
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Bradaverse Education (Int'l) Investments Group Limited (“**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchasers or transferees or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchasers or transferees.

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Bradaverse Education (Int'l) Investments Group Limited
源宇宙教育(國際)投資集團有限公司

(Formerly known as “Hong Kong Education (Int'l) Investments Limited

香港教育(國際)投資集團有限公司”)

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1082)

- (1) PROPOSALS FOR RE-APPOINTMENT OF AUDITORS;**
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES;
(4) PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS
AND ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS;
(5) ADOPTION OF THE 2023 SHARE OPTION SCHEME AND TERMINATION
OF THE EXISTING SHARE OPTION SCHEME;
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting (“**AGM**”) of the Company to be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Thursday, 21 December 2023 at 10:00 a.m. is set out on pages 94 to 100 of this circular. A form of proxy for use at the AGM is enclosed herewith. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.bdveduii.com) respectively.

Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event by 10:00 a.m. on Tuesday, 19 December 2023 or not less than 48 hours before any adjournment of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM of the Company or any adjournment thereof if you so wish and, in such event, the form of proxy shall be deemed to be revoked.

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DEFINITIONS

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

“2023 Share Option Scheme”	the share option scheme proposed to be approved and adopted by the Shareholders at the AGM, a summary of the principal terms of which is set out in Appendix IV to this circular;
“Adoption Date”	the date on which the 2023 Share Option Scheme is conditionally adopted by ordinary resolutions of the Shareholders;
“AGM”	the annual general meeting of the Company to be convened and held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Thursday, 21 December 2023 at 10:00 a.m. or any adjournment thereof, the notice convening the AGM is set out on pages 94 to 100 of this circular;
“AGM Notice”	the notice of AGM set out on pages 94 to 100 of this circular;
“Amended and Restated Bye-laws”	the amended and restated bye-laws of the Company set out in Appendix III to this circular (with the Proposed Amendments marked up against the Existing Bye-laws) proposed to be adopted by the Shareholders with effect from the passing of the relevant special resolution;
“Board”	the board of Directors;
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Company”	Bradaverse Education (Int’l) Investments Group Limited (Stock code: 1082), an exempted company incorporated in the Cayman Islands and continued in Bermuda with limited liability the Shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Consultation Conclusions”	the Consultation Conclusions on Proposed Amendments to the Listing Rules relating to Share Schemes of Listed Issuers published by the Stock Exchange in July 2022;
“controlling shareholder”	has the meaning as defined in the Listing Rules;
“Director(s)”	the director(s) of the Company;

DEFINITIONS

“Eligible Participant(s)”	means (i) any Employee Participant; or (ii) any Related Entity Participants who the Board or the Committee considers, in its sole discretion, has the eligibility ascribed in the 2023 Share Option Scheme;
“Employee Participant(s)”	the directors and employees of the Company or any of its subsidiaries (including persons who are granted Options under the 2023 Share Option Scheme as an inducement to enter into employment contracts with the Company or any of its subsidiaries);
“Existing Bye-laws”	the bye-laws of the Company currently in force;
“Existing Share Option Scheme”	the share option scheme of the Company adopted by the Company pursuant to an ordinary resolution of the Shareholders passed on 4 December 2020;
“Grant Date”	the date on which the grant of Offer is made to an Eligible Participant, being the date of an Offer Letter;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“INED(s)”	the independent non-executive Directors;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all power of the Company to allot, issue and otherwise deal with Shares up to 20% of the issued share capital of the Company on the date of AGM as set out in ordinary resolution no. 8 of the AGM Notice;
“Latest Practicable Date”	24 November 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Committee”	has the meaning as defined in the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“Offer”	an offer for the grant of an Option made in accordance with the terms of the 2023 Share Option Scheme;

DEFINITIONS

“Offer Date”	means the date of the Offer Letter, which date must be a business day, on which an Offer is made to an Eligible Participant;
“Offer Letter”	the letter issued by the Board to the Selected Participant pursuant to an Option granted under the 2023 Share Option Scheme containing terms and conditions of the Option;
“Option(s)”	option(s) to subscribe for Shares pursuant to the 2023 Share Option Scheme;
“Option Period”	in respect of any Option, the period commencing on the date of acceptance of an Option and expiring at the close of business on a day as determined by the Directors (both days inclusive), which period may, if the Directors so determine, be set at different length for different Eligible Participants provided always that such period shall not be longer than ten (10) years from the date upon which any Option is granted in accordance with the 2023 Share Option Scheme;
“Option Price”	the price per Share payable on the exercise of an Option (in whole or in part) as determined by the Directors (which price may, if the Directors so determine, be set at different levels for different periods during the Option Period) provided always that it shall comply with the provisions of the 2023 Share Option Scheme;
“Proposed Amendments”	the amendments proposed to be made to the Existing Bye-laws as set out in Appendix III to this circular;
“Related Entities”	means the holding companies, fellow subsidiaries or associated companies of the Company;
“Related Entity Participant(s)”	means directors (whether executive or non-executive) and employees (whether full time or part time) of the Related Entities (including persons who are granted Options as an inducement to enter into employment contracts with the Related Entities);
“Remuneration Committee”	the remuneration committee of the Company;
“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all Options to be granted under the 2023 Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue;

DEFINITIONS

“Selected Participant(s)”	any Eligible Participant who accepts the Offer accordance with the terms of the 2023 Share Option Scheme, or his personal representative;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of The Laws of Hong Kong) as amended and supplemented from time to time;
“Share(s)”	share(s) of nominal or par value of HK\$0.05 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	in relation to an Option, an amount equal to the Option Price multiplied by the relevant number of Shares in respect of which such Option is exercised;
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-Backs as approved by the Securities and Futures Commission of Hong Kong, as amended, modified or otherwise supplemented from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



Bradaverse Education (Int'l) Investments Group Limited **源宇宙教育(國際)投資集團有限公司**

(Formerly known as "Hong Kong Education (Int'l) Investments Limited

香港教育(國際)投資集團有限公司")

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1082)

Executive Directors:

Mr. Yip Kai Pong

Mr. Li Ming Him

Independent Non-executive Directors:

Mr. Yuen Chun Fai

Mr. Hong Ka Kei

Ms. Leung Sze Ki

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

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

Unit 1708, 17/F

Tower II

Admiralty Centre

No. 18 Harcourt Road

Hong Kong

29 November 2023

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSALS FOR RE-APPOINTMENT OF AUDITORS;**
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES;
(4) PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS
AND ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS;
(5) ADOPTION OF THE 2023 SHARE OPTION SCHEME AND TERMINATION
OF THE EXISTING SHARE OPTION SCHEME;
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to: (i) furnish you with details of the re-appointment of auditors of the Company; (ii) furnish you with details of the proposed re-election of retiring Directors; (iii) provide you with details of the proposed Issue Mandate and the proposed Repurchase Mandate and the extension of the Issue Mandate by addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate; (iv) provide you with details of the Proposed Amendments and the adoption of the 2023 Amended and Restated Bye-laws; (v) provide you with details of the proposed adoption of the 2023 Share Option Scheme; and (vi) give you the AGM Notice.

LETTER FROM THE BOARD

2. RE-APPOINTMENT OF AUDITORS

Baker Tilly Hong Kong Limited will retire as the auditors of the Company at the AGM and, being eligible, offer themselves for re-appointment.

Upon the recommendation of the audit committee of the Company (the “**Audit Committee**”), the Board proposes to re-appoint Baker Tilly Hong Kong Limited as the auditors of the Company and to hold office until the conclusion of the next annual general meeting of the Company.

3. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to bye-law 83 of the Existing Bye-laws, any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Mr. Li Ming Him (“**Mr. Li**”) was appointed as an executive Director with effect from 1 June 2023. As such, Mr. Li will offer himself for re-election as an executive Director at the AGM. Mr. Hong Ka Kei (“**Mr. Hong**”) and Ms. Leung Sze Ki (“**Ms. Leung**”) were appointed as INEDs with effect from 20 January 2023. As such, Mr. Hong and Ms. Leung will offer themselves for re-election as INEDs at the AGM.

Pursuant to bye-law 84 of the Existing Bye-laws and the code provision B.2.2 of Appendix 14 to the Listing Rules, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation and a retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. Pursuant to bye-law 84 of the Existing Bye-laws, the newly appointed Director as mentioned above shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. As such, Mr. Yuen Chun Fai (“**Mr. Yuen**”) will retire by rotation at the AGM. Mr. Yuen, being eligible, will offer himself for re-election as an INED at the AGM.

The Company has in place a nomination policy which sets out, inter alia, the selection criteria (the “**Criteria**”) and the evaluation procedures in nominating candidates to be appointed or re-appointed as Directors. The re-appointment of each of Mr. Li, Mr. Hong, Ms. Leung and Mr. Yuen was recommended by the nomination committee of the Company, and the Board has accepted the recommendations following a review of their overall contribution and service to the Company including their attendance of Board meetings and general meeting, the level of participation and performance on the Board, and whether they continue to satisfy the Criteria.

Biographical details of Mr. Li, Mr. Hong, Ms. Leung and Mr. Yuen, the Directors who are proposed to be re-elected at the AGM, are set out in Appendix I to this circular.

4. GENERAL MANDATE TO ISSUE SHARES

The Company’s existing mandate to issue shares was approved by ordinary resolutions at the annual general meeting held on 30 December 2022. The existing mandate to issue shares will lapse at the conclusion of the AGM.

LETTER FROM THE BOARD

At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to allot, issue and otherwise deal with Shares of up to 20% of the total number of the issued Shares as at the date of passing of the relevant resolution.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if so granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

The Issue Mandate allows the Company to allot, issue and otherwise deal with Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Existing Bye-Laws or the laws of Bermuda; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company (the “**Relevant Period**”).

As at the Latest Practicable Date, the issued share capital of the Company comprised 602,238,880 Shares. Subject to the passing of the relevant resolution to approve the Issue Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Directors would be authorised to allot, issue and otherwise deal with a maximum of 120,447,776 new Shares under the Issue Mandate, representing 20% of the total number of the issued Shares as at the date of the AGM.

5. GENERAL MANDATE TO REPURCHASE SHARES

The Company’s existing mandate to repurchase shares was approved by ordinary resolutions at the annual general meeting held on 30 December 2022. The existing mandate to repurchase shares will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to repurchase Shares of up to 10% of the total number of the issued Shares as at the date of passing of the relevant resolution. The Repurchase Mandate will allow the Company to make repurchases only during the Relevant Period.

As at the Latest Practicable Date, the issued share capital of the Company comprised 602,238,880 Shares. Subject to the passing of the relevant resolution to approve the Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Company would be allowed to repurchase a maximum of 60,223,888 Shares under the Repurchase Mandate, representing 10% of the total number of the issued Shares as at the date of the AGM.

An explanatory statement is required to be sent to the Shareholders under the Listing Rules and is set out in Appendix II to this circular, which provides the requisite information regarding the Repurchase Mandate to the Shareholders.

LETTER FROM THE BOARD

6. PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND THE ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS

On 1 January 2022, the Listing Rules were amended by, among others, adopting a uniform set of core shareholder protection standards (the “**Core Standards**”) as set out in Appendix 3 to the Listing Rules for issuers regardless of their place of incorporation. In this connection, the Board proposes that certain amendments to the Existing Bye-laws be made to (i) bring the Existing Bye-laws in conformity with the Core Standards; (ii) bring the Existing Bye-laws in line with other requirements of the Listing Rules and applicable laws of the Bermuda; (iii) provide flexibility to the Company to hold general meetings as physical meetings, or hybrid meetings or electronic meetings where the Shareholders may attend by means of electronic facilities, and (iv) incorporate certain consequential and minor house-keeping amendments.

In view of the number of the Proposed Amendments to be made to the Existing Bye-laws, the Board proposes to put forward to the Shareholders for approval at the AGM a special resolution to amend the Existing Bye-laws by way of adoption of the Amended and Restated Bye-laws incorporating all the Proposed Amendments, in the form to be tabled at the AGM in substitution for, and to the exclusion of, the Existing Bye-laws.

The full text of the Amended and Restated Bye-laws marked up to show the changes made to the Existing Bye-laws is set out in Appendix III to this circular.

The legal adviser to the Company as to Hong Kong law has confirmed that the Proposed Amendments conform with the requirements of the Listing Rules; and the legal adviser to the Company as to Bermuda law has confirmed that the Proposed Amendments do not violate Bermuda law. The Company confirms that there is nothing unusual about the Amended and Restated Bye-laws.

The Amended and Restated Bye-laws are prepared in the English language. The Chinese translation of the Amended and Restated Bye-laws is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.

7. PROPOSED ADOPTION OF THE 2023 SHARE OPTION SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company on 8 December 2020 and is valid and effective for a period of 10 years from the date of adoption. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules has been amended with effect from 1 January 2023. In light of the above, the Company proposes to terminate the Existing Share Option Scheme and adopt the 2023 Share Option Scheme to replace the Existing Share Option Scheme.

As at the Latest Practicable Date, the Company had granted options for the subscription of a total of 58,080,000 Shares under the Existing Share Option Scheme, of which 5,808,000 options had been exercised; and 52,272,000 options remained outstanding, which were granted to nine directors or employees of the subsidiaries of the Company.

The Directors confirm that prior to the AGM, the Company will not grant any option under the Existing Share Option Scheme. As at the Latest Practicable Date, there is no other Share Scheme of the Company other than the Existing Share Option Scheme.

LETTER FROM THE BOARD

Upon termination of the Existing Share Option Scheme, no further options may be granted but in all other respects, the provisions of the Existing Share Option Scheme shall remain in full force and effect. Therefore, the termination of the Existing Share Option Scheme will not in any event affect the terms of the grant of such outstanding options that have already been granted under the Existing Share Option Scheme and outstanding options granted under the Existing Share Option Scheme shall continue to be subject to the provisions of the Existing Share Option Scheme.

An ordinary resolution will be proposed at the AGM for the Shareholders to consider, and if thought fit, to approve the termination of the Existing Share Option Scheme and adoption of the 2023 Share Option Scheme. The resolution approving the termination of the Existing Share Option Scheme is made conditional upon the passing of the resolution approving the adoption of the 2023 Share Option Scheme. The 2023 Share Option Scheme complies with the latest requirements under Chapter 17 of the Listing Rules.

As at the Latest Practicable Date, the issued share capital of the Company comprised 602,238,880 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the Adoption Date, the maximum number of Shares which may be issued upon exercise of all options to be granted under the 2023 Share Option Scheme, and any other share option scheme(s) and any share award scheme(s) of the Company that involve(s) the issuance of new Shares (if any), in aggregate will be 60,223,888 Shares, representing 10% of the total number of Shares in issue as at the Adoption Date.

As at the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the 2023 Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

Conditions precedent of the 2023 Share Option Scheme

The 2023 Share Option Scheme will take effect upon satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders in the AGM to terminate the Existing Share Option Scheme;
- (b) the passing of an ordinary resolution by the Shareholders in the AGM to approve the adoption of the 2023 Share Option Scheme and to authorise the Board to grant Options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of any Options granted under the 2023 Share Option Scheme; and
- (c) the Listing Committee granting approval for the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options granted under the 2023 Share Option Scheme.

An application will be made to the Stock Exchange for the approval of the listing for, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the 2023 Share Option Scheme.

LETTER FROM THE BOARD

Explanation of the terms of the 2023 Share Option Scheme

A summary of the principal terms of the 2023 Share Option Scheme is set out in Appendix IV to this circular. This serves as a summary of the terms of the 2023 Share Option Scheme but does not constitute the full terms of the same.

The purpose of the 2023 Share Option Scheme is to recognise and acknowledge the past and future contributions of the Eligible Participants to the Group, and to enable the Group to grant Options to Eligible Participants as incentives or rewards for their contributions to the Group with the view to achieving the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.

Eligible Participants

Eligible Participants include (i) the Employee Participants; and (ii) the Related Entity Participants.

In determining the basis of eligibility of each Eligible Participant, the Board will take into account matters including, but without limitation to:

- (a) the skills, knowledge, experience, expertise and other relevant personal qualities of the Eligible Participant;
- (b) the Eligible Participant's performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
- (c) the contribution made or expected to be made by the Eligible Participant to the growth of the Group;
- (d) the length of service of the Eligible Participant with the Group; and
- (e) the Group's overall business objectives and future development plan.

LETTER FROM THE BOARD

The Board (including the INEDs) is of the view that, apart from the contributions of employees and directors of the Group, the success of the Group may also come from the efforts and co-operation of non-employees who play a part in the development and continued success of the Group's business and operations, and have contributed or may contribute to the Group in the future. In particular, the Group has a close working relationship with Related Entity Participants. The Group maintains close collaborative relationships with Related Entity Participants operating in the private education industry who have extensive connections in the market and have been involved in projects or provided support to the Group, in the form of providing advice to the Group on formulating medium to long-term business strategy, sharing their knowledge and experience in the education industry, such as web-based virtual education, an area which the Group is seeking to expand its business into. The Related Entity Participants may also contribute to the Group by providing specific knowledge on a wide spectrum of related industries in which it operates, providing guidance with respect to potential expansions into new markets and product categories based on their pre-existing expertise, which allow the Group to capture new opportunities for business development.

The inclusion of Related Entity Participants as eligible grantees under the 2023 Share Option Scheme is therefore consistent with the purpose of the scheme. This enables the Group to have the flexibility to utilize Options as a means of incentivising or rewarding persons outside of the Group to contribute to its long-term success by aligning the interests with these stakeholders and strengthening their ongoing relationship with the Group.

As mentioned above, the Board will take into account numerous factors when assessing the eligibility of and contribution (or potential contribution) made or to be made by different categories of non-employee Eligible Participants. The Board also has the discretion to impose different terms and conditions (including but not limited to performance targets and vesting conditions) on Options to be granted to these Eligible Participants, which allows the Board to have flexibility to impose appropriate conditions in light of the particular circumstances of each grant, corresponding to the relevant non-employee Eligible Participants' contribution or potential contribution.

Based on the above, the Board (including the INEDs) considers that (i) the inclusion of the Related Entity Participants as non-employee Eligible Participants are in line with the Company's business needs and the industry norm of providing equity based payment to stakeholders in order to align interests and incentivise performance and contribution, as the Related Entity Participants' effort have been instrumental in the development and continued success of the Group's businesses and it is desirable and necessary to sustain and foster these business relationships on a long-term basis; and (ii) the criteria for selection of Related Entity Participants as set out above and in paragraph 3.3 of Appendix IV to this circular and the discretion afforded to the Board a high degree of flexibility to impose different terms and conditions (including performance targets and vesting conditions) on Options granted to such selected non-employee Eligible Participants, are appropriate and in the interest of the Company and the Shareholders as a whole, as the Board will be in a better position to assess the eligibility and contribution of each Related Entity Participant, and determine the terms of grant to align with the purposes of the 2023 Share Option Scheme.

LETTER FROM THE BOARD

Maximum number of Shares subject to the 2023 Share Option Scheme

The Scheme Mandate Limit is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme and any other share schemes of the Company, which shall not exceed 10% of the total number of Shares in issue on the Adoption Date.

As at the Latest Practicable Date, there were 602,238,880 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the Scheme Mandate Limit will be 60,223,888 Share.

Performance targets and clawback mechanism

Save as determined by the Board and provided in the Offer Letter, the 2023 Share Option Scheme does not stipulate any performance target that the grantee is required to achieve before the relevant Option can be exercised. However, the 2023 Share Option Scheme gives the Board discretion to impose such conditions on the Options where appropriate. The Directors consider that it may not always be appropriate to impose such conditions particularly when one of the purpose of granting the Options is to remunerate or compensate Eligible Participants for past contributions. The Directors consider it more beneficial to the Company to retain the flexibility to determine whether such conditions are appropriate in light of the particular circumstances of each grant.

As for clawback mechanism, upon the occurrence of the events including the failure of the grantee to perform duties effectively or is involved in serious misconduct, breach of any non-competition or non-disclosure agreement entered into with the Group, the contravention of the relevant laws and regulations of the applicable jurisdiction and/or the provisions of the Bye-laws by the grantee, the involvement of the grantee in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Company, the sanction by the Stock Exchange and/or subject to any disciplinary actions imposed by the Securities and Futures Commission of Hong Kong or conviction of any criminal offence to the grantee, and the failure of the grantee to discharge, or discharge properly his or her duties or fail to comply with the Company's internal policy and/or his/her employment agreement which result in serious loss in asset of the Company and other serious and adverse consequence, the Board may clawback such number of Options (to the extent not being exercise) granted or extend the vesting period (regardless of whether the initial vesting date has occurred) in relation to all or any of the Options (to the extent not being exercised) to such longer period. The Options that are clawed back shall be regarded as cancelled accordingly. The Board is of the view that with such clawback mechanism in place, the Company would be able to claw back the equity incentives granted to the grantees culpable of misconduct, which is in line with the purpose of the 2023 Share Option Scheme and the interest of the Shareholders in general. The directors believe that the 2023 Share Option Scheme will provide the Board with flexibility in determining the applicable performance targets and any other conditions to which the specific grant of Options may be subject on a case-by-case basis, and thus will place the Group in a better position to attract human resources that are valuable to the long-term growth and development of the Group.

LETTER FROM THE BOARD

Vesting period

The vesting period for an Option shall not be less than 12 months, save where the Board or (where the arrangements relate to grants of Options to the Directors and senior management of the Company) Remuneration Committee determines a shorter vesting period under the circumstances more particularly described in Appendix IV to this circular. Such circumstances may (i) provide flexibility to grant Options as part of competitive terms to induce valuable talents to join the Group (paragraphs 5.2(a) of Appendix IV); (ii) reward past contribution which may otherwise be neglected due to administrative or technical reasons (paragraphs 5.2(b) and (d) of Appendix IV); (iii) reward exceptional performers with accelerated vesting (paragraphs 5.2(e) and (f) of Appendix IV); and (iv) to motivate exceptional performers based on performance metrics rather than time (paragraph 5.2(c) of Appendix IV). As there are certain instances where a strict 12-month vesting requirement would not work or would not be fair to the grantees, to ensure the practicability in fully attaining the purpose of the 2023 Share Option Scheme, there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified and the Company should be allowed discretion to formulate its own talent recruitment and retention strategies in response to the changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances. The Board and the Remuneration Committee are of the view that such arrangements are appropriate because they are in line with the requirements under the Listing Rules and market practice, and give the Company flexibility to provide a competitive remuneration package to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, which is in line with the purpose of the 2023 Share Option Scheme.

Basis of determination of the Subscription Price

The Board will also determine the Subscription Price in respect of any Option pursuant to the terms of the 2023 Share Option Scheme, which shall be at least the highest of: (i) the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the Offer Date; (ii) the average closing price per Share as stated in the Stock Exchange's daily quotations sheet for the five (5) business days immediately preceding the Offer Date; or (iii) the nominal value of a Share. The Directors consider that such basis will serve to preserve the value of the Company and encourage the Eligible Participants to acquire proprietary interests in the Company.

Based on the above, the Board considers that the adoption of the 2023 Share Option Scheme is in the interests of the Company and the Shareholders as a whole and would enable the purpose of the 2023 Share Option Scheme to be achieved.

A summary of the principal terms of the 2023 Share Option Scheme is set out in Appendix IV to this circular.

The 2023 Share Option Scheme does not have a trustee and hence none of the Directors is and will be a trustee of the 2023 Share Option Scheme.

The Board has no present intention to grant any Options to any of the Eligible Participants under the 2023 Share Option Scheme after its adoption.

LETTER FROM THE BOARD

Document on display

A copy of the rules of the 2023 Share Option Scheme will be published on the respective websites of the Stock Exchange at www.hkexnews.hk and the Company at www.bdveduii.com for display for a period of not less than fourteen (14) days before the date of the AGM and the rules of the 2023 Shares Option Scheme will be made available for inspection at the AGM.

CLOSURE OF REGISTER OF MEMBERS

The forthcoming AGM is scheduled to be held on Thursday, 21 December 2023. To determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 18 December 2023 to Thursday, 21 December 2023, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:00 p.m. on Friday, 15 December 2023.

AGM

The notice convening the AGM to be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Thursday, 21 December 2023 at 10:00 a.m. is set out on pages 94 to 100 of this circular. A form of proxy for use by Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event no less than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the AGM or any adjourned meeting thereof (as the case may be) should you so desire and in such event, the form of proxy shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions as set out in the AGM Notice will be voted by poll and, after being verified by the scrutineer, the results of the poll will be published in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors consider that the proposals for the re-appointment of auditors, re-election of the retiring Directors, the grant of the Issue Mandate and the grant of Repurchase Mandate, the extension of the Issue Mandate, the Proposed Amendments to the Existing Bye-laws and the adoption of the Amended and Restated Bye-laws, and the proposed termination of the Existing Share Option Scheme and adoption of the 2023 Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM and as set out in the AGM Notice.

RESPONSIBILITY STATEMENT

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

By Order of the Board
Bradaverse Education (Int'l) Investments Group Limited
Yip Kai Pong
Executive Director

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are the biographical details of the Directors proposed to be re-elected at the Annual General Meeting:

MR. LI MING HIM

Mr. Li, aged 31, obtained a bachelor's degree of business administration in accounting in 2017 and has more than 7 years of experience in fund administration services and related sectors. Prior to joining the Company, Mr. Li has served as the vice president of a fund administration company in Hong Kong. Mr. Li has extensive experience in the establishment of private funds and partnerships, and the management of various aspects of fund operations and corporate governance.

The Company has entered into a letter of appointment with Mr. Li regarding his directorship for a fixed term of 3 years commencing from 1 June 2023. His appointment is subject to retirement by rotation and re-election pursuant to the bye-laws of the Company. Mr. Li is entitled to a monthly director's fee of HK\$15,000 and an annual discretionary bonus as may be determined by the Remuneration Committee. The remuneration of Mr. Li was recommended by the Remuneration Committee and determined by the Board with reference to his background, experience, duties and responsibilities with the Company and the prevailing market conditions.

Save as disclosed above, Mr. Li (i) does not have any other interests in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance); (ii) does not hold any other position within the Group; (iii) does not have any other relationship with any Director, senior management, substantial shareholder or controlling shareholder; and (iv) did not hold any directorship in any public companies listed in Hong Kong or overseas in the past three years. Save as disclosed above, there is no other information subject to disclosure under Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Stock Exchange, nor are there other matters relating to the appointment of Mr. Li that need to be brought to the attention of the Shareholders.

MR. HONG KA KEI

Mr. Hong, aged 37, obtained his Bachelor of Commerce (Accounting & Finance) degree from the University of New South Wales in 2009. Mr. Hong is a member of the CPA Australia. He has over 12 years of experience with a number of multinational corporations and government-subsidized body in the fields of human resources and accounting in Hong Kong and Australia.

The Company has entered into a letter of appointment with Mr. Hong regarding his directorship for a fixed term of 3 years commencing from 20 January 2023. His appointment is subject to retirement by rotation and re-election pursuant to the bye-laws of the Company. Mr. Hong is entitled to a monthly director's fee of HK\$10,000 and an annual discretionary bonus as may be determined by the Remuneration Committee. The remuneration of Mr. Hong was recommended by the Remuneration Committee and determined by the Board with reference to his background, experience, duties and responsibilities with the Company and the prevailing market conditions.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Mr. Hong (i) does not have any other interests in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance); (ii) does not hold any other position within the Group; (iii) does not have any other relationship with any Director, senior management, substantial shareholder or controlling shareholder; and (iv) did not hold any directorship in any public companies listed in Hong Kong or overseas in the past three years. Save as disclosed above, there is no other information subject to disclosure under Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Stock Exchange, nor are there other matters relating to the appointment of Mr. Hong that need to be brought to the attention of the Shareholders.

MS. LEUNG SZE KI

Ms. Leung, aged 34, obtained her Bachelor of Business Administration degree in Accountancy from Hong Kong Baptist University in 2011. Ms. Leung is a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants. She has over 10 years of experience in the fields of financial reporting, financial analysis and auditing.

The Company has entered into a letter of appointment with Ms. Leung regarding her directorship for a fixed term of 3 years commencing from 20 January 2023. Her appointment is subject to retirement by rotation and re-election pursuant to the bye-laws of the Company. Ms. Leung is entitled to a monthly director's fee of HK\$10,000 and an annual discretionary bonus as may be determined by the Remuneration Committee. The remuneration of Ms. Leung was recommended by the Remuneration Committee and determined by the Board with reference to her background, experience, duties and responsibilities with the Company and the prevailing market conditions.

Save as disclosed above, Ms. Leung (i) does not have any other interests in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance); (ii) does not hold any other position within the Group; (iii) does not have any other relationship with any Director, senior management, substantial shareholder or controlling shareholder; and (iv) did not hold any directorship in any public companies listed in Hong Kong or overseas in the past three years. Save as disclosed above, there is no other information subject to disclosure under Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Stock Exchange, nor are there other matters relating to the appointment of Ms. Leung that need to be brought to the attention of the Shareholders.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

MR. YUEN CHUN FAI

Mr. Yuen, aged 44, obtained his bachelor of science degree in accounting and finance from The London School of Economics and Political Science in 2002. Mr. Yuen is a fellow of the Association of Chartered Certified Accountants and is also a certified public accountant of The Hong Kong Institute of Certified Public Accountants. He has over 19 years of experience in the fields of financial reporting, financial management and audit in Hong Kong, China, Malaysia and Singapore. Mr. Yuen is currently an independent non-executive director, the chairman of the audit committee and a member of the nomination committee of Cornerstone Technologies Holdings Limited (stock code: 8391), a company whose shares are listed on GEM of the Stock Exchange. Mr. Yuen is also currently the company secretary and authorised representative of Edvance International Holdings Limited (stock code: 1410), a company whose shares are listed on the Main Board of the Stock Exchange.

The Company has entered into a letter of appointment with Mr. Yuen regarding his directorship for a fixed term of 3 years commencing from 2 February 2022. His appointment is subject to retirement by rotation and re-election pursuant to the bye-laws of the Company. Mr. Yuen is entitled to a monthly director's fee of HK\$10,000 and an annual discretionary bonus as may be determined by the Remuneration Committee. The remuneration of Mr. Yuen was recommended by the Remuneration Committee and determined by the Board with reference to his background, experience, duties and responsibilities with the Company and the prevailing market conditions.

Save as disclosed above, Mr. Yuen (i) does not have any other interests in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance); (ii) does not hold any other position within the Group; (iii) does not have any other relationship with any Director, senior management, substantial shareholder or controlling shareholder; and (iv) did not hold any directorship in other public companies listed in Hong Kong or overseas in the past three years. Save as disclosed above, there is no other information subject to disclosure under Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Stock Exchange, nor are there other matters relating to the appointment of Mr. Yuen that need to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement, as required by Rule 10.06(1)(b) of the Listing Rules, to provide requisite information to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to approve the granting of the Repurchase Mandate to the Directors.

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company had 602,238,880 Shares in issue. Subject to the passing of the ordinary resolution set out in item 9 of the AGM Notice in respect of the granting of the Repurchase Mandate and on the basis that no Shares will be issued or repurchased by the Company prior to the date of the AGM, the Directors would be authorised under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, up to 60,223,888 Shares, representing 10% of the Shares in issue as at the date of the AGM.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

In repurchasing Shares pursuant to the Repurchase Mandate, the Company may only apply funds legally available for such purpose in accordance with its memorandum of continuance and the Bye-laws, the Companies Act, the laws of Bermuda and/or any other applicable laws, as the case may be.

The Companies Act provides that a company may only repurchase its own shares out of capital paid up on its shares to be repurchased, or out of funds of the company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made by the company for the purpose. Any amount of premium payable on a repurchase over the par value of the shares may only be effected out of either funds of the company that would otherwise be available for dividend or distribution, or out of the company's share premium account. Further, such repurchase may not be made if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the company is, or after the repurchase would be, unable to pay its liabilities as they become due.

4. MATERIAL ADVERSE CHANGE

There may be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts contained in the annual report of the Company for the year ended 30 June 2023) in the event that the Repurchase Mandate is to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time befitting the Company.

5. EFFECT OF TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (as defined in the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following Shareholders had interests representing 5% or more of the issued share capital of the Company:

Name	Capacity/Nature of Interest	Number of Shares held/interest	Approximate percentage of total issued shares	
			As at the Latest Practicable Date	If the Repurchase Mandate is exercised in full
Bradbury Investment Fund (SPC) Limited – Bradbury Global Opportunity Fund SP (Note 1)	Beneficial owner & Interest of controlled corporation	175,872,000	29.20%	32.45%
Bradbury Private Investment IX Inc. (Note 1)	Beneficial owner	82,704,000	13.73%	15.26%

Note:

- Bradbury Private Investment IX Inc. is owned as to 100% by Bradbury Investment Fund (SPC) Limited – Bradbury Global Opportunity Fund SP. By virtue of the SFO, Bradbury Investment Fund (SPC) Limited – Bradbury Global Opportunity Fund SP is deemed to be interested in the 82,704,000 Shares held by Bradbury Private Investment IX Inc.

On the basis of 602,238,880 Shares in issue as at the Latest Practicable Date and assuming there is no further issue or repurchase of Shares during the period from the Latest Practicable Date up to and including the date of the AGM, if the Repurchase Mandate were exercised in full, the total number of the Shares which will be repurchased pursuant to the Repurchase Mandate shall be 60,223,888 Shares (being 10% of the total number of issued Shares as at the Latest Practicable Date) and the interests in the shareholding in the Company held by Bradbury Investment Fund (SPC) Limited – Bradbury Global Opportunity Fund SP and Bradbury Private Investment IX Inc. would be increased to approximately 32.45% and 15.26% respectively. Such increase will give rise to an obligation on Bradbury Investment Fund (SPC) Limited – Bradbury Global Opportunity Fund SP to make a mandatory general offer under Rule 26 of the Takeovers Code. However, the Directors have no intention to exercise the Repurchase Mandate which would render any Shareholder or any other persons obliged to make a mandatory general offer under the Takeovers Code.

The Directors will not repurchase the Shares on the Stock Exchange if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

6. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, none of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company or its subsidiaries in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, the Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Share to the Company or its subsidiaries, or that they have undertaken not to sell any Shares held by them to the Company, in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

7. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchase of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda, and the memorandum of continuance of the Company and the Existing Bye-laws.

8. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares were traded on the Stock Exchange during each of previous 12 months preceding the Latest Practicable Date were as follows:

Year	Month	Highest HK\$	Lowest HK\$
2022	November	1.85	1.49
	December	1.87	1.46
2023	January	1.78	1.55
	February	2.09	1.54
	March	1.89	1.54
	April	1.78	1.50
	May	1.88	1.42
	June	1.78	1.52
	July	1.80	1.49
	August	1.62	1.45
	September	1.68	1.41
	October	1.93	1.43
	November (up to the Latest Practical Date)	1.94	1.61

9. SHARES REPURCHASES MADE BY THE COMPANY

No repurchase has been made by the Company of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

AMENDED AND RESTATED
BYE-LAWS

OF

Bradaverse Education (Int'l) Investments Group Limited
Hong Kong Education (Int'l) Investments Limited
源宇宙教育(國際)投資集團有限公司香港教育(國際)投資集團有限公司

(Adopted by a special resolution passed on [•] 2023
conditionally at an Extraordinary General Meeting held on 22 April 2015 with effect from the date of
continuance of the Company under the laws of Bermuda)

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INTERPRETATION

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

<u>WORD</u>	<u>MEANING</u>
“Act”	the Companies Act 1981 of Bermuda.
“Auditor”	the auditor of the Company for the time being and may include any individual or partnership.
“business day”	shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.
“Bye-laws”	these Bye-laws in their present form or as supplemented or amended or substituted from time to time.
“Board” or “Directors”	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”	the share capital of the Company from time to time.
“clear days”	in relation to the period of 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 house”	a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction, <u>including the Hong Kong Securities Clearing Company Limited.</u>

“close associate”	in relation to any Director, shall have the same meaning as defined in the rules of the Designated Stock Exchange (“Listing Rules”) as modified from time to time, except that for purposes of Bye-law 100 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.
“Company”	<u>Bradaverse Education (Int’l) Investments Group Limited 源宇宙教育(國際)投資集團有限公司</u> . Hong Kong Education (Int’l) Investments Limited 香港教育(國際)投資集團有限公司.
“competent regulatory authority”	a competent regulatory authority in the territory where the shares of the Company are listed or quoted on a stock exchange in such territory.
“debenture” and “debenture holder”	include debenture stock and debenture stockholder respectively.
“Designated Stock Exchange”	a stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.
“dollars” and “\$”	dollars, the legal currency of Hong Kong.
“head office”	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.
“Listing Rules”	<u>the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited.</u>
“Member”	a duly registered holder from time to time of the shares in the capital of the Company.
“month”	a calendar month.
“Notice”	written notice unless otherwise specifically stated and as further defined in these Bye-laws.
“Office”	the registered office of the Company for the time being.
“paid up”	paid up or credited as paid up.

“Register”	the principal register and where applicable, any branch register of Members to be kept pursuant to the provisions of the Act.
“Registration Office”	in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.
“Seal”	common seal or any one or more duplicate seals of the Company (including a securities seal) for use in Bermuda or in any place outside Bermuda.
“Secretary”	any person, firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, deputy, temporary or acting secretary.
“Statutes”	the Act and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of continuance and/or these Bye-laws.
“substantial shareholder”	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 Designated Stock Exchange <u>Listing Rules</u> from time to time) of the voting power at any general meeting of the Company.
“year”	a calendar year.

2. In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include both gender and the neuter;
- (c) words importing persons include companies, associations and bodies of persons whether corporate or not;
- (d) the words:
 - (i) “may” shall be construed as permissive;
 - (ii) “shall” or “will” shall be construed as imperative;

- (e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing 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 all applicable Statutes, rules and regulations;
- (f) references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;
- (g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;
- (h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- (i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, 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 Bye-law 59;
- ~~(j)~~ (j) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds 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 authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- ~~(k)~~ (k) a special resolution and an extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes;~~and~~
- ~~(l)~~ (l) references to a document (including, but without limitation, a resolution in writing) being signed or being executed include references to it being signed or executed under hand or under seal or by electronic signature or by any other method and references to a Notice or document include a Notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;-
- (m) reference to a meeting shall, where the context is appropriate, include a meeting that has been postponed by the Board pursuant to Bye-law 64; and

- (n) to the extent any provision in these Bye-laws contradicts or is inconsistent with any provision of Part II or Part III of the Electronic Transactions Act 1999 (as amended from time to time) (“ETA”), the provisions in these Bye-laws shall prevail and shall be deemed to be an agreement between the Company and the Members to vary the provisions of the ETA.

SHARE CAPITAL

3. (1) The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into shares of HK\$0.~~40~~05 each.

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(2) Subject to the Act, the Company’s memorandum of continuance and, where applicable, the rules of any Designated Stock Exchange and/or any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.

(3) Subject to compliance with the rules and regulations of the Designated Stock Exchange 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.

(4) No share shall be issued to bearer.

ALTERATION OF CAPITAL

4. The Company may from time to time by ordinary resolution in accordance with Section 45 of the Act:

- (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
- (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;

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10(1)
10(2)

- (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum of continuance (subject, nevertheless, to the Act), and may by such resolution 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 rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;
- (e) change the currency denomination of its share capital;
- (f) make provision for the issue and allotment of shares which do not carry any voting rights; and
- (g) 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.

5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Bye-law and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its ~~authorised or~~ issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve.

7. Except so far as otherwise provided by the conditions of issue, or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

SHARE RIGHTS

8. Subject to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.

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6(1)

9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of continuance, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~

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VARIATION OF RIGHTS

10. Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:

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6(1)
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2(1)

- (a) the necessary quorum (~~other than including~~ at an adjourned meeting) shall be two (2) persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class ~~and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum;~~ and
- (b) every holder of shares of the class shall be entitled to one (1) vote for every such share held by him.

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6(2)

11. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

12. (1) Subject to the Act, these Bye-laws, any direction that may be given by the Company in general meeting and, where applicable, the ~~rules of any Designated Stock Exchange~~ Listing Rules and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable or that based on legal opinions provided by legal advisers, the Board considers it necessary or expedient not to offer the shares to such Members on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

(2) The Board may issue warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Act. Subject to the Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.

14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Bye-laws or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

15. Subject to the Act and these Bye-laws, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

SHARE CERTIFICATES

16. Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the

Directors may from time to time determine. The Seal may only be affixed to a share certificate with the authority of the Directors, or be executed under the signature of appropriate officials with statutory authority unless otherwise determined by the Directors. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.

17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.

(2) Where a share stands in the names of two (2) or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.

18. Every person whose name is entered, upon an allotment of shares, as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines.

19. Share certificates shall be issued within the relevant time limit as prescribed in the Act or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.

20. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him at such fee as is provided in paragraph (2) of this Bye-law. If any of the shares included in the certificate so given up shall be retained by the transferor a new certificate for the balance shall be issued to him at the aforesaid fee payable by the transferor to the Company in respect thereof.

(2) The fee referred to in paragraph (1) above shall be an amount not exceeding the relevant maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time determine a lower amount for such fee.

21. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Member upon request and on payment of such fee as the Designated Stock Exchange may determine to be the maximum fee payable or such lesser sum as the Board may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the

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2(2)

Company provided always that where share warrants have been issued, no new share 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.

LIEN

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company 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 or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

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1(2)

23. Subject to these Bye-laws, the Company may sell in such manner as the Board determines any share 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 fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

24. The net proceeds of the sale shall be received by the Company and applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred 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 relating to the sale.

CALLS ON SHARES

25. Subject to these Bye-laws and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no Member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.

26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments.

27. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.

28. 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 on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board may determine, but the Board may in its absolute discretion waive payment of such interest wholly or in part.

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

30. 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 these Bye-laws; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

31. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Bye-laws shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

32. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

33. The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's Notice of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

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FORFEITURE OF SHARES

34. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' Notice:

- (a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and
- (b) stating that if the Notice is not complied with the shares on which the call was made will be liable to be forfeited.

(2) If the requirements of any such Notice are not complied with, any share in respect of which such Notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.

35. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such Notice.

36. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-laws to forfeiture will include surrender.

37. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is

disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share. When any share shall have been forfeited, notice of the declaration 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, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.

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

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

42. The provisions of these Bye-laws 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.

REGISTER OF MEMBERS

43. (1) The Company shall keep in one or more books a Register and shall enter therein the following particulars, that is to say:

- (a) the name and address of each Member, the number and class of shares held by him and, in respect of any shares that are not fully paid, the amount paid or agreed to be considered as paid on such shares;
- (b) the date on which each person was entered in the Register; and
- (c) the date on which any person ceased to be a Member.

(2) Subject to the Act, the Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.

44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in

such manner as may be accepted by the Designated Stock Exchange to that effect, be closed for inspection at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

RECORD DATES

45. Subject to the rules of any Designated Stock Exchange, notwithstanding any other provision of these Bye-laws the Company or the Directors may fix any date as the record date for:

- (a) determining the Members entitled to receive any dividend, distribution, allotment or issue ~~and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;~~ and
- (c) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

TRANSFER OF SHARES

46. Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the ~~rules of the Designated Stock Exchange~~ Listing Rules or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to Bye-law 46, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

48. (1) The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.

(2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.

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(3) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

(4) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act.

49. Without limiting the generality of the last preceding Bye-law, the Board may decline to recognise any instrument of transfer unless:-

- (a) a fee of such maximum sum as the Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;
- (b) the instrument of transfer is in respect of only one class of share;
- (c) the instrument of transfer is lodged at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
- (d) if applicable, the instrument of transfer is duly and properly stamped.

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50. If the Board refuses to register a transfer of any share, it shall, within two (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.

51. The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement in any newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

TRANSMISSION OF SHARES

52. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Bye-law will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.

53. Subject to Section 52 of the Act, any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the Registration Office or Office, as the case may be, to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.

54. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 72(2) being met, such a person may vote at meetings.

UNTRACEABLE MEMBERS

55. (1) Without prejudice to the rights of the Company under paragraph (2) of this Bye-law, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

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13(1)

(2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:

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13(2)(b)

- (a) all cheques or warrants in respect of dividends of the shares in question, being not less than three (3) in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-laws have remained uncashed;
- (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and

- (c) the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Designated Stock Exchange to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve (12) years before the date of publication of the advertisement referred to in sub-paragraph (c) of this Bye-law and ending at the expiry of the period referred to in that paragraph.

(3) To give effect to any such sale the Board may authorise some 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 money 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 will 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 money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Bye-law shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

GENERAL MEETINGS

56. Subject to the Act, an annual general meeting of the Company shall be held for in each financial year other than and such annual general meeting must be held within six the year in which its statutory meeting is convened at such time (within a period of not more than fifteen (615) months after the end of the Company’s financial year (holding of the last preceding annual general meeting unless a longer period would not infringe the rules of the Designated Stock Exchange Listing Rules, if any) at such time and place as may be determined by the Board. A meeting of Members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. Unless otherwise determined by the Directors, the manner of convening and the proceedings at a general meeting set out in these Bye-laws shall, *mutatis mutandis*, apply to a general meeting held wholly by or in combination with electronic means.

App-13A
4(2)

57. Each general meeting, other than an annual general meeting, shall be called a special general meeting. General meetings may be held in any part of the world as may be determined by the Board.

58. The Board may whenever it thinks fit call special general meetings, and Member or Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one (1) vote per

~~share basis, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in accordance with the provisions of Section 74(3) of the Act.~~

NOTICE OF GENERAL MEETINGS

59. (1) ~~An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days. All other special general meetings (including a special general meeting) must~~ ^{App-13A} ~~may~~ be called by Notice of not less than fourteen (14) clear days but if permitted by the ~~rules-Listing Rules of the Designated Stock Exchange,~~ a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together representing at least ninety-five per cent. (95%) of the total voting rights at the meeting of all the Members.

(2) The Notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business. The Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

60. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non-receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

61. (1) All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting, with the exception of sanctioning dividends, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.

(2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy or, for quorum purposes only, two (2) persons appointed by the clearing house as authorised representative or proxy shall form a quorum for all purposes.

62. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.

63. ~~The president chairman of the Company or if there is more than one chairman, if one is appointed, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman at every a general meeting. If at any meeting the president or no the chairman, as the case may be, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, or if no such officer is appointed, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no chairman or deputy chairman is present or is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.~~

64. Prior to the holding of a general meeting, the Board may postpone, and at a general meeting, the ~~The chairman may, with (without the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) or shall at the direction of the meeting, -~~ adjourn the meeting from time to time (or indefinitely) and from place to place ~~as the meeting shall determine~~, but no business shall be transacted at any adjourned meeting or postponed meeting other than the business which might lawfully have been transacted at the meeting had the adjournment or the postponement not taken place. Notice of a postponement must be given to all Members by any means as the Board may determine. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' Notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.

65. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

VOTING

66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, 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 authorised 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 authorized 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 Bye-law, 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.

(2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

- (a) by at least three (3) Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (b) 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
- (c) 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.

67. 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~~ Listing Rules.

68. On a poll votes may be given either personally or by proxy.

69. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

70. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Bye-laws 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.

71. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.

72. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such court, and such receiver, committee, *curator bonis* or other person may vote by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.

(2) Any person entitled under Bye-law 53 to be registered as the holder of any shares 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 forty-eight (48) hours at least 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 Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

73. (1) No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.

(2) 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 Listing Rules, to abstain from voting to approve the matter under consideration.

App. 3 14(3)

(23) 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.

App. 3
14
App. 3 14(4)

74. 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.

PROXIES

75. Any Member (including corporation) entitled to attend and vote at a general meeting of the Company shall be entitled to appoint another person as his/its proxy to attend and vote instead of him/it. A Member who is the holder of two (2) or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise, including the right to speak and vote.

App. 13A
2(2)
App. 3 18
App. 3 19

76. The instrument appointing a proxy shall be in such forms as the Board may determine and in the absence of such determination, shall be in writing and signed by ~~under the hand of~~ the appointor or ~~of~~ his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or signed by ~~under the hand of~~ an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

App. 3
11(2)
App. 3 18

77. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person

named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

78. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to 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.

~~App. 3
11(1)~~

79. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, at which the instrument of proxy is used.

80. Anything which under these Bye-laws a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Bye-laws relating to proxies and instruments appointing proxies shall apply *mutatis mutandis* in relation to any such attorney and the instrument under which such attorney is appointed.

CORPORATIONS ACTING BY REPRESENTATIVES

81. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise as if it were an individual Member, including the right to speak and vote, and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.

~~App. 3 18
App. 3 19~~

(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives, who enjoy rights equivalent to the rights of other Members, at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorized, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the

~~App. 13A
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Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, ~~the right to speak and vote and, where a show of hands is allowed,~~ the right to vote individually on a show of hands.

(3) Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye-law.

WRITTEN RESOLUTIONS OF MEMBERS

82. (1) Subject to the Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.

(2) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye-law 83(4) or for the purposes set out in Bye-law 152(3) relating to the removal and appointment of the Auditor.

BOARD OF DIRECTORS

83. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 84 or at any special general meeting called for such purpose and who shall hold office for such term as the Members may determine or, in the absence of such determination, in accordance with Bye-law 84 or until their successors are elected or appointed or their office is otherwise vacated. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

App. 3 4(2)

(2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director ~~so appointed by the Board to fill a casual vacancy~~ shall hold office until ~~the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following first annual general meeting of the Company after his appointment~~ and shall then be eligible for re-election.

~~App. 3
4(2)~~

App. 3 4(3)

(3) Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company. Directors may participate in any meeting of the Members or any class thereof by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, such participation shall constitute presence at a meeting as if those participating were present in person. Members shall not be permitted to participate in any meeting of the Members or any class thereof by means of a conference telephone, electronic or other communications equipment.

(4) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director (including a managing or other executive Director) at any time before the expiration of his period of office notwithstanding anything to the contrary in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

App. 3
4(3)

(5) A vacancy on the Board created by the removal of a Director under the provisions of paragraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed to hold office until the next appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment, such general meeting may authorise the Board to fill any vacancy in the number left unfilled.

(6) The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).

RETIREMENT OF DIRECTORS

84. (1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not 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 shall be subject to retirement at least once every three (3) years.

App. 14
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(2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 83(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

App-3
4(4)
4(5)
Ch 13.70

85. 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 head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch 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.

DISQUALIFICATION OF DIRECTORS

86. The office of a Director shall be vacated if the Director:

- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;
- (2) becomes of unsound mind or dies;
- (3) without special leave of absence from the Board, is absent from meetings of the Board for six (6) consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated;
- (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
- (5) is prohibited by law from being a Director; or
- (6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws.

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 Directors, by reason only of his having attained any particular age.

EXECUTIVE DIRECTORS

87. The Board may from time to time appoint any one or more of its body to be a managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director. A Director appointed to an office under this Bye-law 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.

88. Notwithstanding Bye-laws 93, 94, 95 and 96, an executive director appointed to an office under Bye-law 87 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director.

ALTERNATE DIRECTORS

89. Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint any person (including another Director) to be his alternate Director. Any person so appointed shall have all the rights and powers of the Director or Directors for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present. An alternate Director may be removed at any time by the person or body which appointed him and, subject thereto, the office of alternate Director shall continue until the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointer ceases for any reason to be a Director. Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor and delivered to the Office or head office or tendered at a meeting of the Board. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director save that as an alternate for more than one Director his voting rights shall be cumulative.

90. An alternate Director shall only be a Director for the purposes of the Act and shall only be subject to the provisions of the Act insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. 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 by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.

91. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, the signature of an

alternate Director to any resolution in writing of the Board or a committee of the Board of which his appointor is a member shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.

92. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director, however, such alternate Director or any other person may be re-appointed by the Directors to serve as an alternate Director PROVIDED always that, if at any meeting any Director retires but is re-elected at the same meeting, any appointment of such alternate Director pursuant to these Bye-laws which was in force immediately before his retirement shall remain in force as though he had not retired.

DIRECTORS' FEES AND EXPENSES

93. The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.

94. Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.

95. Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye-law.

96. The Board shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

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DIRECTORS' INTERESTS

97. A Director may:

- (a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and, subject to the relevant provisions of the Act, upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Bye-law;

- (b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director; and
- (c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by these Bye-laws the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

98. Subject to the Act and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits 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 disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law 99 herein.

99. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Bye-law, a general Notice to the Board by a Director to the effect that:

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or

- (b) he is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or arrangement, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

100. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

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

~~(i)(a) any contract or arrangement for the giving to such~~ the Director or his close associate(s) ~~any security or indemnity~~ in respect of money lent ~~by him or any of his close associate(s) or obligations incurred or undertaken by him or any of his close associate(s)~~ them at the request of or for the benefit of the Company or any of its subsidiaries; or

~~(ii)(b) any contract or arrangement for the giving of any security or indemnity to a~~ third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

~~(iii)(ii) any contract or arrangement~~ proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase; where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

~~(iv)(iii) any contract~~ proposal or arrangement concerning the benefit of the employees of the Company or its subsidiaries including:

a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; or

~~(v)b) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to the Directors or his/their close associate(s) and to employee(s) of the Company or~~

of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not ~~accorded~~ generally accorded to the class of persons to which such scheme or fund relates:-

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

(2) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, 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 concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not 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 Board.

GENERAL POWERS OF THE DIRECTORS

101. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Bye-laws and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.

(2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.

(3) Without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:

- (a) 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;

- (b) 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; and
- (c) to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Act.

102. The Board may establish any regional or local boards or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration (either by way of salary or by 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 staff employed by them upon the business of the Company. The Board may delegate to any regional or local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.

103. The Board may by power of attorney appoint under the Seal any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney or attorneys may, if so authorised under the Seal of the Company, execute any deed or instrument under their personal seal with the same effect as the affixation of the Seal.

104. The Board may entrust to and confer upon a managing director, joint managing director, deputy managing director, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

105. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, 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 Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

106. (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.

(2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

BORROWING POWERS

107. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

108. Debentures, 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.

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

110. (1) 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.

(2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the Act in regard to the registration of charges and debentures therein specified and otherwise.

PROCEEDINGS OF THE DIRECTORS

111. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.

112. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board whenever he shall be required so to do by any Director. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or in such other manner as the Board may from time to time determine.

113. (1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2). An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate provided that he shall not be counted more than once for the purpose of determining whether or not a quorum is present.

(2) Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

(3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

114. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Bye-laws, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Bye-laws as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.

115. The Board may elect ~~one or more~~ a chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting ~~neither the~~ chairman ~~nor any~~ deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

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

117. (1) The Board may delegate any of its powers, authorities and discretions to committees, consisting of such Director or Directors and other persons as it thinks fit, and they 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. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.

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

118. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Bye-laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Bye-law.

119. 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 be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that such number is sufficient to constitute a quorum and 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 Bye-laws and further provided that no Director is aware of or has received any objection to the resolution from any Director. 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.

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

MANAGERS

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

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

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

OFFICERS

124. (1) The officers of the Company shall consist of the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 128(4), these Bye-laws.

(2) The officers shall receive such remuneration as the Directors may from time to time determine.

(3) Where the Company appoints and maintains a resident representative ordinarily resident in Bermuda in accordance with the Act, the resident representative shall comply with the provisions of the Act.

(4) The Company shall provide the resident representative with such documents and information as the resident representative may require in order to be able to comply with the provisions of the Act.

(5) The resident representative shall be entitled to have notice of, attend and be heard at all meetings of the Directors or of any committee of such Directors or general meetings of the Company.

125. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two (2) or more persons may be appointed as joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Secretaries.

(2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Act or these Bye-laws or as may be prescribed by the Board.

126. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.

127. A provision of the Act or of these Bye-laws 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.

REGISTER OF DIRECTORS AND OFFICERS

128. (1) The Board shall cause to be kept in one or more books at the Office a Register of Directors and Officers and shall enter therein the following particulars with respect to each Director and Officer, that is to say:

(a) in the case of an individual, his or her present first name, surname and address; and

(b) in the case of a company, its name and registered office.

(2) The Board shall within a period of fourteen (14) days from the occurrence of:

(a) any change among the Directors and Officers; or

(b) any change in the particulars contained in the Register of Directors and Officers, cause to be entered on the Register of Directors and Officers the particulars of such change.

(3) The Register of Directors and Officers shall be open to inspection by members of the public without charge at the Office between 10:00 a.m. and 12:00 noon during business hours.

(4) In this Bye-law “Officer” has the meaning ascribed to it in Section 92A(7) of the Act.

MINUTES

129. (1) The Board shall cause minutes to be duly entered in books provided for the purpose:

(a) of all elections and appointments of officers;

(b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and

(c) of all resolutions and proceedings of each general meeting of the Members and meetings of the Board.

(2) Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the Office.

SEAL

130. (1) The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal with the addition of the words “Securities Seal” on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two (2) Directors or by such other person (including a Director) or persons as the Board may

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appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in the manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.

(2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

AUTHENTICATION OF DOCUMENTS

131. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DESTRUCTION OF DOCUMENTS

132. (1) The Company shall be entitled to destroy the following documents at the following times:
- (a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;
 - (b) 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 two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;
 - (c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;
 - (d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and
 - (e) any copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of seven (7) years after the account to which the relevant powers of attorney, grants of probate or letters of administration related has been closed;

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and 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: (1) the foregoing provisions of this Bye-law 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; (2) nothing contained in this Bye-law 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 (1) above are not fulfilled; and (3) references in this Bye-law to the destruction of any document include references to its disposal in any manner.

(2) Notwithstanding any provision contained in these Bye-laws, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (e) of paragraph (1) of this Bye-law and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.

DIVIDENDS AND OTHER PAYMENTS

133. Subject to the Act, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board. The Company in general meeting may also make a distribution to the Members out of any contributed surplus (as ascertained in accordance with the Act).

134. No dividend shall be paid or distribution made out of contributed surplus if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.

135. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Bye-law as paid up on the share; and
- (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

136. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the

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Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts *bona fide* the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board, justify such payment.

137. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

138. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

139. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

140. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividends or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

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3(2)

141. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board 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 securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, 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 Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the Members. The Board may resolve that no

such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

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

- (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:
 - (i) the basis of any such allotment shall be determined by the Board;
 - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares 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;
 - (iii) 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; and
 - (iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“**the non-elected shares**”) and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or
- (b) that the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
 - (i) the basis of any such allotment shall be determined by the Board;

- (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares 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;
 - (iii) 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; and
 - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised ("**the elected shares**") and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.
- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank *pari passu* in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (a) or (b) of paragraph (1) of this Bye-law in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank for participation in such distribution, bonus or rights.
- (b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Bye-law, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into, on behalf of all Members interested, an agreement with the

Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(3) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

(5) Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares. The provisions of this Bye-law shall *mutatis mutandis* apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.

RESERVES

143. Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board 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 Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

CAPITALISATION

144. (1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it

were distributed by way of dividend and in the same proportions or such other proportions as may be determined by ordinary resolution of Members, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

(2) Notwithstanding any provisions in these Bye-laws, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting.

145. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Bye-law and in particular may issue certificates in respect of fractions of shares 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 Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

SUBSCRIPTION RIGHTS RESERVE

146. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Act:

(1) 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 nominal value of a share, then the following provisions shall apply:

- (a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-law) maintain in accordance with the provisions of this Bye-law a reserve (the “**Subscription Rights 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 (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;
- (b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;
- (c) 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:
- (i) 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
- (ii) 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 Rights 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 holders; and
- (d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights 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 Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other

distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment 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 are 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 Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

(2) Shares allotted pursuant to the provisions of this Bye-law 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. Notwithstanding anything contained in paragraph (1) of this Bye-law, no fraction of any share shall be allotted on exercise of the subscription rights.

(3) The provision of this Bye-law as to the establishment and maintenance of the Subscription Rights 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 Bye-law without the sanction of a special resolution of such warrant holders or class of warrant holders.

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

ACCOUNTING RECORDS

147. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

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148. The accounting records shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or the Company in general meeting.

149. Subject to Section 88 of the Act and Bye-law 150, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before the Members at the annual general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.

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150. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange~~ Listing Rules, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 149 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, summarised financial statements derived from the Company's annual accounts and the Directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the Directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company's annual financial statements and the Directors' report thereon.

151. The requirement to send to a person referred to in Bye-law 149 the documents referred to in that provision or a summary financial report in accordance with Bye-law 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange~~ Listing Rules, the Company publishes copies of the documents referred to in Bye-law 149 and, if applicable, a summary financial report complying with Bye-law 150, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

AUDIT

152. (1) Subject to Section 88 of the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. 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.

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(2) Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the incumbent Auditor.

(3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special-extraordinary~~ resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term provided that the Auditor who is subject to removal shall be allowed to attend the general meeting convened to consider the removal of his office as Auditor and shall also be allowed to make written and/or verbal representations to the Members at such general meeting.

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153. Subject to Section 88 of the Act the accounts of the Company shall be audited at least once in every year.

154. The remuneration of the Auditor shall be fixed by ~~the Company in an ordinary resolution passed by the Members at a general meeting or in such manner as the Members may by ordinary resolution~~ determine.

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155. ~~The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law 152(3), an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Bye-law 152(1) at such remuneration to be determined by the Members under Bye-law 154. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.~~

156. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.

157. The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If the auditing standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.

NOTICES

158. (1) Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the ~~rules of the Designated Stock Exchange Listing Rules~~), whether or not, to be given or issued under these Bye-laws from the Company ~~to a Member~~ shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such Notice and document may be given or issued by the following means: served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the Notice reasonably and *bona fide* believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the Member a notice stating that the Notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website.

- (a) by serving it personally on the relevant persons;
- (b) by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;
- (c) by delivering or leaving it at such address as aforesaid;
- (d) by placing an advertisement in appropriate newspapers or other publication and where applicable, in accordance with the requirements of the Designated Stock Exchange;
- (e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Bye-law 158(4), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (including implied or deemed consent) from such person;
- (f) by publishing it on the Company’s website or the website of the Designated Stock Exchange subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (including implied or deemed consent) from such person and/or for giving notification to any such person stating that the notice, document or publication is available on the Company’s computer network website or the website of the Designated Stock Exchange (as the case may be); or

(g) by sending or otherwise making it available to such person through such other means, whether electronically or otherwise, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.

(2) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

(3) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.

(4) Every Member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Bye-laws may register with the Company an electronic address to which notices can be served upon him.

(5) Subject to any applicable laws, rules and regulations and the terms of these Bye-laws, any notice, document or publication, including but not limited to the documents referred to in Bye-law 149, 150 and 158 may be given in the English language only or in both the English language and the Chinese language or, with the consent of or election by any Member, in the Chinese language only to such member.

159. Any Notice or other document:

(a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the Notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice or other document was so addressed and put into the post shall be conclusive evidence thereof;

(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice, document or publication placed on either the Company's website or the website of the Designated Stock Exchange, is deemed given or served by the Company ~~to a Member on the day following that on which a notice of availability is deemed served on the Member~~ it first so appears on the relevant website, unless the Listing Rules specify a different date. In such cases, the deemed date of service shall be as provided or required by the Listing Rules;

(c) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and

(d) if published as an advertisement in a newspaper or other publication permitted under these Articles, shall be deemed to have been served on the day on which the advertisement first so appears~~may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.~~

160. (1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Bye-laws shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the Notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

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

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

SIGNATURES

161. For the purposes of these Bye-laws, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any notice or document to be given by the Company may be written, printed or in electronic form.

WINDING UP

162. (1) Subject to Bye-law 162(2), ~~t~~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.

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(2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

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

INDEMNITY

164. (1) The Directors, Secretary and other officers and every Auditor ~~for the time being~~ of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) ~~for the time being~~ acting or who have acted in relation to any of the affairs of the Company and every one of them, and every one of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the said persons.

(2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director.

ALTERATION OF BYE-LAWS AND AMENDMENT TO
MEMORANDUM OF CONTINUANCE AND NAME OF COMPANY

165. No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Directors and confirmed by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of continuance or to change the name of the Company.

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INFORMATION

166. No Member shall be entitled to require discovery of or any information in respect of any detail of the Company’s trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Members to communicate to the public.

The following is a summary of the principal rules of the 2023 Share Option Scheme but does not form part of, nor was it intended to be, part of the 2023 Shares Option Scheme nor should it be taken as affecting the interpretation of the 2023 Share Option Scheme.

1. PURPOSE OF THE 2023 SHARE OPTION SCHEME

1.1 The purpose of this Scheme is to recognise and acknowledge the past and future contributions of the Eligible Participants to the Group, and to enable the Group to grant Options to the Eligible Participants as incentives or rewards for their contributions to the Group with the view to achieving the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.

2. LIFE OF THE 2023 SHARE OPTION SCHEME

2.1 Subject to Paragraphs 26 and 27, the 2023 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which period no further Options will be offered or granted but the provisions of the 2023 Share Option Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of the 2023 Share Option Scheme.

3. PARTICIPANTS OF THE 2023 SHARE OPTION SCHEME

3.1 The Eligible Participants of the 2023 Share Option Scheme to whom Options may be granted by the Board shall include (i) the Employee Participants (including the INEDs); and (ii) the Related Entity Participants.

3.2 In determining the eligibility of each Eligible Participant, the Board would take into account relevant factors as appropriate, including, among others:

- (a) the skills, knowledge, experience, expertise and other relevant personal qualities of the Eligible Participant;
- (b) the Eligible Participant's performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
- (c) the contribution made or expected to be made by the Eligible Participant to the growth of the Group;
- (d) the length of service of the Eligible Participant with the Group; and
- (e) the Group's overall business objectives and future development plan.

- 3.3 For Related Entity Participant, the Board would take into account additional assessing factors which include, among others:
- (a) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of, amongst other things, an increase in turnover or profits and/or an addition of expertise to the Group;
 - (b) the period of engagement or employment of the Related Entity Participant by the Group;
 - (c) the number, scale and nature of the projects in which the Related Entity Participant is involved;
 - (d) whether the Related Entity Participant has or expected to refer or introduce opportunities to the Group which have or likely to materialize into further business relationships;
 - (e) whether the Related Entity Participant has or expected to assist the Group in tapping into new markets and/or increased its market share; and
 - (f) the materiality and nature of the business relation of holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies of the Group which may benefit the core business of the Group through a collaborative relationship.

4. OFFER AND GRANT OF OPTIONS

- 4.1 On and subject to the terms of the 2023 Share Option Scheme and only when in compliance with the Listing Rules applicable from time to time, the Board shall be entitled but shall not be bound at any time and from time to time within ten (10) years from the Adoption Date to make an Offer to any Eligible Participant as the Board may at its absolute discretion select to take up Options to subscribe for such number of Shares, being a board lot for dealing in Shares on the Main Board or an integral multiple thereof, as the Board may determine, at the Subscription Price. Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (including, without limitation, any minimum period for which an Option must be held before it can be exercised, any performance targets which must be achieved before an Option can be exercised, and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances) as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the 2023 Share Option Scheme.

- 4.2 Subject to the rules of the 2023 Share Option Scheme, the Listing Rules and any applicable laws and regulations, the Board or the committee of the Board or person(s) to which the Board has delegated its authority shall have the power from time to time to establish and administer performance targets (if any) that must be fulfilled by a Selected Participant before any of the Options may be vested to such Selected Participants under such grant of Options. Such performance targets shall include, among others, financial targets and management targets which shall be determined based on the (i) individual performance, (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Selected Participants. For example, performance targets may be set in terms of sales, revenue, cash flow, cash collection, return on investment, commencement and completion of projects, customer satisfaction metrics or such other parameters or matters relevant to the roles and responsibilities of the relevant Selected Participant. The finance department of the Company shall be responsible for compiling a performance appraisal report on statistics relating Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance appraisal results and the individual performance appraisal results, which will be submitted to the Board or such committee of the Board or person(s) delegated with its authority, for consideration and approval. For the avoidance of doubt, unless stated in the relevant Offer Letter, the Options shall not be subject to any performance targets, criteria or conditions.
- 4.3 An Offer shall be made to an Eligible Participant by letter in such form as the Board may from time to time determine specifying the number of Shares and the Option Period in respect of which the Offer is made and requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the 2023 Share Option Scheme and shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than fourteen (14) days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth (10th) anniversary of the Adoption Date or after the 2023 Share Option Scheme has been terminated in accordance with the provisions therein.

5. VESTING PERIOD

- 5.1 Save in the circumstances prescribed in Paragraph 5.2 below, an Option must be held by the grantee for at least twelve (12) months before the Option can be exercised.
- 5.2 Where the grantee is an Employee Participant who is a Director or senior management of the Company or the Remuneration Committee or where the grantee is an Employee Participant who is not a Director or senior management of the Company the Board shall have the authority to determine a shorter vesting period under any of the following circumstances:
- (a) grants of "make-whole" Options to new joiners to replace the awards or options they forfeited when leaving the previous employer;
 - (b) grants to a grantee whose employment is terminated due to death or disability or occurrence of any out of control event;

- (c) grants with performance-based vesting conditions in lieu of time-based vesting criteria;
- (d) grants that are made in batches during a year for administrative and compliance reasons. They may include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;
- (e) grants with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; and
- (f) grants of Options with a total vesting and holding period of more than 12 months.

6. CLAWBACK MECHANISM

6.1 If any of the following events shall occur during an Option Period:

- (a) the grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance or has breached any non-competition or non-disclosure agreement entered into with the Group;
- (b) the grantee has contravened the relevant laws and regulations of the applicable jurisdiction and/or the provisions of the Existing Bye-laws;
- (c) the grantee has, during his/her tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Company;
- (d) the grantee has been sanctioned by the Stock Exchange, or was subject to any disciplinary actions imposed by the Securities and Futures Commission of Hong Kong or has been convicted of any criminal offence; or
- (e) the grantee has failed to discharge, or failed to discharge properly, his/her duties or fail to comply with the Company's internal policies, adhere to the terms of his/her employment agreement, or demonstrate a satisfactory level of performance, resulting in significant loss, reputational damage, legal or regulatory consequences, or any other serious and adverse consequences to the Company,

the Board may, (but is not obliged to) by notice in writing to the grantee concerned (i) clawback such number of Options (to the extent not being exercised) granted as the Board may consider appropriate; or (ii) extend the vesting period (regardless of whether the initial vesting date has occurred, if applicable) in relation to all or any of the Options (to the extent not being exercised) to such longer period as the Board may consider appropriate. The Options that are clawed back pursuant to this paragraph shall be regarded as cancelled and the Options so cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit (as defined below), as the case may be).

7. SUBSCRIPTION PRICE

The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to the terms of the 2023 Share Option Scheme, be a price notified by the Board to each grantee and shall be at least the highest of:-

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

8. RESTRICTION ON THE TIME OF GRANT OF OPTION

8.1 Any Offer must not be made after inside information has come to the Company's knowledge until (and including) the trading day after such inside information has been announced in accordance with the relevant requirements of the Listing Rules and, in particular, no Eligible Participant shall be granted an Option during the period commencing one (1) month immediately before the earlier of:-

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

and ending on the date of announcement for such results. For the avoidance of doubt, no Options shall be granted as mentioned above during any period of delay in publishing a results announcement.

9. ACCEPTANCE OF OFFERS

- 9.1 An Offer shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than fourteen (14) days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth (10th) anniversary of the Adoption Date or after the 2023 Share Option Scheme has been terminated in accordance with the provisions of the 2023 Share Option Scheme.
- 9.2 An Offer shall be deemed to have been accepted and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect with retrospective effect from the Offer Date when the duplicate letter comprising acceptance of the Offer, duly signed by the grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a remittance/payment in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company.

10. MAXIMUM OF SHARES AVAILABLE FOR SUBSCRIPTION

- 10.1 The total number of Shares which may be issued in respect of all Options to be granted under the 2023 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company must not, in aggregate, exceed 10% of the total number of Shares in issue as at the Adoption Date unless shareholders' approval has been obtained pursuant to Paragraphs 10.2 and 10.3 or Paragraph 10.4 below. Options or awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- 10.2 The Company may seek approval by the Shareholders in general meeting for "refreshing" the Scheme Mandate Limit after three (3) years from date of Shareholders' approval for the last refreshment (or the Adoption Date). Any "refreshment" within any three (3) year period must be approved by the Shareholders subject to the following provisions:
- (a) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder of the Company, Directors (excluding INEDs) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under sub-paragraphs (a) and (b) of this Paragraph 10.2 do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit (as a percentage of total number of Shares in issue) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

- 10.3 The total number of Shares which may be issued in respect of all Options to be granted under the 2023 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company under the Scheme Mandate Limit as “refreshed” must not, in aggregate, exceed 10% of the total number of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit (the “**Refreshed Scheme Mandate Limit**”). The Company must send a circular to the Shareholders containing the number of options and awards that were already granted under the existing Scheme Mandate Limit and the reason for the “refreshment”. Options previously granted under the 2023 Share Option Scheme and any other share schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the 2023 Share Option Scheme or any other share schemes of the Company and exercised Options) will not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit. Options or awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Refreshed Scheme Mandate Limit.
- 10.4 The Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) provided that the Options in excess of the Scheme Mandate Limit, the Refreshed Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to its shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each such Eligible Participant, and the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Eligible Participant must be fixed before Shareholders’ approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price.
- 10.5 If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the share schemes of the Company under the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

11. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

11.1 Subject to paragraph 12 below, the total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Participant or grantee (including exercised and outstanding options but excluding any options and awards lapsed in accordance with the terms of such schemes) in any 12-month period up to the Grant Date shall not exceed 1% of the number of the total issued Shares at the Grant Date. Where any grant of Options to an Eligible Participant would result in the total number of Shares issued and to be issued in respect of all Options granted under the 2023 Share Option Scheme and all options and awards granted under any other share schemes of the Company to such Eligible Participant (excluding any options or awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue as at the date of such grant, such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. A circular must be sent by the Company to the Shareholders disclosing the identity of the Eligible Participant, the number and terms of the Options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the purpose of granting Options to the Eligible Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to such Eligible Participant must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

12. GRANTS OF OPTIONS TO CERTAIN CONNECTED PERSONS

12.1 Any grant of Options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the INEDs (excluding any INEDs of the Company who is the grantee).

12.2 Where Options are proposed to be granted to an INED or a substantial shareholder of the Company, or any of their respective associates, and the proposed grant of Options would result in the total number of Shares issued and to be issued in respect of all Options granted under the 2023 Share Option Scheme and all options and awards granted under any other share schemes of the Company (excluding any options and awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of Shares in issue on the Offer Date, such further grant of Options must be approved by the Shareholders taken on a poll in general meeting. In addition, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting (except that any such person may vote against the proposed grant provided that his/her intention to do so has been stated in the relevant circular to the shareholders of the Company). The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules. A circular to the Shareholders must be

prepared and sent by the Company containing (a) details of the number and terms of the Options to be granted to each Eligible Participant, which must be fixed before the Shareholder's meeting; (b) the views of the INEDs (excluding any INED who is the grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and its Shareholders as a whole, and their recommendation to the independent shareholders as to voting; (c) the information required under Rule 17.02(2)(c) of the Listing Rules; and (d) the information required under Rule 2.17 of the Listing Rules. Any change in the terms of Options granted to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in the manner set out in this paragraph if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the 2023 Share Option Scheme).

13. TIME OF EXERCISE OF OPTION

13.1 An Option may be exercised in accordance with the terms of the 2023 Share Option Scheme at any time during a period to be notified by the Board subject to the terms of grant (including but not limited to the vesting period set out in Paragraph 5), the expiry date of such period not to exceed ten (10) years from the Offer Date.

14. RIGHTS ARE PERSONAL TO GRANTEE

14.1 An Option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or equitable) in favour of any third party over or in relation to any Option or attempt to do so, unless a waiver is granted by the Stock Exchange. Any breach of this Paragraph 14.1 by the grantee shall entitle the Company to cancel any outstanding Option or any part thereof granted to such grantee to the extent not already exercised without incurring any liability on the part of the Company.

15. RIGHTS ON CEASING EMPLOYMENT

15.1 In the event that the grantee ceases to be an Eligible Participant for any reason other than his death or the termination of his employment, directorship, appointment or engagement on one or more of the grounds specified in Paragraph 21.1(d) or his resignation provided in Paragraph 21.1(e), the grantee may exercise the Option in accordance with the provisions of the 2023 Share Option Scheme up to his entitlement at the date of cessation, and such Option (to the extent not already exercised) shall lapse on the date of cessation of such employment or directorship. The date of cessation as aforesaid shall be the last working day with the Company or the relevant subsidiary whether salary or compensation is paid in lieu of notice or not, or the last day of office or appointment as Director, or the last date of appointment or engagement as consultant or adviser to the Company or the relevant subsidiary, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or the board of Directors or governing body of the relevant subsidiary shall be conclusive.

16. RIGHTS ON DEATH

16.1 In the event that the grantee (being an individual) ceases to be an Eligible Participant by reason of death and none of the events which would be a ground for termination of his employment, directorship, appointment or engagement under Paragraph 21.1(d) arises, the personal representative(s) of the grantee shall be entitled within a period of twelve (12) months after the date of death (or such longer period as the Board may determine or, if any of the events referred to in Paragraphs 18, 19 and 20 occurs during such period, his personal representative(s) may exercise the Option pursuant to Paragraphs 18, 19 and 20 within such period) to exercise the Option up to the entitlement of such grantee as at the date of death (to the extent which has become exercisable but not already exercised).

17. RIGHTS ON WINDING UP OF A GRANTEE

17.1 If a grantee (being a corporation) commences winding up by whatever means, whether voluntarily or not, or suffers a change in its constitution, management, Directors, shareholding or beneficial ownership which in the opinion of the Board is material, the Option (to the extent not already exercised) shall lapse on the date of the commencement of winding up of the grantee or on the date of notification by the Company that the said change in constitution, management, Directors, shareholding or beneficial shareholding is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence.

18. RIGHTS ON A GENERAL OFFER

18.1 If a general (or partial) offer (whether by takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror), the terms of which have been approved by any relevant regulatory authority and are in accordance with applicable laws and regulatory requirements and becomes, or is declared unconditional prior to the expiry of the Option, the Company shall within seven (7) days of such offer becoming or being declared unconditional give notice thereof to all grantees, whereupon the grantees (or their personal representatives) shall be entitled to exercise the Options in full or in part in accordance with the terms of the 2023 Share Option Scheme (to the extent which have become exercisable but not already exercised) at any time within fourteen (14) days after the date of such notice and, to the extent any of the Options have not been so exercised, such Options shall upon the expiry of such period lapse.

19. RIGHTS ON WINDING UP

19.1 In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as it despatches such notice of the proposed general meeting to each Shareholder give notice thereof to all grantees (or their personal representatives), who may, by notice in writing to the Company (such notice to be received by the Company not later than five (5) business days prior to the proposed general meeting) accompanied by remittances/payments for the full amount of the aggregate Subscription Price for the Shares in respect of which the notices are given, exercise the Options (to the extent which have become exercisable but not already exercised) either to their full extent or to the extent specified in such notices and the Company shall, as soon as possible and in any event no later than the business day immediately prior to the date of the proposed general meeting, allot and issue such number of Shares to such grantees which fall to be issued on such exercise, credited as fully paid up and register such grantees as holders thereof. Any Options shall, to the extent they have not been so exercised, lapse and determine.

20. RIGHTS ON A COMPROMISE OR SCHEME OF ARRANGEMENT

20.1 If, pursuant to the laws of the Bermuda or other applicable law, a compromise or arrangement between the Company and its members and/or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all grantees (or to their personal representatives) on the same day as it gives notice to the members or creditors of the Company summoning a meeting to consider such a compromise or arrangement. Upon receipt of the notice, the grantees may, during the period commencing on the date of the notice and ending on the earlier of (i) the date two (2) calendar months thereafter, and (ii) the date on which such compromise or arrangement is sanctioned by the court, exercise their Options (to the extent which have become exercisable but not already exercised), conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. The Company may require the grantees to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the grantees in the same position as nearly as would have been the case had such Shares been subject to the compromise or arrangement. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been so exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court) the rights of grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the 2023 Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension.

21. LAPSE OF OPTION

21.1. The right to exercise an Option shall lapse automatically and become not exercisable (to the extent not already exercised) immediately upon the earliest of:-

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in Paragraphs 15, 16, 17, 18, 19 and 20;
- (c) subject to Paragraph 19, the date of the commencement of the winding-up of the Company;
- (d) the date on which the relevant grantee ceases to be an Eligible Participant by reason of the termination of the employment, directorship, appointment or engagement of such grantee on any one or more of the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or other contracts or agreements of the grantee with the Company or the relevant subsidiary for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the grantee with the Company or the relevant subsidiary;
- (e) the date on which the resignation of the grantee is received by the Company or the relevant subsidiary (as the case may be); or
- (f) the date on which the grantee commits a breach of Paragraph 14.

22. RANKING OF SHARES

22.1 The Share(s) to be issued and allotted upon the exercise of an Option will be subject to all the provisions of the Existing Bye-laws and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions declared, paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment. The Options themselves, however, do not carry any voting, dividend, transfer or other rights, including those arising on a liquidation of the Company, prior to their being exercised and the underlying Shares being issued.

23. REORGANIZATION OF CAPITAL STRUCTURE

23.1. In the event of any capitalisation issue, rights issue or consolidation, subdivision or reduction of the share capital of the Company in accordance with legal requirements and the requirements of the Stock Exchange (other than an issue of Shares as consideration in respect of a transaction in which the Company and/or any of its subsidiaries is a party), such corresponding adjustments (if any) shall be made to:-

- (a) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (b) the Subscription Price;

or any combination thereof, as the auditors or an independent financial adviser to be appointed by the Company for such purpose shall certify in writing to the Board to be in their opinion fair and reasonable, provided always that:-

- (i) no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (ii) such adjustments shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which the grantee was entitled before such adjustments;
- (iii) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment,

and in each case, any adjustment must be made in compliance with the Listing Rules (including, without limitation, Chapter 17 thereof) and any guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, the auditors or an independent financial adviser to be appointed by the Company must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules or the relevant guidance or interpretation thereof.

24. ALTERATION TO THE 2023 SHARE OPTION SCHEME AND THE TERMS OF OPTIONS GRANTED UNDER THE 2023 SHARE OPTION SCHEME

24.1 Subject to the Listing Rules, all provisions of the 2023 Share Option Scheme may be altered from time to time in any respect by a resolution of the Board provided that:-

- (a) any alterations of the terms and conditions of the 2023 Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by the Shareholders in general meeting;

- (b) any change to the terms of Options granted to an Eligible Participant must be approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the 2023 Share Option Scheme;
- (c) the amended terms of the 2023 Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules; and
- (d) any change to the authority of the Board to alter the terms of the 2023 Share Option Scheme must be approved by the Shareholders in general meeting.

25. CANCELLATION OF OPTIONS GRANTED

25.1 Any Option may be cancelled in whole or in part and at any time:

- (a) if agreed between the Company and the relevant grantee; or
- (b) if the Board offers to grant to the grantee replacement Options of equivalent value of the Options being cancelled; or
- (c) if the Company pays or procures to be paid to the grantee an amount equal to the cash value of the Options being cancelled as at the date of cancellation as determined by the Board by reference to the difference between the closing price of a Share as stated on the Stock Exchange's daily quotations sheet on the date of cancellation and the Subscription Price,

provided that new Options may be issued to a grantee in place of his cancelled Options only if there is available Scheme Mandate Limit or Refreshed Scheme Mandate Limit. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be).

26. TERMINATION

26.1 The Company may by ordinary resolution in general meeting or the Board may at any time terminate the operation of the 2023 Share Option Scheme and in such event no further Options shall be offered but the provisions of the 2023 Share Option Scheme shall remain in all other respects in full force and effect in respect of any Options granted prior thereto but not yet exercised or in respect of which Shares are not yet issued to the grantees at the time of termination. Upon such termination, details of the Options granted (including Options exercised or outstanding) and (if applicable) Options that become void or non-exercisable as a result of such termination shall be disclosed in the circular to the Shareholders seeking approval of the first new scheme to be established or refreshment of scheme mandate limit under any other existing share scheme of the Company after such termination.

27. CONDITIONS OF THE 2023 SHARE OPTION SCHEME

27.1 The 2023 Share Option Scheme shall take effect subject to the fulfilment of the conditions set out as follows:-

- (a) the passing of an ordinary resolution by the Shareholders in a general meeting to terminate the Existing Share Option Scheme;
- (b) the passing of the necessary resolution by the Shareholders to approve and adopt the 2023 Share Option Scheme with the Scheme Mandate Limit, and to authorise the Board to grant the Options thereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options under the 2023 Share Option Scheme; and
- (c) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares that may be issued by the Company pursuant to the exercise of the Options which may be granted under the 2023 Share Option Scheme.

NOTICE OF ANNUAL GENERAL MEETING



Bradaverse Education (Int'l) Investments Group Limited 源宇宙教育(國際)投資集團有限公司

(Formerly known as “Hong Kong Education (Int'l) Investments Limited

香港教育(國際)投資集團有限公司”)

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1082)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Bradaverse Education (Int'l) Investments Group Limited (the “**Company**”) will be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Thursday, 21 December 2023 at 10:00 a.m. to consider and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements and the report of the directors (the “**Director(s)**”) and the auditors (the “**Auditors**”) of the Company for the year ended 30 June 2023.
2. To re-elect Mr. Li Ming Him as an executive Director.
3. To re-elect Mr. Hong Ka Kei as an independent non-executive Director.
4. To re-elect Ms. Leung Sze Ki as an independent non-executive Director.
5. To re-elect Mr. Yuen Chun Fai as an independent non-executive Director.
6. To authorise the board of Directors (“**Board**”) to fix the remuneration of the Directors.
7. To re-appoint Baker Tilly Hong Kong Limited as the Auditors and to authorise the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

8. “THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the unissued shares in the capital of the Company (“**Shares**”) and to make or grant offers, agreements and options (including bonds, notes and other securities which carry right to subscribe for or are convertible into Shares) which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, notes and other securities which carry right to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted and issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options granted under the share option scheme of the Company;
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company (“**Bye-laws**”); and
 - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any convertible bonds, debentures, notes or any securities issued by the Company which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20% of the aggregate number of issued Shares on the date of passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company (“**Shareholders**”)) the aggregate number of issued Shares which may be repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the number of issued Shares on the date of the passing of this resolution);

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

NOTICE OF ANNUAL GENERAL MEETING

- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the numbers of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or by the Bye-laws to be held after the AGM; or
- (iii) the passing of an ordinary resolution by the Shareholders in a general meeting to be held after the AGM revoking or varying the mandate granted under this resolution.

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

9. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) in accordance with all applicable laws, rules and regulations, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the aggregate number of issued Shares as at the date of passing of this resolution and the said mandate shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

- (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company to be held after the AGM;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or by the Bye-laws to be held after the AGM; or
- (iii) the passing of an ordinary resolution by the Shareholders in a general meeting to be held after the AGM revoking or varying the mandate granted under this resolution.”

10. “**THAT** conditional upon the passing of resolutions set out in items 8 and 9 of the notice convening the AGM (“**Notice**”), the general mandate referred to in the resolution set out in item 8 of the Notice be and is hereby extended by the addition to the number of Shares which may be allotted and issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to or in accordance with such general mandate of an amount representing the aggregate number of Shares repurchased by the Company pursuant to the general mandate referred to in the resolution set out in item 9 of the Notice, provided that such extended amount shall not exceed 10% of the aggregate number of issued Shares on the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

11. “**THAT:**

- (a) subject to and conditional upon the Listing Committee (as defined in the circular of the Company dated on the same day as this Notice (the “**Circular**”)) granting approval for the listing of and permission to deal in the shares of the Company to be issued pursuant to the exercise of any Options (as defined in the Circular) to be granted pursuant to the 2023 Share Option Scheme, as defined and summarised in Appendix IV to the Circular (the rules of which are contained in the document marked “A” and produced at the AGM and for the purposes of identification, initialled by the chairman of the AGM), the 2023 Share Option Scheme be and is hereby approved and adopted and the Directors be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the Directors may consider necessary, desirable or expedient to effect and implement the 2023 Share Option Scheme, including but without limitation:
 - (i) to administer the 2023 Share Option Scheme in accordance with its terms;
 - (ii) to grant the Options to the Eligible Participants (as defined in the Circular) under the 2023 Share Option Scheme and allotting and issuing from time to time such number of new Shares as may be required to be issued pursuant to the exercise of the Options that may be granted under the 2023 Share Option Scheme;
 - (iii) to modify and/or amend the rules of the 2023 Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the rules of the 2023 Share Option Scheme relating to the modification and/or amendment and is in compliance with the Listing Rules (as defined in the Circular);
 - (iv) to make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any new Shares that may be allotted and issued pursuant to the exercise of the Options granted or to be granted under the 2023 Share Option Scheme; and
 - (v) to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2023 Share Option Scheme; and
- (b) subject to and conditional upon the 2023 Share Option Scheme becoming unconditional, the Existing Share Option Scheme (as defined in the Circular) be and is hereby terminated except that the provisions of the Existing Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior to its termination, or otherwise as may be required in accordance with the provisions of the Existing Share Option Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

12. “**THAT:**

- (a) the existing Bye-laws (the “**Existing Bye-laws**”) of the Company be and are hereby amended in the manner as set out in Appendix III to the Circular (the “**Proposed Amendments**”);
- (b) the amended and restated Bye-laws of the Company (the “**Amended and Restated Bye-laws**”), a copy of which has been produced to the AGM and marked “A” and initialed by the chairman of the AGM for identification purpose, incorporating all the Proposed Amendments, be and is hereby approved and adopted as the bye-laws of the Company in substitution for and to the exclusion of the Existing Bye-Laws with immediate effect; and
- (c) any one Director or the company secretary of the Company be and is hereby authorised to do all things necessary to implement the Proposed Amendments and the adoption of the Amended and Restated Bye-laws, including without limitation, attending to the necessary filings in Bermuda and Hong Kong.”

By Order of the Board

Bradaverse Education (Int’l) Investments Group Limited

Yip Kai Pong

Executive Director

Hong Kong, 29 November 2023

Registered Office:

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

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

Unit 1708, 17/F,
Tower II,
Admiralty Centre,
No. 18 Harcourt Road,
Hong Kong

Notes:

1. Any Shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on behalf of him/her. A proxy need not be a Shareholder. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event by 10:00 a.m. on Tuesday, 19 December 2023 or not less than 48 hours before any adjournment of the AGM. Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof if he/she so wish and, in such event, the form of proxy shall be deemed to be revoked.

NOTICE OF ANNUAL GENERAL MEETING

3. In order to determine the right to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 18 December 2023 to Thursday, 21 December 2023 (both days inclusive), during which no transfer of Shares can be registered. To qualify for attending and voting at the AGM, Shareholders must ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Friday, 15 December 2023.
4. Where there are joint registered holders of any Shares, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such Shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the AGM personally or by proxy, that one of the said persons so present being the most, or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand in the register of members in respect of the relevant joint holding.
5. As required under the Listing Rules, the above resolutions shall be decided by way of poll.

As at the date of this notice, the executive Directors are Mr. Yip Kai Pong and Mr. Li Ming Him; and the independent non-executive Directors are Mr. Yuen Chun Fai, Mr. Hong Ka Kei and Ms. Leung Sze Ki.