.
89. 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 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 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 the period for lodgment of such notice(s) shall commence no earlier than 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.



90. The members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove any Director (including a managing director or other executive director) before the expiration of his term of office (notwithstanding anything in the Articles or in any agreement between the Company and such Director but without prejudice to any claim which such Director may have against the Company for damages under any such agreement) and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.
91. INTENTIONALLY DELETED
92. A Director shall not be required to hold any qualification shares.
93. (A) The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Directors may agree or, failing such agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office.
- (B) The Directors shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled).
94. Any Director who, by request of the Directors or the Company, goes or resides outside the jurisdiction in which he normally resides for any purpose of the Company or holds any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Directors may determine.
95. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on, in or about the business of the Company.

96. The Directors may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds or death or disability benefits for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or is allied or associated with the Company or with any such subsidiary company or who are or were at any time Directors or officers of the Company or any such other company as aforesaid and holding or who have held any salaried employment or office in the Company or such other company and the wives, widows, families and dependants of any such persons. The Directors may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid and may make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Directors may do all or any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.
97. Without prejudice to the provisions for retirement by rotation herein contained, the office of a Director shall be vacated if the Director:-
- (i) becomes bankrupt or has a receiving order made against him or suspends payment or makes any arrangement or composition with his creditors generally;
  - (ii) becomes of lunatic or of unsound mind or a patient for any purpose of any statute relating to mental health and the Directors resolve that his office be vacated;
  - (iii) (not being a Director appointed to an office in the management or business of the Company under Article 108 whose contract precludes resignation) resigns his office by notice in writing to the Company;
  - (iv) is convicted of an indictable offence;
  - (v) has his office vacated or becomes prohibited from being a Director under any of the provisions of the Act or any order made under the Act;
  - (vi) absents himself from the meetings of the Directors during a continuous period of 6 months, without special leave of absence from the Directors and his alternate Director (if any) shall not during such period have attended in his stead and the Directors pass a resolution that his office be vacated by reason of such absence;
  - (vii) shall be removed from office by notice in writing served upon him signed by all his co-Directors provided that such co-Directors shall not be less than 3 in number; or
  - (viii) shall be removed from office by an ordinary resolution of the Company under Article 90.
98. No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director and no person shall be ineligible for appointment as a Director by reason only of his having attained any particular age.

## ROTATION OF DIRECTORS

99. Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not 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) shall be subject to retirement at least once every three years. A Director retiring at a meeting shall retain office until the close of the meeting. The Directors to retire shall, subject as aforesaid, be those who have been longest in office since their last re-election or appointment but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.
100. The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.
101. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:-
- (i) it shall be determined at such meeting to reduce the number of Directors;
  - (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
  - (iii) in any such case the resolution for re-election of a Director is put to the meeting and lost.
102. The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than 2.
103. The Company shall keep at its office a register in which there shall be entered such particulars in respect of the Directors and officers as the Directors deem fit.

## POWERS AND DUTIES OF DIRECTORS

104. (A) The business of the Company shall be managed by the Directors who, without limiting the generality of the foregoing, may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not required, by the Articles or by the Act, to be exercised by the Company in general meeting subject, nevertheless, to such regulations as may be prescribed by the Company in general meeting being not inconsistent with any of the Articles or the provisions of the Act; but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

- (B) Without prejudice to the general powers conferred by the Articles, it is hereby expressly declared that the Directors shall have the following powers:–
- (i) To give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and
  - (ii) To give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
105. (A) The Company shall not, directly or indirectly:–
- (i) make a loan to a Director of the Company or of any holding company of the Company;
  - (ii) enter into any guarantee or provide any security in connection with a loan made by any person to such a Director;
  - (iii) if any one or more of the Directors of the Company hold (jointly or severally or directly or indirectly) beneficially a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.
- (B) Subject to paragraphs (C), (D), (E), (F) and (G) of this Article, each of the following transactions shall be excepted from the prohibitions in paragraph (A) of this Article:–
- (i) a loan by the Company to another company which is a member of the same group of companies as the Company or the Company's entering into a guarantee or providing any security in connection with a loan made by any person to that other company;
  - (ii) the Company's doing anything to provide any of its Directors with funds to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him properly to perform his duties as an officer of the Company;
  - (iii) a loan by the Company to a Director of the Company:–
    - (a) for the purpose of facilitating the purchase, for use as that Director's only or main residence, of the whole or part of any residential premises together with any land to be occupied and enjoyed therewith;
    - (b) for the purpose of improving any residential premises so used or any land occupied and enjoyed therewith; or
    - (c) in substitution for any loan made by any person and falling within (a) or (b) above;
  - (iv) where the ordinary business of the Company includes the lending of money or the giving of guarantees in connection with loans made by other persons, a loan by the Company to any person or the Company's entering into a guarantee in connection with a loan by one person to another.

- (C) Subject to paragraph (F) of this Article, the exception specified in sub-paragraph (ii) of paragraph (B) of this Article shall operate only if either of the following conditions is satisfied:–
- (i) the thing in question is done with the prior approval of the Company given at a general meeting at which the purpose of any expenditure and the amount of any loan to be made by the Company or the extent of the Company's liability under any guarantee to be given by the Company or, as the case may be, in respect of any security to be provided by the Company are disclosed; or
  - (ii) that thing is done on condition that, if the approval of the Company is not so given at or before the next following annual general meeting, the loan shall be repaid or that liability discharged within 6 months from the conclusion of that meeting.
- (D) Subject to paragraph (F) of this Article, the exception specified in sub-paragraph (iii) of paragraph (B) of this Article shall operate in respect of a loan referred to therein only if the following conditions are satisfied:–
- (i) the Company ordinarily makes loans of that description to its employees on terms no less favourable than those on which the loan itself is made;
  - (ii) the loan does not exceed 80 per cent of the value of the residential premises, or the part thereof, in question and any land to be occupied and enjoyed therewith as stated in a valuation report which complies with the following requirements:–
    - (a) the valuation report shall be made by a professionally qualified valuation surveyor who is subject to the discipline of a professional body; and
    - (b) the valuation report shall be made and signed by the valuation surveyor not earlier than 3 months prior to the date on which the loan is made; and
  - (iii) the loan is secured by a legal mortgage on the land comprising the residential premises, or the part thereof, in question and any land to be occupied and enjoyed therewith.
- (E) Subject to paragraphs (F) and (G) of this Article, the exception specified in sub- paragraph (iv) of paragraph (B) of this Article shall operate only if the following conditions are satisfied:–
- (i) the loan in question is made by the Company or it enters into the guarantee in question in the ordinary course of the Company's business; and
  - (ii) the amount of the loan or the amount guaranteed is not greater, and the terms of the loan or guarantee are not more favourable, in the case of the person to whom the loan is made or in respect of whom the guarantee is entered into than that or those which it is reasonable to expect the Company to have offered to or in respect of a person of the same financial standing as that person but unconnected with the Company.

- (F) The exception specified in sub-paragraph (ii), (iii) or (iv) of paragraph (B) of this Article shall not authorize the Company to enter into a transaction if at the time that the transaction is entered into the aggregate of the following amounts:–
- (i) the amount outstanding at that time on all loans made by the Company to any of its Directors otherwise than under sub-paragraph (i) of paragraph (B) of this Article;
  - (ii) the amount representing the maximum liability of the Company at that time under all guarantees entered into, and in respect of any security provided, by the Company in connection with loans made by any person to any of its Directors; and
  - (iii) if the transaction in question is:–
    - (a) a loan, the amount of such loan;
    - (b) a guarantee, the amount representing the maximum liability of the Company under such guarantee; or
    - (c) the provision of a security, the amount representing the maximum liability of the Company in respect of such security,
- exceeds 5 per cent of the amount of the Company's net assets as shown in the latest balance sheet laid before the Company in general meeting.

- (G) The exception specified in sub-paragraph (iv) of paragraph (B) of this Article shall not authorize the Company to make a loan to any Director of the Company or of its holding company or, where any one or more of the Directors of the Company hold (jointly or severally or directly or indirectly) a controlling interest in another company, to that other company, or to enter into a guarantee in connection with a loan made by any person to any such Director or other company, if at the time that the loan is made or, as the case may be, that guarantee is given the aggregate of the following amounts exceeds HK\$500,000:–
- (i) the principal of the loan to be made or guaranteed by the Company or, if the case so requires, so much of that principal as is so guaranteed;
  - (ii) any amount outstanding at that time by way of principal on any other loan made by the Company by virtue of that exception to such Director or other company; and
  - (iii) where at that time the Company is or may be made liable in pursuance of any guarantee entered into by virtue of that exception, the amount for which the Company is or may be so made liable in respect of the principal of any other loan to such Director or other company.

(H) References in this Article, except in sub-paragraph (ii) or (iii) of paragraph (B) of this Article, to a Director shall include references to:-

(i) the spouse or any child or step-child of such Director;

(ii) a person acting in his capacity as the trustee (other than as trustee under an employees' share scheme or a pension scheme) of any trust the beneficiaries of which include the Director, his spouse or any of his children or step- children or the terms of which confer a power on the trustees that may be exercised for the benefit of the Director, his spouse or any of his children or step-children; and

(iii) a person acting in his capacity as partner of that Director or of his spouse, child or step-child, or of any trustee referred to in sub-paragraph (ii) above.

(I) References in paragraph (H) of this Article to the child or step-child of any person shall include a reference to any illegitimate child of that person, but shall not include a reference to any person who has attained the age of 18 years.

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

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

108. The Directors may from time to time appoint one or more of their body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director, General Manager, Joint General Manager and/or such other office in the management or business of the Company on such terms and for such period as they ay determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.
109. A Director appointed to an office under Article 108 shall be subject to the same provisions as to removal as the other Directors of the Company and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
110. The Directors may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director, Executive Director, General Manager or Joint General Manager or a Director appointed to any other office in the management or business of the Company any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers but no person dealing in good faith and without notice of such revocation, withdrawal, alteration or variation shall be affected thereby.
111. Notwithstanding Articles 93, 94, 95 and 96, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director or a Director appointed to any other office in the management of the business of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission, participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or ether benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.
112. The Directors shall cause minutes to be duly entered in books provided for the purpose:—
- (i) of all appointments of officers made by the Directors;
  - (ii) of the names of the Directors present at each meeting of the Directors and of any committee of Directors;
  - (iii) of all declarations made or notices given by any Director (either generally or specially) of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and
  - (iv) of all resolutions and proceedings of general meetings of the Company and of meetings of the Directors and any committee of Directors;

and any such minutes of any general meeting of the Company or any meeting of the Directors or of any committee of Directors shall be signed by the chairman of such meeting or by the chairman of the next succeeding meeting and if so signed shall be receivable as conclusive evidence of the matters stated therein.



## DIRECTORS' INTERESTS

113. (A) Subject to the provisions of the Act, a Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as vendor, shareholder or otherwise and, subject to the Act, no such Director shall be accountable to the Company for any remuneration or benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise directs. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as directors or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or be about to be, appointed a director or other officer of such a company and that as such he is or may become interested in the exercise of such voting rights in the manner aforesaid.
- (B) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms as to remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such office or place of profit or as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested (whether or not such contract or arrangement is with any person, company or partnership of or in which any Director shall be a member) be liable to be avoided on that account nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall forthwith disclose the nature of his interest in any contract or arrangement in which he is interested at the earliest meeting of the Directors at which it is practicable for him so to do notwithstanding that the question of entering into such contract or arrangement is not taken into consideration at that meeting. A Director may vote in respect of any resolution concerning his own appointment as the holder of any office or place of profit with the Company (including the arrangement or variation of the terms thereof or the termination thereof).
- (C) A general notice to the Directors by a Director that he is to be regarded as interested in any contract or arrangement which may be made with a specified person, firm or corporation after the date of such notice shall be a sufficient declaration of interest in relation to any contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.
- (D) Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that a Director or his firm shall not act as auditors to the Company.

- (E) A Director shall not vote (nor shall he 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 associates is/are materially interested and if he shall do so his vote shall not be counted, 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 associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his 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 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 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 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) INTENTIONALLY DELETED
  - (vi) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of any employees' share option scheme or any share incentive scheme or share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to the Director, his associates and employees of the Company or any of its subsidiaries and does not provided in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates.
- (F) INTENTIONALLY DELETED
- (G) INTENTIONALLY DELETED
- (H) If any question shall arise at any meeting of the Directors as to the materiality of the interest of a Director (other than the chairman of the meeting) and/or his associates or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associates concerned as known to such Director has not been fairly disclosed to the Directors. If any question as aforesaid shall arise in respect of the chairman of the meeting, such question shall be decided by a resolution of the Directors (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Directors.

- (I) Subject to the applicable laws, the Company may by ordinary resolution ratify any transaction not duly authorized by reason of a contravention of this Article provided that no Director who is or whose associate(s) is/are materially interested in such transaction, together with any of his associates, shall vote upon such ordinary resolution in respect of any shares in the Company in which they are interested.

#### PROCEEDINGS OF DIRECTORS

114. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes and in the case of an equality of votes the chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by telex or telegram at the address from time to time notified to the Company by such Director or alternate Director or in such other manner as the Directors may from time to time determine provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. A Director may waive notice of any meeting either prospectively or retrospectively. The Directors or any committee of the Directors may participate in a meeting of the Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
115. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.
116. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles for the time being vested in or exercisable by the Directors generally.
117. Unless otherwise determined by the Directors, the quorum of a Directors' Meeting shall be 2. Any Director who ceases to be a Director at a Directors' meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Directors' meeting if no other Director objects and if otherwise a quorum of Directors would not be present. For the purpose of this Article an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is an alternate for more than one Director, he shall for quorum purposes be counted only as one Director.

118. The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.
119. The Directors may from time to time elect or otherwise appoint a Director to be Chairman or Deputy Chairman and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Directors; but if no such Chairman or Deputy Chairman is elected or appointed or if at any meeting the Chairman or Deputy Chairman is not present within 5 minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be chairman of the meeting.
120. The Directors may delegate, and impose regulations in respect of such delegation of, any of their powers, authorities and discretions to committees consisting of such member or members of their body and such other persons as they think fit provided that the majority of the members of any such committee are Directors of the Company and that no meeting of any such committee shall be qualified as a quorum for the purpose of exercising any of such powers, authorities or discretions unless a majority of those present are Directors of the Company. The Directors may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part and either as to persons or purposes, and every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors.
121. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Directors and the Directors shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee and charge such remuneration to the current expenses of the Company.
122. The meetings and proceedings of any such committee consisting of 2 or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors including Article 115 so far as the same are applicable thereto and are not replaced by any regulations imposed by the Directors pursuant to Article 120.
123. All acts bona fide done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.

#### **ALTERNATE DIRECTORS**

124. (A) A Director may at any time by notice in writing delivered to the office or at a meeting of the Directors appoint any person (including another Director) to be an alternate Director in his place. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved. Any person so appointed shall (except when absent from Hong Kong) be entitled to receive notices of and to attend and vote at meetings of the Directors and be counted towards a quorum and generally at such meetings to perform all the functions of his appointor as a Director and shall automatically vacate his office on the expiration of the term for or the happening of the event until which he is by the terms of his appointment to hold office or which, were he a Director, would cause him to vacate such office or if the appointor in writing revokes the appointment or himself ceases for any reason to hold office as a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired. An appointment of an alternate Director under this Article shall not prejudice the right of the appointor to receive notices of and to attend and vote at meetings of the Directors and the powers of the alternate Director shall automatically be suspended during such time as the Director appointing him is himself present in person at a meeting of the Directors.

- (B) For the purposes of the proceedings at Directors' meetings the provisions of the Articles shall apply as if an alternate Director (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committee of the Directors, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of the Articles.
- (C) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### **MANAGERS**

125. The Directors may from time to time appoint a manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the manager or managers who may be employed by him or them in the business of the Company.
126. The appointment of such manager or managers may be for such period as the Directors may decide and the Directors may confer upon him or them all or any of the powers of the Directors and such title or titles as they may think fit.
127. The Directors may enter into such agreement or agreements with any such manager or managers upon such terms and conditions in all respects as the Directors may in their absolute discretion think fit, including a power for such manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

## SECRETARY

128. The secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them. Anything by the Act or the Articles required or authorised to be done by or to the secretary, if the office is vacant or there is for any other reason no secretary capable of acting, may be done by or to any assistant or deputy secretary or if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors.
129. Any provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the secretary.

## BORROWING POWERS

130. The Directors may exercise all the powers of the Company to borrow money, give guarantees and mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
131. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.
132. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
133. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Act.
134. The Directors shall cause a proper register to be kept, in accordance with the provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified and otherwise.
135. If the Company issues a series of debentures or debenture stock not transferable by delivery, the Directors shall cause a proper register to be kept of the holders of such debentures or debenture stock in accordance with the provisions of the Act.

## CHEQUES

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

## THE SEAL

137. (A) The Directors shall provide for safe custody of the seal which shall only be used with the authority of the Directors or of a committee authorised by the Directors in that behalf; and every instrument to which the seal shall be affixed shall be signed by one Director and the Secretary or some other person appointed by the Directors for the purpose or by two Directors Provided that the Directors may either generally or in any particular case resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Directors may determine) that such signature may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution. Every instrument executed in the manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.
- (B) Subject to the provisions of the Act, the Company may have an official seal for use in such state, country or territory outside the Cayman Islands as the Directors shall determine and the Company may by writing under the seal appoint any agent or committee outside the Cayman Islands to be the duly authorised agent of the Company for the purpose of affixing and using such official seal and the agent may impose such restrictions on the use thereof as may be thought fit. The Company may also have, for the purpose of sealing securities issued by the Company, and for the purpose of sealing documents representing or evidencing the securities so issued, an official seal which is a facsimile of the seal with the addition on its face of the words "Securities Seal". Wherever in the Articles reference is made to the seal, the reference shall, so far as may be applicable, be deemed to include such official seals as aforesaid.

## DIVIDENDS AND RESERVES

138. Subject to the Act and as hereinafter set out, the Company in general meeting may declare dividends, in any currency, to be paid to the members according to their rights and privileges in the profits available for distribution but no dividend shall exceed the amount recommended by the Directors.
139. (A) The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the capital of the Company is divided into different classes, the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend but no interim dividend shall be paid on shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrear provided that if the Directors act bona fide the Directors shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferential rights.
- (B) The Directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Directors are of the opinion that the position of the Company justifies the payment.

140. Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Act.
141. Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe to securities of the Company or other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective.
142. (A) Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors may further resolve:–
- either (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:–
- (a) the basis of any such allotment shall be determined by the Directors;
  - (b) the Directors, after determining the basis of allotment, shall give not less than 2 weeks' notice in writing to the members of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
  - (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid to the members who have not duly exercised the said cash election on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the profits of the Company available for distribution or any part of any of the Company's reserve accounts (including any special account, share premium account and capital redemption reserve) as the Directors may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the allottees of the non-elected shares on such basis;



or (ii) that the members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid in lieu of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:-

- (a) the basis of any such allotment shall be determined by the Directors;
- (b) the Directors, after determining the basis of allotment, shall give not less than 2 weeks' notice in writing to the members of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid to the members who have duly exercised the said share election on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the profits of the Company available for distribution or any part of any of the Company's reserve accounts (including any special account, share premium account and capital redemption reserve fund) as the Directors may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the allottees of the elected shares on such basis.

(B) The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:-

- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu and in satisfaction thereof as aforesaid); or
- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend

unless, contemporaneously with the announcement by the Directors of their proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Directors shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Article shall rank for participation in such dividend, distribution, bonus or rights.

- (C) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article with full power to the Directors to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter into, on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
  - (D) The Company may, upon the recommendation of the Directors, by special resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.
  - (E) The Directors may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.
143. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. The Directors may deduct from any dividend, bonus or distribution payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise in relation to the shares of the Company.
144. The Directors may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
145. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be lawfully applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares or warrants of the Company) as the Directors may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to distribute by way of dividend.

146. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him and so that the call shall be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the member, be set off against the call.
147. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.
148. Notwithstanding anything herein contained, if two or more persons are registered as joint holders of any share, any one of them may give an effectual receipt for any dividends, interim dividends or bonuses or other moneys payable on or in respect of such shares.
149. Unless otherwise directed by the Directors, any dividend, interest, bonus or other sum payable in cash to the members may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or to such person at such address as the member or person entitled (as the case may be) may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled (as the case may be) may direct and shall be sent at his own risk and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend, interest, bonus or other sum represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.
150. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or any profit or benefit derived therefrom. All dividends or bonuses unclaimed for 6 years after having been declared shall be forfeited by the Directors and shall revert to the Company.
151. (A) The Directors may, with the sanction of an ordinary resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or any sum standing to the credit of any profit and loss account or otherwise available for distribution (and not required for the payment or provision of the dividend on any shares with a preferential right to dividend) by appropriating such sum to the holders of shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and applying such sum on their behalf in or towards paying up any amounts for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares (or subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares), debentures or other obligations of the Company for allotment and distribution credited as fully paid up to and amongst them in the proportion aforesaid, or partly in the one way and partly in the other: Provided that a share premium account and a capital redemption reserve and any reserve or fund representing unrealised profits may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members as fully paid bonus shares.

- (B) Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid up shares or debentures, if any, and generally shall do all acts and things considered necessary or expedient to give effect to any such capitalisation. In particular where any difficulty arises in regard to any distribution under paragraph (A) of this Article the Directors may settle the same as they think expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Directors. The Directors may authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for any such capitalisation and matters incidental thereto including the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation or, as the case may require, the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all concerned.
152. (A) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the par value of a share then the following provisions shall apply:-
- (i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the "Subscription Right Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) of this paragraph (A) on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up such additional shares in full as and when the same are allotted;
  - (ii) the Subscription Right Reserve will not be used for any purpose other than that specified above until all other reserves of the Company (other than share premium account and capital redemption reserve) have been used and will then only be used to make good losses of the Company if and so far as is required by law;
  - (iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:-

- (a) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
- (b) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par

and immediately upon such exercise so much of the sum standing to the credit of the Subscription Right Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holder;

- (iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Directors shall apply any profits or reserves then or thereafter becoming available (including to the extent permitted by law, share premium account and capital redemption reserve) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until such time no dividend or other distribution shall be paid or made on the shares. Pending such payment up and allotment the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Directors may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.
- (B) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned.
  - (C) Notwithstanding anything contained in paragraph (A) of this Article no fraction of a share shall be allotted on exercise of the subscription rights.
  - (D) The provisions of this Article as to the establishment and maintenance of the Subscription Right Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating, the provisions for the benefit of any warrant holder or class of warrant holders under this Article without the sanction of a special resolution of such warrant holders or class of warrant holders.

- (E) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to an exercising warrant holder credited as fully paid and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders.

#### **RECORD DATES**

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

#### **ANNUAL RETURNS**

154. The Directors shall make the requisite annual returns in accordance with the Act.

#### **ACCOUNTS**

155. The Directors shall cause proper books of account to be kept with respect to:-

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

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

156. The books of account shall be kept at the Company's principal place of business in Hong Kong or at such other place as the Directors think fit and shall always be open to inspection by the Directors.
157. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the account and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in general meeting.

158. The Directors shall from time to time cause to be prepared and audited by the auditors for the time being of the Company such profit and loss accounts, balance sheets and group accounts (if any) as are referred to in those provisions. Such profit and loss accounts, balance sheets and group accounts (if any) as shall have been audited by the auditors for the time being of the Company and such other reports as are referred to in the relevant provisions of the Act shall be laid before the Company at the annual general meeting which must be held in accordance with the provisions of Article 56.
159. Every balance sheet of the Company shall be signed and a copy of every balance sheet and profit and loss account which is to be laid before the Company at the annual general meeting, together with a copy of the Directors' report and a copy of the auditors' report, shall be sent to every member of, and every holder of debentures of, the Company and every person registered under Article 49 and to all persons other than members or holders of debentures of the Company, being persons entitled to receive notices of general meetings of the Company, at the same time as notice of the meeting is being sent: Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures. Copies of each of the said documents shall also be forwarded in appropriate number to the relevant stock exchange on which the shares of the Company shall be listed or the relevant committee thereof in accordance with the terms of any listing agreement for the time being binding on the Company or with the continuing obligation binding on the Company by virtue of any listing.

#### **BRANCH REGISTERS**

160. Subject to the provisions of the Act, if the Directors consider it necessary or appropriate, the Company may establish and maintain a branch register of members at such location within or outside the Cayman Islands as the Directors think fit. The Directors may, subject to the Act, make or vary from time to time such provisions as they think fit in respect of the keeping of any such branch register and the transfer of shares to, on or from any such branch register and may comply with the requirements of any local law.

#### **AUDIT**

161. (A) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the members shall by ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such 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 auditor of the Company.
- (B) The Board may appoint one or more firms of auditors to fill any casual vacancy in the office of auditors, but while any such vacancy continues the surviving or continuing auditors (if any) may act. The remuneration of any auditor appointed by the Board under this Article may be fixed by the Board. Subject to Article 161(C), an auditor appointed under this Article shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the members under Article 161(A) at such remuneration to be determined by the members under Article 162.
- (C) The members may, at any general meeting convened and held in accordance with these Articles, remove the auditors by ordinary resolution at any time before the expiration of the term of office and shall, by ordinary resolution, at that meeting appoint new auditors in its place for the remainder of the term.

162. The remuneration of the auditors shall be fixed by an ordinary resolution passed at a general meeting or in such manner as the members may by ordinary resolution determine.
163. Every statement of account audited by the Company's auditors and presented by the Directors at a general meeting shall after approval at such meeting be conclusive as to the contents thereof except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected and the statement of account amended in respect of the error shall be conclusive as aforesaid.

## **NOTICES**

164. Any notice or document (including a share certificate) may be given by the Company to any member either personally or by sending it by post to him at his registered address as appearing in the register or at the address, within or outside the Cayman Islands, supplied by him to the Company for the sending of notices or documents to him or by advertisement to be published in the newspaper. A member who has no address of either type as aforesaid shall be deemed to have received any notice which shall have been displayed at the office or at the principal place of business for the time being of the Company in Hong Kong and shall have remained there for the period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed.
165. Subject to Article 164, where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting an envelope or a wrapper containing the notice and to have been effected on the day following that on which the envelope or wrapper containing the same is put into a post office situated within the Cayman Islands or Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and a certificate in writing signed by the secretary or other person appointed by the Directors that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof. Any notice or other document delivered or left at the registered address or address supplied for the sending of notices or documents to him otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left. Where the registered address of a member is outside Hong Kong, any notice or documents to be given or issued under these Articles or the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited shall be sent, where applicable, by prepaid airmail or an equivalent service that is no slower, as determined by the Directors.
166. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share and notice so given shall be sufficient notice to all the joint holders.



167. A notice may be given by the Company to the persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid envelope or wrapper addressed to them by name or by the title of representatives of the deceased or trustee of the bankrupt or committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by the court or by any like description at the address, if any, within the Cayman Islands or Hong Kong supplied for the purpose by the persons claiming to be so entitled or, until such an address has been so supplied, by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
168. Any person who, by operation of law, transfer or other means whatsoever, becomes entitled to any share shall be bound by every notice in respect of such share which, prior to his name and address being entered in the register, shall have been duly given under the Articles to the person from whom he derived his title to such share.
169. Notice of every general meeting shall be given in any manner hereinbefore authorized to (a) every member, (b) every person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member who, but for his death, mental disorder or bankruptcy, would be entitled to receive notice of the meeting, and (c) the auditors for the time being of the Company. No other persons shall be entitled to receive notices of general meetings.
170. Any notice or document delivered or sent by post or left at the registered address or the address supplied by him for the sending of notices or documents to him of any member in pursuance of the Articles shall, notwithstanding that such member be then deceased or bankrupt or that any other event has occurred and whether or not the Company has notice of his death, bankruptcy or such other event, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of the Articles be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
171. The signature to any notice to be given by the Company may be written or printed.

#### **INFORMATION**

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

## **DESTRUCTION OF DOCUMENTS**

173. The Company may destroy:–

- (i) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (ii) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of 2 years from the date such mandate, variation, cancellation or notification was recorded by the Company;
- (iii) any instrument of transfer of shares which has been registered at any time after the expiry of 6 years from the date of registration; and
- (iv) any other document on the basis of which any entry in the register is made at any time after the expiry of 6 years from the date an entry in the register was first made in respect of it;

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

- (a) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (a) above are not fulfilled; and
- (c) references in this Article to the destruction of any document include references to its disposal in any manner.

## **WINDING-UP**

174. (A) Subject to Article 174(B), the Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- (B) A resolution that the Company be wound up by the court or to be wound up voluntarily shall be a special resolution.
- (C) If the Company is wound up and the assets available for distribution among the members as such are insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding-up on the shares held by them respectively. If in a winding-up the assets available for distribution among the members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up paid up by them respectively. This Article shall not add to or detract from the rights of the holders of shares issued upon special terms and conditions.

175. No fee or commission shall be paid by the Company to any Director or liquidator upon any sale or realisation of the Company's undertaking or assets or any part thereof except with the sanction of a general meeting convened by notice specifying the fee or commission proposed to be paid.
176. If the Company shall be wound up (whether voluntarily or under supervision of or by the court), the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
177. In the event of a winding-up of the Company, every member of the Company who is not for the time being in Hong Kong shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, order and judgments in relation to or under the winding-up of the Company may be served and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement to be published in the newspaper or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

## INDEMNITY

178. (A) Subject to the provisions of and so far as may be permitted by the Act, every Director, auditor, secretary or other officer of the Company and every agent or employee of the Company shall be entitled to be indemnified by the Company out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceeding, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any law for relief from liability in respect of any such act or omission in which relief is granted to him by any court of competent jurisdiction.
- (B) Subject to the provisions of the Act, if any Director and/or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director and/or person so becoming liable as aforesaid from any loss in respect of such liability.
179. Unless otherwise determined by the Directors, the financial year of the Company shall end on the 31st day of December in each year.
180. Subject to the provisions of the Act, the Company may at any time and from time to time by special resolution alter or amend the Memorandum of Association or the Articles in whole or in part.