COMPANY INFORMATION SHEET

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Company Name (stock code): Jiaxin International Resources Investment Limited (3858)

Stock Short Name: JIAXIN INTL RES

This information sheet is provided for the purpose of giving information to the public about Jiaxin International Resources Investment Limited (the "**Company**") as at the date hereof. It does not purport to be a complete summary of the information relevant to the Company and/or its securities.

Unless otherwise indicated, the capitalised terms have the same meanings as ascribed in the Company's prospectus dated August 20, 2025 (the "**Prospectus**").

Responsibility statement

The directors of the Company as at the date hereof hereby collectively and individually accepts full responsibility for the accuracy of the information contained in this information sheet and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief the information is accurate and complete in all material respects and not misleading or deceptive and that there are no other matters the omission of which would make any information inaccurate or misleading.

The directors of the Company also collectively and individually undertakes to publish this information sheet on a yearly basis, when the Company publishes its annual report, this information sheet reflecting, if applicable, the changes made to the last publication.

Summary Content

Document Type	**Upload Date**
A. Summary of Waivers	
Latest version	August 27, 2025
B. Summary of Foreign Laws and Regulations	
Latest version	August 27, 2025
C. Articles of Association of the Company	
Latest version	August 27, 2025

Date of this information sheet: August 27, 2025

A. SUMMARY OF WAIVERS

The following waivers have been applied for and granted by the Stock Exchange.

BASIC CONDITIONS FOR LISTING IN RELATION TO QUALIFICATIONS FOR LISTING

According to Rule 8.05 of the Listing Rules, an issuer must satisfy one of the three tests in relation to: (a) profit; (b) market capitalization, revenue and cash flow; or (c) market capitalization and revenue requirements (collectively, the "**Financial Standards Requirements**").

Pursuant to Rules 8.05B(1) and 18.04 of the Listing Rules, a mineral company that is unable to satisfy the Financial Standards Requirements may still apply to be listed if the Stock Exchange is satisfied that the directors and senior managers of the issuer, taken together, have sufficient experience relevant to the exploration and/or extraction activity that the mineral company is pursuing (the "**Relevant Experience Requirements**"). Sufficient and relevant experience are demonstrated by a five-year or more experience in the exploration for and/or extraction of relevant natural resources of the issuer.

Reference is also made to Chapter 2.6 of the Guide for New Listing Applicants, whereby a mineral company can rely on Rule 18.04 of the Listing Rules for the exemption of Rule 8.05 of the Listing Rules if it can (i) demonstrate a clear path to commercial production; (ii) disclose in the listing document details of the plan to provide investors sufficient information to perform an informed assessment on its value; and (iii) meet the Relevant Experience Requirements. In particular, where the experience of the directors or management in commodities or minerals is different from the applicant's operations, the Stock Exchange will consider (i) whether such skills are transferable to the applicant's mining activities; and (ii) the directors' or management's academic and professional qualifications, significant mining related achievements/awards, and contribution to the mining industry and/or any Mineral Companies (as defined in the Listing Rules).

The Company is unable to meet the Financial Standards Requirements. The Company has therefore applied for, and the Stock Exchange has granted the Company a waiver from strict compliance with Rule 8.05 of the Listing Rules in accordance with Rules 8.05B(1) and 18.04 of the Listing Rules on the grounds as follows:

(a) the Company was principally engaged in exploration, development, production of Tungsten ore in Kazakhstan and is a mineral company to which Chapter 18 of the Listing Rules applies;

(b) its inability to comply with the Financial Standards Requirements under Rule 8.05 of the Listing Rules is due to the fact that, throughout the Track Record Period, its had been in pre-production, exploration and/or development phase;

(c) the Company is able to demonstrate a clear path to commercial production of the Boguty Project. For details of how the Boguty Project have a clear path to commercial production, please refer to the paragraphs headed "Our Mineral Assets and Mining Rights" for the Company's mining assets and "Development Plan and Planned Production Schedule" for a detailed plan to achieve profitable commercial production in the "Business" section of the Prospectus;

(d) the Directors confirm that all the information that is necessary for the public to make an informed assessment of the Company's activities and financial position has been included in the Prospectus; and

(e) one executive Director and five other senior management members of the Company, namely Mr. Wang Zhongwei (汪中偉), Mr. Liu Peng (劉鵬), Mr. Zhao Yingfeng (趙迎鋒), Mr. Chen Bo (陳波), Mr. Zhou Xu (周旭), and Mr. Zhang Shengyi (張勝義) possess sufficient experience relevant to the exploration and/or extraction activity of tungsten mines, having 30, 23, 24, 24, 15 and 42 years of experience in the mining industry, respectively, as well as academic and professional qualifications and mining related achievements and awards. According to the advice from the Independent Technical Consultant (further details of which are set out in the respective biographical details of each of the above Director and senior management members in "Directors and Senior Management" of the Prospectus), the Company is of the view that the executive Director's and the senior management members' experiences in mining and beneficiation are transferable to the Company's mining activities of tungsten. For details of the biographical information of the Directors and senior management, please refer to the section headed "Directors and Senior Management" of the Prospectus. In this regard, the Company is of the view that the Directors and senior management members, taken together, have sufficient experience that is specifically relevant to the exploration and/or extraction activities that the Company is pursuing and therefore can meet the Relevant Experience Requirements.

The Directors believe that waiver from strict compliance with Rule 8.05 of the Listing Rules will not prejudice the interests of the public investors.

MANAGEMENT PRESENCE

Pursuant to Rules 8.12 of the Listing Rules, the Company must have sufficient management presence in Hong Kong, which normally means that at least two of the executive Directors must ordinarily reside in Hong Kong.

Given that the Group business operations are principally located and conducted in Kazakhstan and the PRC, and the majority of the Company's executive Directors principally reside in the PRC, and the management and operation of the Group have mainly been under supervision of the executive Directors, who are principally responsible for the overall management, corporate strategy, planning, business development and control of the Group's business, the Company does not have, and does not contemplate in the foreseeable future that the Company will have sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

Accordingly, the Company has applied for and the Stock Exchange has granted the Company a waiver from strict compliance with Rule 8.12 of the Listing Rules based on the following conditions:

(a) **Authorized Representatives:** the Company has appointed Mr. Qiu Huaizhi (邱懷智) and Ms. Liu Wenjing (劉文靜) as the Company's authorized representatives ("**Authorized Representatives**") for the purpose of Rule 3.05 of the Listing Rules. The Authorized Representatives will act as the Company's principal channel of communication with the Stock Exchange and would be readily contactable by phone, facsimile and email to deal promptly with enquiries from the Stock Exchange. The Company has provided contact details of the two Authorized Representatives to the Stock Exchange and will inform the Stock Exchange as soon as practicable in respect of any change in our Authorized Representatives. Mr. Qiu has confirmed that he possesses valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange to discuss any matters in relation to the Company within a reasonable period of time, when required. Please refer to the section headed "Directors and Senior Management" in the Prospectus for more information about our Authorized Representatives;

(b) **Directors:** When the Stock Exchange wishes to contact the Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all of the Directors (including the independent non-executive Directors) promptly at all times. To facilitate communication with the Stock Exchange, the Company has provided the Authorized Representatives and the Stock Exchange with the contact details (such as mobile phone numbers, office phone numbers, facsimile number and e-mail addresses, to the extent possible) of each of the Directors such that the Authorized Representatives would have the means for contacting all the Directors promptly at all times as and when the Stock Exchange wishes to contact the Directors on any matters. In the event that any Director expects to travel or is otherwise out of office, he or she will provide the telephone number of the place of his or her accommodation to the Authorized Representatives. To the best of the Company knowledge and information, each of the Directors who does not ordinarily reside in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time upon request; and

(c) **Compliance Advisor:** The Company has appointed Guolian Securities International Capital Market Co., Limited as the Company's compliance advisor ("**Compliance Advisor**") pursuant to Rule 3A.19 of the Listing Rules, who will provide the Company with professional advice on continuing obligations under the Listing Rules and act as its additional channel of communication with the Stock Exchange during the period from the Listing Date to the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately after the Listing. The Compliance Advisor will have access at all times to the Authorized Representatives, the Directors, and other senior management and act as the additional channel of communication with the Stock Exchange and answer enquiries from the Stock Exchange. The contact details of the Compliance Advisor have been provided to the Stock Exchange. The Company will also inform the Stock Exchange promptly in respect of any change in the Compliance Advisor.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

The Company have entered into and are expected to continue with certain transactions after the Listing which will constitute the Company's non-exempt continuing connected transactions under Chapter 14A of Listing Rules. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted it, waivers in relation to certain continuing connected transactions between the Company and its connected persons under Chapter 14A of the Listing Rules.

B. SUMMARY OF FOREIGN LAWS AND REGULATIONS

Summary of the Major Differences between the Listing Rules, Certain Applicable Hong Kong Laws, the AIX Business Rules and AIFC Market Rules

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
REPORTING REQUIREMENTS	
Issuers in Hong Kong are required to comply with disclosure obligations under the Listing Rules upon the occurrence of the events which are prescribed therein.	Issuers in AIX are required to comply with disclosure obligations under the AIX Business Rules (which include Market Disclosure Rules, AIX Markets Listing Rules, Admission and Disclosure Standards for Issuers) and AIFC Market Rules upon the occurrence of the events which are prescribed therein.
In the case that our Company makes a disclosure pursuant to the Listing Rules, it will make the same disclosure in AIX.	In the case that our Company makes a disclosure pursuant to the Hong Kong Listing Rules, it will make the same disclosure in AIX. AIX, in its reasonable discretion, may require the Company to make additional disclosures when necessary to protect the interests of investors or for other lawful purposes.

The Listing Rules and Hong Kong Laws

1. Chapter 13 of the Listing Rules (Continuing Obligations)

Rule 13.09, Listing Rules: General Obligation of Disclosure

(1) Without prejudice to Rule 13.10 of the Listing Rules, where in the view of the Stock Exchange there is or there is likely to be a false market in an issuer's securities, the issuer must, as soon as reasonably practicable after consultation with the Stock Exchange, announce the information necessary to avoid a false market in its securities.

Notes:

(1) This obligation exists whether or not the Stock Exchange makes enquiries under Rule 13.10 of the Listing Rules.

(2) If an issuer believes that there is likely to be a false market in its listed securities, it must contact the Stock Exchange as soon as reasonably practicable.

AIX Business Rules and AIFC Market Rules

Chapter 6 of AIFC Market Rules: Market Disclosure

MAR 6.1, AIFC Market Rules: Public disclosure of Inside Information

MAR 6.1.1, AIFC Market Rules: Obligation to disclose Inside Information to the public

An issuer must inform the public as soon as possible of inside information which directly concerns that issuer.

MAR 6.1.2, AIFC Market Rules: Requirements for public disclosure of Inside Information

The issuer:

(a) must ensure that the inside information is made public in a manner which enables fast access and complete, correct and timely assessment of the information by the public; and

(b) must not combine the disclosure of inside information to the public with the marketing of its activities; and

(c) must post and maintain on its website for a period of at least five years, all inside information it is required to disclose publicly.

The Listing Rules and Hong Kong Laws

(2) (a) Where an issuer is required to disclose inside information under the Inside Information Provisions (as defined in the Listing Rules), it must also simultaneously announce the information.

(b) An issuer must simultaneously copy to the Hong Kong Stock Exchange any application to the SFC for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the SFC's decision copy the Stock Exchange with the SFC's decision.

Rule 13.10B, Listing Rules: Announce Information Disclosed to Other Stock Exchanges

An issuer must announce any information released to any other stock exchange on which its securities are listed at the same time as the information is released to that other exchange.

AIX Business Rules and AIFC Market Rules

MAR 6.1.3, AIFC Market Rules: Delaying disclosure

An issuer may delay disclosure of inside information to the public provided that all of the following conditions are met:

(a) immediate disclosure is likely to prejudice the legitimate interests of the issuer; and

(b) delay of disclosure is not likely to mislead the public; and

(c) the issuer is able to ensure the confidentiality of that information.

MAR 6.1.4, AIFC Market Rules: Delaying disclosure — protracted process

In case of protracted process that occurs in stages and that is intended to bring about, or that results in, particular circumstance or a particular event, an issuer may delay the public disclosure of inside information relating to this process, subject to MAR 6.1.3.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

MAR 6.1.6, AIFC Market Rules: Obligation to disclose to the public when confidentiality is no longer ensured

Where disclosure of inside information has been delayed in accordance with MAR 6.1.3 or MAR 6.1.4 and the confidentiality of that inside information is no longer ensured, the issuer must disclose that inside information to the public as soon as possible.

Guidance: Obligation to disclose to the public when confidentiality is no longer ensured.

MAR 6.1.6 would apply to situations where a rumour explicitly relates to inside information the disclosure of which has been delayed in accordance with MAR 6.1.3 or MAR 6.1.4 where that rumour is sufficiently accurate to indicate that the confidentiality of that information is no longer ensured.

MAR 6.1.7, AIFC Market Rules: Disclosure of Inside Information in the normal course of the exercise of an employment, profession or duties

Where an issuer, or a person acting on their behalf or for their account, discloses any inside information to any third party in the normal course of the exercise of an employment, profession or duties as referred to in MAR 5.2.65 (Unlawful Disclosure of Inside Information):

(a) they must make complete and effective public disclosure of that information, simultaneously in the case of an intentional disclosure, and promptly in the case of a non-intentional disclosure; but

(b) the obligation in (a) does not arise where the person receiving the information owes a duty of confidentiality, whether such duty is based on law, regulations, on articles of association or on a contract.

MAR 6.5, AIFC Market Rules: Other matters concerning market disclosure

(1) An issuer must disclose to the public any other matters prescribed by the market disclose rules of the AIX on which it has securities or units admitted to the Official List.

(2) Subject to (3) below if an issuer that has its securities of the same class admitted to trading on an equivalent regulated exchange complies with the corresponding requirements of market disclosure rules and regulations in the jurisdiction of such equivalent regulated exchange, it will not be required to make any additional disclosure under market disclosure requirements of the AFSA beyond those disclosures such issuer makes in the jurisdiction of such equivalent regulated exchange, provided that the same information is released on AIX at the same time as in that other jurisdiction, subject to the manner of market disclosure and English language requirement prescribed in the AIX Business Rules. Notwithstanding that, AFSA and/or AIX, in their reasonable discretion, may require the issuer to make additional disclosures when necessary to protect the interests of investors or other lawful purposes.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

(3) If an issuer is in breach of the requirements of, or is released from, disclosure obligations (as a result of delisting or otherwise) under, market disclosure rules and regulations in the jurisdiction of the relevant equivalent regulated exchange, the issuer must comply with all relevant market disclosure requirements of the AFSA and AIX on which securities of the issuer are admitted to trading.

Note: Pursuant to AFSA Notice No. AFSA-N-NB-2022-0001 dated 20 April 2022 the Stock Exchange, i.e., its Main Board and Growth Enterprise Market, was recognised to be equivalent regulated exchange.

Chapter MDR 2 (R) of Market Disclosure Rules: Disclosure of Inside Information

Rule MDR 2.1, Market Disclosure Rules: Timely disclosure

MDR 2.1.1 An issuer must make timely of public disclosure inside information in the accordance with requirements in this section.

MDR 2.1.2 An issuer must ensure that the disclosure it makes pursuant to Rule MDR 2.1.1 is not misleading, false or deceptive and does not omit anything likely to affect the import of the information.

MDR 2.1.3 For the purposes of complying with the requirement in Rule MDR 2.1.1, the issuer must, subject to Rule MDR 2.3 and 2.4, make disclosure as soon as possible and in the manner specified in Rule MDR 7.

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
	MDR 2.1.4 (G)
	(1) An issuer is required to publicly disclose inside information as soon as possible. In practice, a short period before announcing inside information is permitted where an issuer is affected by an unexpected event and the issuer needs to clarify the situation or take legal advice so that any information released is accurate and not misleading. Any delay should be limited to a period no longer than is reasonably necessary in the circumstances. Where there is a danger of the information leaking out in the meantime, the issuer should make a holding announcement giving an outline of the subject matter of the announcement, the reasons why a full announcement cannot yet be made and undertaking to make a full announcement as soon as possible.
	(2) For the disclosure to be not misleading, false or deceptive, an issuer should provide information that is accurate, factual and complete. Any incomplete or inaccurate information, such as omission of relevant information, would be misleading or deceptive. Information should be provided in an easy to understand manner and not for promotional purposes. The use of imprecise and confusing language such as 'double digit' or 'in excess of last year' should be avoided as it does not allow investors to properly assess the information for the purpose of making an informed decision relating to the relevant securities.

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
	(3) Where an issuer realises that it has or may have breached its continuous disclosure obligations, it should contact AIX to discuss the matter and seek guidance on remedying the situation and on taking steps to ensure that similar breaches are prevented from recurring.
	(4) A confidentiality agreement should not prevent an entity from complying with its obligations relating to the disclosure of inside information.
	(5) If, for any reason, an issuer is unable, or unwilling to make a holding announcement it may be appropriate for the issuer to file a report pursuant to Rule MDR 2.5 (R) and for the trading of its securities to be suspended until the issuer is in a position to make an announcement.
	(6) Identifying Inside Information Inside information is defined in AIFC MAR Rules 5.2.
	Relationship between continuous disclosure and periodic disclosures
	(10) Periodic disclosures by issuers are required in a number of circumstances, and examples can include semi-annual and annual reports and financial statements, prospectuses, bidder's statements and target's statements.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

(11) In the course of preparing these disclosure documents, issuers may become aware of inside information which was previously insufficiently precise to warrant disclosure. In such circumstances, an issuer should not defer releasing that information until the periodic disclosure or other document is finalised. In such circumstances, an issuer is expected to make an announcement containing the Inside Information as soon as possible.

Concurrent disclosure on AIX and other Regulated exchanges

(12) Issuers with securities of the same class admitted to trading in other regulated exchanges should ensure that the release of announcements containing inside information is coordinated across jurisdictions and made to such regulated exchange and AIX at the same time. Issuers with securities of the same class admitted to trading in other regulated exchanges must announce to AIX any information released to such regulated exchange at the same time as information is released to that other regulated exchange. If the requirements of the other regulated exchange for disclosure are stricter than in the AIFC and AIX, the issuer must ensure that the same information is released in the AIX and AIFC as in that other regulated exchange.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

MDR 2.1.4 (R)

(13) If an issuer that has its securities of the same class admitted to trading on an equivalent regulated exchange as a primary listing complies with the corresponding requirements of market disclosure rules and regulations in the jurisdiction of such equivalent regulated exchange, it will not be required to make any additional disclosure under these AIX Market Disclosure Rules beyond those disclosures such issuer makes in the jurisdiction of such equivalent regulated exchange, provided that the same information is released on AIX at the same time as in that other jurisdiction, subject to Rule MDR 7 in relation to the manner of market disclosure and Rule BRG 6.1 in relation to the use of the English language. Notwithstanding that, AIX, in its reasonable discretion, may require the issuer to make additional disclosures when necessary to protect the interests of investors or for other lawful purposes.

If an issuer is in breach of the requirements of, or is released from, disclosure obligations (as a result of delisting or otherwise) under, market disclosure rules and regulations in the jurisdiction of the relevant equivalent regulated exchange, the issuer must comply with all relevant market disclosure rules set in the AIFC Market Rules and AIX Business Rules.

Note: This rule MDR 2.1.4 (R) (13) provides for the similar concessions/regulation as Rule 6.5 of AIFC Market Rules.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

(14) Issuers must not delay an announcement in the AIFC in order to wait for a market to open in another jurisdiction, subject to the following provisions of this rule MDR 2.1.4(14).

When AIX is a secondary exchange and the AIX market opens earlier than the primary exchange, the issuer must inform AIX of the proposed time of the upcoming disclosure of the price sensitive information before the AIX market opens. AIX shall not disclose such information earlier than the time advised for its release to the primary exchange, and may consider whether to suspend trading of the securities of the issuer until such release.

If the issuer is required to notify information to AIX at a time when AIX is not open for business, it must distribute the information as soon as possible to AIX for release as soon as it opens.

Rule MDR 2.2 (R), Market Disclosure Rules: Delaying disclosure

An issuer may delay market disclosure of inside information so as not to prejudice its legitimate interests provided that:

(a) the conditions of AIFC Market Rules 6.1.3 are met; and

(b) if the information is to be selectively disclosed to a person prior to market disclosure, disclosure is made in accordance with the requirements in Rule MDR 2.3.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

Rule MDR 2.3 (R), Market Disclosure Rules: Selective disclosure

MDR 2.3.1 (R) For the purposes of Rule MDR 2.2(b), an issuer may selectively disclose inside information to a person prior to making market disclosure of such information only if:

(a) it is for the purposes of the exercise by such a person of his/her employment, profession or duties;

(b) that person owes to the issuer a duty of confidentiality, whether based on law, contract or otherwise; and

(c) the issuer has provided to that person, except where that person is an authorised representative of AIX or the AFSA, a written notice as specified in Rule MDR 2.3.3.

MDR 2.3.2 (R) For the purposes of Rule MDR 2.3.1(a), the persons whose exercise of employment, profession or duties may warrant selective disclosure are as follows:

(a) any adviser and underwriter;

(b) an agent employed by the issuer to release the information;

(c) persons with whom the issuer is negotiating with a view to effecting a transaction or raising finance, including prospective underwriters, providers of finance or loans or the placement of the balance of a rights issue not taken up by shareholders;

(d) AIX, AFSA or another financial services regulator where such disclosure is necessary or desirable for the regulator to perform its functions;

(e) a person to whom the issuer discloses information in accordance with a lawful requirement;

(f) a major shareholder of the issuer; or

(g) any other person to whom it is necessary to disclose the information in the ordinary course of business of the issuer.

MDR 2.3.3 (R) For the purposes of Rule MDR 2.3.1(c), the issuer must, before making disclosure to a person, provide to that person a written notice that:

(a) the information is provided in confidence and must not be used or be allowed to be used for a purpose other than the purpose for which it is provided; and

(b) the recipient must take reasonable steps to ensure that the recipient or any person having access to the information through the recipient does not deal in the relevant securities, or any other related investment, or disclose such information without legitimate reason, prior to market disclosure of that information by the issuer.

MDR 2.3.4 (R) Where an issuer makes selective disclosure of inside information pursuant to Rule MDR 2.3.1, it must ensure that a full announcement is made to the market as soon as possible, and in any event, when it becomes aware or has reasonable grounds to suspect that such information has or may have come to the knowledge of any person or persons other than those to whom the selective disclosure was made.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

MDR 2.3.5 (G)

(1) It is likely that inside information will be made known to certain employees of the issuer. An issuer should put in place procedures to ensure that employees do not disclose such information, whether or not inadvertently, and that employees are adequately trained in the identification and handling of inside information. An issuer should, in compliance with Rule MDR 2.5 (R), also establish and maintain an insider list.

(2) Rule MDR 2.3 does not excuse an issuer from its overriding obligation to disclose inside information as soon as possible pursuant to Rule MDR 2.1. An issuer which proposes to delay public disclosure of inside information should refer to Rule MDR 2.2, which sets out the limited circumstance in which delaying disclosure is permitted.

Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1

An issuer, other than a listed fund, must on the occurrence of admission to listing or trading of the same class of securities on a regulated exchange or delisting of securities on such regulated exchange, make market disclosure as soon as possible relating to all the relevant details relating to the admission to listing or trading or delisting. (4.2)

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
	If any other disclosure required to be made pursuant to the requirements in the regulated exchange arising from the listing or trading of the same class of securities on that regulated exchange where such disclosure is not made in the AIFC or to the AIX as soon as such disclosure is made on the regulated exchange, an issuer, other than a listed fund, must make market disclosure of the information required to be disclosed to the regulated exchange. (4.3)
	Rule MLR 21.2 (R), Markets Listing Rules: Disclosure Requirements
	MLR 21.2.3 (R) A listed entity must take reasonable care to ensure that information, required to be provided to AIX or disclosed to the market under these Rules, is not misleading, false or deceptive and does not omit anything likely to affect the import of such information. Any information that the issuer believes might be securities price sensitive should be provided to AIX.
Rule 13.51, Listing Rules: Notification on Changes	**Rule 4.1, AIFC Market Rules: Sponsors**
An issuer must publish an announcement as soon as practicable in regard to:	**Rule 4.1.10, AIFC Market Rules: Termination of appointment**
(1) any proposed alteration of the issuer's memorandum or articles of association or equivalent documents;	Where a person who is required to appoint a sponsor dismisses the sponsor, the person must advise the AFSA in writing without delay of the dismissal, giving details of any relevant facts and circumstances.

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
(2) any changes in its directorate or supervisory committee, and shall procure that each new director or supervisor or member of its governing body shall lodge with the Stock Exchange as soon as practicable after the appointment, the contact information and personal particulars required under Rule 3.20(1) of the Listing Rules or Rule 19A.07A of the Listing Rules (in such form and manner prescribed by the Stock Exchange from time to time). Where a new director, supervisor or chief executive is appointed or the resignation, re-designation, retirement or removal of a director, supervisor or chief executive takes effect, the issuer must announce the change as soon as practicable and include the details required pursuant to Rule 13.51(2) of the Listing Rules of any newly appointed or re-designated director, supervisor or chief executive in the announcement;	**Rule 4.1.11, AIFC Market Rules: Resignation of sponsor** Where a sponsor resigns, it must advise the AFSA in writing without delay of the resignation, giving details of any relevant facts and circumstances. **Rule 4.2, AIFC Market Rules: Compliance advisers** **Rule 4.2.10, AIFC Market Rules: Termination of appointment** Where an issuer dismisses its compliance adviser, the issuer must advise the AFSA in writing without delay of the dismissal, giving details of all relevant facts and circumstances. **Rule 4.2.11, AIFC Market Rules: Resignation of compliance adviser** Where a compliance adviser resigns, the issuer must without delay advise the AFSA in writing of the resignation, giving details of all relevant facts and circumstances.
(3) any change in the rights attaching to any class of listed securities and any change in the rights attaching to any shares into which any listed debt securities are convertible or exchangeable;	**Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1** An issuer, other than a listed fund, must disclose to the market matters relating to securities of the issuer, including decisions relating to dividends (4.1), admission to listing or trading of the same class of securities on a regulated exchange or delisting of securities on such regulated exchange (4.2), any other disclosure made pursuant to requirements of another regulated exchange where such disclosure is not made in AIFC or AIX. (4.3)

The Listing Rules and Hong Kong Laws

(4) any change in its auditors or financial year end, the reason(s) for the change and any other matters that need to be brought to the attention of holders of securities of the issuer (including, but not limited to, information set out in the outgoing auditors' confirmation in relation to the change in auditors);

(5) any change in its secretary, share registrar (including any change in overseas branch share registrar) or registered address or where applicable, agent for the service of process in Hong Kong or registered office or registered place of business in Hong Kong;

(6) any change in its Compliance Adviser (as defined in the Listing Rules);

(7) any revision of interim reports, annual reports or summary financial reports, the reason leading to the revision of published financial reports, and the financial impacts, if any; and

(8) any change in its website address.

AIX Business Rules and AIFC Market Rules

An issuer, other than a listed fund, must on the occurrence of any change to the board of directors of the issuer, including:

(a) the appointment of a new director;

(b) the resignation, retirement or removal of an existing director; and

(c) changes to any important functions or executive responsibilities of a director,

make market disclosure as soon as possible relating to:

(a) the effective date of the change (if it has been decided);

(b) whether the position is executive or non-executive;

(c) whether the position is considered to be independent; and

(d) the nature of any functions or responsibility of the position. (2.5)

An issuer, other than a listed fund, must in case of appointment of a new director within 7 calendar days of the appointment make market disclosure relating to:

(a) all directorships past or present held by the director in any other body corporate in the previous five years;

(b) the experience of the director;

(c) details of the process by which the director was selected;

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
	(d) any unspent convictions relating to serious criminal offences; (e) any bankruptcies or individual voluntary arrangements of the director; (f) any compulsory liquidations, creditors voluntary liquidations, company voluntary arrangements, receivership or any composition or arrangement with creditors generally or any class of creditors of any body corporate where such an individual was the director at the time of or within the 12 months preceding the occurrence of such events; and (g) any public criticism or disqualification of the individual by a governmental or regulatory authority and whether the individual has ever been disqualified by a court from acting as a director of a body corporate or from acting in the management or conduct of the affairs of any body corporate or, if there are no such details to be disclosed, that fact. (2.6) An issuer, other than a listed fund, must on the occurrence of any change of custodian or depository in relation to certificates representing shares and debentures, make market disclosure as soon as possible relating to the new custodian or depository and any implication/effect of this change. (4.4) An issuer, other than a listed fund, must on the occurrence of any change to the accounting reference date, make market disclosure as soon as possible relating to the previous and new accounting reference date, and reasons for the change. (6.4)

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Rule 13.25A, Listing Rules: Changes in Issued Shares

(1) In addition and without prejudice to specific requirements contained elsewhere in the Listing Rules, an issuer must, whenever there is a change in its issued shares as a result of or in connection with any of the events referred to in Rule 13.25A(2) of the Listing Rules, submit for publication on the Stock Exchange's website a return in such form and containing such information as the Stock Exchange may from time to time prescribe by not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day next following the relevant event.

(2) The events referred to in Rule 13.25A(1) of the Listing Rules are as follows:

(a) any of the following:

(i) placing;

(ii) consideration issue;

(iii) open offer;

(iv) rights issue;

AIX Business Rules and AIFC Market Rules

An issuer, other than a listed fund, must on the occurrence of change of accounting date extending the annual accounting reference period to more than 14 months, make market disclosure within 6 months of the old accounting reference date relating to a second semi-annual report. (6.5)

Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1

An issuer, other than a listed fund, must disclose to the market matters relating to capital of the issuer, including new issue of securities and results thereof as follows:

(a) on the occurrence of any proposed new issue of securities, make market disclosure as soon as possible after the decision is made relating to the class, number and proposed date of issue and details of the changes to the share capital resulting from the new issue proposed. (7.1)

(b) on the occurrence of results of the new issue make market disclosure as soon as possible relating to the results of the issue including: (a) the class, number and the actual date of the issue; (b) consideration received; and (c) details of changes in the share capital. (7.2)

An issuer, other than a listed fund, must on the occurrence of any proposed change in a capital structure, including purchase of own shares (for cancellation or to be held as treasury shares), reorganisation of issued capital structure, conversions, as soon as possible, make market disclosure of timetable, terms and effect of the proposed change, additional information in respect of share repurchases as per Rule MLR 20.4. (7.3)

The Listing Rules and Hong Kong Laws

(v) bonus issue;

(vi) scrip dividend;

(vii) repurchase of shares or other securities;

(viii) exercise of an option under the issuer's share option scheme by any of its directors;

(ix) exercise of an option other than under the issuer's share option scheme by any of its directors;

(x) capital reorganisation; or

(xi) change in issued shares not falling within any of the categories referred to in Rule 13.25A(2)(a)(i) to (x) or Rule 13.25A(2)(b) of the Listing Rules; and

(b) subject to Rule 13.25A(3) of the Listing Rules, any of the following:

(i) exercise of an option under a share option scheme other than by a director of the issuer;

(ii) exercise of an option other than under a share option scheme not by a director of the issuer;

AIX Business Rules and AIFC Market Rules

An issuer, other than a listed fund, must on the occurrence of any redemption of listed securities including details of the number of securities redeemed and the number of securities of that class outstanding following the redemption, as soon as possible, make market disclosure of class, number of securities and date of redemption and details of the changes to the capital structure resulting from redemption. (7.4)

Rule ADS 6.5 (R), Admission and Disclosure Standards for issuers: Reorganisation of Securities

ADS 6.5.1 If an issuer proposes to reorganise its issued capital structure, it must provide AIX with sufficient prior notice to ensure that an orderly market is maintained in its securities.

ADS 6.5.2 If an issuer proposes to reorganise its issued capital structure, it must disclose the following information to AIX as soon as possible and allow AIX sufficient time to consider the information and to approve or decline the proposed corporate action: (1) the effect of the proposal on the number of securities in issue; (2) the proposed treatment of fractional entitlements; and (3) the proposed treatment of any convertible securities.

(iii) exercise of a warrant;

(iv) conversion of convertible securities; or

(v) redemption of shares or other securities.

(3) The disclosure obligation for an event in Rule 13.25A(2)(b) of the Listing Rules only arises where:

(a) the event, either individually or when aggregated with any other events described in that rule which have occurred since the listed issuer published its last monthly return under Rule 13.25B of the Listing Rules or last return under this Rule 13.25A (whichever is the later), results in a change of 5% or more of the listed issuer's issued shares; or

(b) an event in Rule 13.25A(2)(a) of the Listing Rules has occurred and the event in Rule 13.25A(2)(b) of the Listing Rules has not yet been disclosed in either a monthly return published under Rule 13.25B of the Listing Rules or a return published under this Rule 13.25A.

(4) For the purposes of Rule 13.25A(3) of the Listing Rules, the percentage change in the listed issuer's issued shares is to be calculated by reference to the listed issuer's total number of issued shares as it was immediately before the earliest relevant event which has not been disclosed in a monthly return published under Rule 13.25B of the Listing Rules or a return published under this Rule 13.25A.

Rule 13.25B, Listing Rules: Monthly Return

A listed issuer shall, by no later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the fifth business day next following the end of each calendar month, submit for publication on the Stock Exchange's website a monthly return in relation to movements in the listed issuer's equity securities, debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates, in such form and containing such information as the Stock Exchange may from time to time prescribe (irrespective of whether there has been any change in the information provided in its previous monthly return). Such information includes, among other things, the number as at the close of such period of equity securities, debt securities and any other securitised instruments, as applicable, issued and which may be issued pursuant to options, warrants, convertible securities or any other agreements or arrangements.

The Listing Rules and Hong Kong Laws

3. General Meetings

Rule 13.73, Listing Rules: Notices

In addition to any direction of the court, the issuer shall ensure that notice of every meeting of its shareholders or its creditors concerning the issuer (e.g. for winding up petitions, schemes of arrangement or capital reduction) is published in accordance with Rule 2.07C of the Listing Rules. The issuer shall despatch a circular to its shareholders at the same time as (or before) the issuer gives notice of the general meeting to approve the transaction referred to in the circular. The issuer shall provide its shareholders with any material information on the subject matter to be considered at a general meeting that comes to the directors' attention after the circular is issued. The issuer must provide the information either in a supplementary circular or by way of an announcement in accordance with Rule 2.07C of the Listing Rules not less than 10 business days before the date of the relevant general meeting to consider the subject matter. The meeting must be adjourned before considering the relevant resolution to ensure compliance with this 10 business day requirement by the chairman or, if that is not permitted by the issuer's constitutional documents, by resolution to that effect.

AIX Business Rules and AIFC Market Rules

Rule 2.3.6, AIFC Market Rules: Communications with shareholders

(1) The board of issuer must ensure that all necessary information and facilities are available to its shareholders to enable them to exercise the rights attaching to the shares on a well-informed basis.

(2) Without limiting the generality of the obligation in (1), the board must ensure that the shareholders:

(a) are provided with the necessary information relating to the matters to be determined at meetings to enable them to exercise their right to vote, including the proxy forms and notice of meetings; and

(b) have access to any relevant notices or circulars giving information in relation to the rights attaching to the securities.

Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1

An issuer, other than a listed fund, must on the occurrence of any event that requires shareholder approval or affecting rights of shareholders, as soon as possible, make market disclosure of (a) the nature, details, contents and effect of the relevant event; and (b) any material change affecting any matter contained in an earlier disclosure. (2.3)

The Listing Rules and Hong Kong Laws

Rules 13.39(4) and (5), Listing Rules: Meetings of Shareholders

Any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The issuer must announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

The issuer must announce the meeting's poll results as soon as possible, but in any event at least 30 minutes before the earlier of either the commencement of the morning trading session or any pre-opening session on the business day after the meeting.

Paragraph F.1 in Appendix C1, Listing Rules: Effective Communication with Shareholders — Effective Communication

The board should be responsible for maintaining an on-going dialogue with shareholders and in particular, use annual general meetings or other general meetings to communicate with them and encourage their participation.

The issuer should ensure that shareholders are given sufficient notice of shareholders meetings and are familiar with the detailed procedures for conducting a poll, and should arrange to address questions from shareholders in the shareholders meeting.

AIX Business Rules and AIFC Market Rules

Rule MLR 20.1 (R), Markets Listing Rules: Information and Facilities for Shareholders

MLR 20.1.1 (R) The board of a listed entity must ensure that all the necessary information and facilities are available to its shareholders to enable them to exercise the rights attaching to their securities on a well-informed basis.

MLR 20.1.2 (R) Without limiting the generality of the obligation in Rule MLR 20.1.1, a listed entity must ensure that its shareholders:

(1) are provided with the necessary information relating to the matters to be determined at meetings to enable them to exercise their voting rights, including the proxy forms and notice of meetings; and

(2) have access to any relevant notices or circulars giving information in relation to the rights attached to the securities.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

Rule 2.3.8, AIFC Market Rules: Other matters requiring shareholder approval

(1) The board of an issuer must, subject to (2), ensure that a majority of shareholders in voting approves:

(b) the appointment or removal of a director of the issuer and the terms of such appointment;

(c) the appointment or removal of the auditor of the issuer; and

(d) the placing of the issuer into voluntary liquidation.

(2) The requirement in (1) does not apply, subject to any requirements in the constitutional documents of the issuer, in relation to the appointment or removal of a director or auditor of an issuer in circumstances where the immediate appointment or removal is necessary in the interests of the issuer.

The Listing Rules and Hong Kong Laws

4. Rule 13.23(1), Listing Rules: Notifiable Transactions, Connected Transactions, Takeovers and Share Repurchases

An issuer must announce details of acquisitions and realisations of assets and other transactions required by Chapters 14 and 14A of the Listing Rules and, where applicable, must circularise holders of its securities with their details and obtain their approval of them.

Rules 14.05, 14.06 and 14.07, Listing Rules: Classification

A listed issuer considering a transaction must, at an early stage, consider whether the transaction falls into one of the classifications set out in Rules 14.06, 14.06B or 14.06C of the Listing Rules. In this regard, the listed issuer must determine whether or not to consult its financial, legal or other professional advisers.

Under Chapter 14 of the Listing Rules, the transaction classification is made by using the percentage ratios set out in Rule 14.07 of the Listing Rules. The classifications are:

(1) share transaction: an acquisition of assets (excluding cash) by a listed issuer where the consideration includes securities for which listing will be sought and where all percentage ratios are less than 5%;

(2) discloseable transaction: a transaction or a series of transactions (aggregated under Rules 14.22 and 14.23 of the Listing Rules) by a listed issuer where any percentage ratio is 5% or more, but less than 25%;

AIX Business Rules and AIFC Market Rules

Rule MDR 6 and Appendix to Market Disclosure Rules: Table 1

An issuer, other than a listed fund, must on the occurrence of transactions undertaken which could result in:

(a) any significant investment (i.e. any investments equal to or greater than 5% of the value of the net assets of the issuer as per its most recent financial reports) or material change to such a significant investment outside the ordinary course of business of the issuer; or

(b) the incurring of any significant debt (being a debt with an amount equal to or greater than 5% of the value of the net assets of the issuer as per its most recent financial reports) outside the usual and ordinary course of business of the issuer,

make market disclosure as soon as possible relating to:

(a) any decision to enter into such a transaction;

(b) any material change or new matter affecting any matter contained in an earlier disclosure; and

(c) a full description of the event, activity or transaction proposed or effected, as the case may be. (3)

Rule ADS 7.5 (R), Admission and Disclosure Standards for issuers: Takeovers

ADS 7.5.1 In the event of a merger or a takeover of the issuer, which results in the securities of the issuer no longer being eligible to maintain an admission to trading, the issuer must contact AIX to agree on a timetable for the removal of the securities.

(3) major transaction: a transaction or a series of transactions (aggregated under Rules 14.22 and 14.23) by a listed issuer where any percentage ratio is 25% or more, but less than 100% for an acquisition or 75% for a disposal;

(4) very substantial disposal: a disposal or a series of disposals (aggregated under Rules 14.22 and 14.23 of the Listing Rules) of assets (including deemed disposals referred to in Rule 14.29 of the Listing Rules) by a listed issuer where any percentage ratio is 75% or more;

(5) very substantial acquisition: an acquisition or a series of acquisitions (aggregated under Rules 14.22 and 14.23 of the Listing Rules) of assets by a listed issuer where any percentage ratio is 100% or more;

(6) reverse takeover: an acquisition or a series of acquisitions of assets by a listed issuer which, in the opinion of the Stock Exchange, constitutes, or is part of a transaction or arrangement or series of transactions or arrangements which constitute, an attempt to achieve a listing of the acquisition targets (as defined in the Listing Rules) to be acquired and a means to circumvent the requirements for new applicants set out in Chapter 8 of the Listing Rules.

The Listing Rules and Hong Kong Laws

The relevant category that a transaction falls under depends on the following percentage ratios computed on the following bases:

(1) assets ratio: the total assets which are the subject of the transaction divided by the total assets of the listed issuer;

(2) profits ratio: the profits attributable to the assets which are the subject of the transaction divided by the profits of the listed issuer;

(3) revenue ratio: the revenue attributable to the assets which are the subject of the transaction divided by the revenue of the listed issuer;

(4) consideration ratio: the consideration divided by the total market capitalisation of the listed issuer. The total market capitalisation is the average closing price of the listed issuer's securities as stated in the Hong Kong Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the transaction; and

(5) equity capital ratio: the number of shares to be issued by the listed issuer as consideration divided by the total number of the listed issuer's issued shares immediately before the transaction.

AIX Business Rules and AIFC Market Rules

Glossary and Interpretation

GLO 1.1

Takeover means the acquisition of a controlling stake of an issuer by:

(a) another issuer listed on the AIX;

(b) another issuer listed on the AIFC AMI;

(c) another issuer on a regulated exchange;

(d) a private corporation, whether from the AIFC or international.

Note: Takeover is one of the circumstances, which may warrant the delisting of securities by the AIX. Please see MLR 19.7 (Market Listing Rules).

Rule 14.34, Listing Rules: Notification and Announcement

As soon as possible after the terms of a share transaction, discloseable transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover have been finalised, the listed issuer must in each case publish an announcement as soon as possible.

Rules 14.38A to 14.57, Listing Rules: Additional Requirements for Major Transaction, Very Substantial Disposal, Very Substantial Acquisition, Reverse Takeover

For a major transaction, very substantial disposal and very substantial acquisition, the shareholders' approval is required, while the approvals from both the shareholders and the Stock Exchange are required for reverse takeover.

The Listing Rules and Hong Kong Laws

5. Rule 13.25, Listing Rules: Winding-up and Liquidation

(1) An issuer shall inform the Stock Exchange and publish an announcement of the happening of any of the following events as soon as it comes to its attention:

(a) the appointment of a receiver or manager either by any court having jurisdiction or under the terms of a debenture or any application to any court having jurisdiction for the appointment of a receiver or manager, or equivalent action in the country of incorporation or other establishment, in respect of the business or any part of the business of the issuer or the property of the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the Listing Rules;

AIX Business Rules and AIFC Market Rules

Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1

An issuer, other than a listed fund, must on the occurrence of any of the following:

(a) the presentation of any winding-up petition, the making of any winding-up order or the appointment of an administrator, liquidator or the commencement of any proceedings under any applicable insolvency laws in respect of the issuer or any member of its group[1]; or

(b) the passing of any resolution by the issuer or any member of its group that it be wound up by way of members' or creditors' voluntary winding-up, or the occurrence of any event or termination of any period of time which would cause a winding-up

make market disclosure as soon as possible relating to:

(a) time and date of the presentation, details of the order, appointment, resolution or other event;

(b) identity of the petitioner or other person at whose instigation the event occurs;

(c) court or tribunal responsible for making any order; or

(d) administrator or liquidator appointed, as is relevant. (8)

[1] Group means a group of entities which includes any entity (the "**first entity**") and: (a) any parent of the first entity; and (b) any subsidiary of the first entity or of any parent of the first entity.

(b) the presentation of any winding-up petition, or equivalent application in the country of incorporation or other establishment, or the making of any winding-up order or the appointment of a provisional liquidator, or equivalent action in the country of incorporation or other establishment, against or in respect of the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the Listing Rules;

(c) the passing of any resolution by the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the Listing Rules that it be wound up by way of members' or creditors' voluntary winding-up, or equivalent action in the country of incorporation or other establishment;

(d) the entry into possession of or the sale by any mortgagee of a portion of the issuer's assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5% under any of the percentage ratios defined under Rule 14.04(9) of the Listing Rules; or

(e) the making of any final judgement, declaration or order by any court or tribunal of competent jurisdiction whether on appeal or at first instance which is not subject to any or further appeal, which may adversely affect the issuer's enjoyment of any portion of its assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5% under any of the percentage ratios defined under Rule 14.04(9) of the Listing Rules.

(2) Rules 13.25(1)(a), (b) and (c) of the Listing Rules will apply to a subsidiary of the issuer if the value of that subsidiary's total assets, profits or revenue represents 5% or more under any of the percentage ratios defined under Rule 14.04(9) of the Listing Rules. For the purpose of this Rule 13.25(2), 100% of that subsidiary's total assets, profits or revenue (as the case may be) or, where that subsidiary itself has subsidiaries, the consolidated total assets, profits or revenue (as the case may be) of that subsidiary is to be compared to the total assets, profits or revenue (as the case may be) shown in the issuer's latest published audited consolidated financial statements irrespective of the interest held in the subsidiary.

The Listing Rules and Hong Kong Laws

6. Rule 13.45, Listing Rules: After Board Meetings

An issuer shall announce immediately after approval by or on behalf the board of:

(1) any decision to declare, recommend or pay any dividend or to make any other distribution on its listed securities, including the rate and amount of the dividend or distribution and the expected payment date;

(2) any decision not to declare, recommend or pay any dividend which would otherwise have been expected to have been declared, recommended or paid in due course;

(3) any preliminary announcement of profits or losses for any year, half-year or other period;

(4) any proposed change in the capital structure, including any redemption of its listed securities; and

(5) any decision to change the general character or nature of the business of the issuer or group.

AIX Business Rules and AIFC Market Rules

Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1

An issuer, other than a listed fund, must on the occurrence of any resolution passed by the directors of the issuer other than a resolution concerning ordinary business of the issuer, make market disclosure as soon as possible relating to the resolution. (2.7)
An issuer, other than a listed fund, must on the occurrence of any of the following:

(a) to declare, recommend or pay any dividend or to make any other distribution on the securities; or

(b) not to declare, recommend or pay any dividend which would otherwise have been expected to have been declared, recommended or paid in the normal course of events,

make market disclosure as soon as possible and in any event within 5 calendar days prior to the record date or the date of expected distribution relating to the decision, including the rate and amount of and record date for the dividend or other distribution or the grounds for the decision in relation to non-payment. (4.1)

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
7. Rule 13.66, Listing Rules: Closure of Books and Record Date (1) An issuer must announce any closure of its transfer books or register of members in respect of securities listed in Hong Kong at least six business days before the closure for a rights issue, or 10 business days before the closure in other cases. In cases where there is an alteration of book closing dates, the issuer must, at least five business days before the announced closure or the new closure, whichever is earlier, notify the Stock Exchange in writing and make a further announcement. If, however, there are exceptional circumstances (e.g. a typhoon) that render the giving of the notification to the Stock Exchange and publication of the announcement impossible, the issuer must comply with the requirements as soon as practicable. Where the issuer decides on a record date without book closure, these requirements apply to the record date. (2) An issuer must ensure that the last day for trading in the securities with entitlements falls at least one business day after the general meeting, if the entitlements require the approval of shareholders in the general meeting or are contingent on a transaction that is subject to the approval of shareholders in the general meeting.	There are no corresponding or similar provisions in AIX Business Rules or AIFC Market Rules dealing with the transfer books and register of members.

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
8. Chapter 17 of the Listing Rules (Share Schemes)	
Rule 17.02, Listing Rules: Adoption of a new scheme The scheme of a listed issuer (including share award schemes and share option schemes) must be approved by the shareholders of the listed issuer in general meeting.	**Rule ADS 4.3 (R), Admission and Disclosure Standards for issuers: Pre-approval of Recurring Issuances of Equity Securities** **ADS 4.3.2 (G)** Securities may be issued as a result of an employee share option scheme, a regular savings scheme or a dividend re-investment plan, or following the exercise of warrants or of conversion rights attaching to a class of convertible securities. The issuer will need to consider its obligations (if any) as a reporting entity to obtain the consent of the securities holders under the AIX Business Rules for such arrangements.
Rule 17.03(3), Rule 17.03B, Rule 17.03C, Listing Rules: Terms of the scheme The total number of shares which may be issued in respect of all options and awards to be granted under the scheme and any other scheme (the "**scheme mandate limit**") must not exceed 10% of the relevant class of shares of the listed issuer in issue as at the date of approval of the scheme (or as at the date of listing in respect of scheme of a new applicant that will become effective only upon its listing). Where the participants of the scheme include service providers, the total number of shares that may be issued in respect of all options and awards to be granted to service providers (the "**service provider sublimit**") must be set within the scheme mandate limit and separately approved by shareholders of the issuer in general meeting. Options or awards lapsed in accordance with the terms of the scheme will not be regarded as utilised for the purpose of calculating the scheme mandate limit (and the service provider sublimit, if any).	**Chapter MLR 11 (R) of AIX Markets Listing Rules: Shares in Public Hands** **MLR 11.1 (R) (3)** For the purposes of Rules MLR 11.1(1) and (2), shares are not held in public hands if they are held, directly or indirectly by: (c) the trustees of an employee share scheme or pension fund established for the benefit of any directors or employees of the applicant and its subsidiary undertakings.

The Listing Rules and Hong Kong Laws

The listed issuer may seek approval by its shareholders in general meeting for "refreshing" the scheme mandate limit (and the service provider sublimit, if any) under the scheme after three years from the date of shareholders' approval for the last refreshment (or the adoption of the scheme). Any "refreshment" within any three-year period must be approved by shareholders of the issuer subject to the requirements set out in Rules 17.03(C)(1)(b) and (c). The total number of shares which may be issued in respect of all options and awards to be granted under all of the schemes of the listed issuer under the scheme mandate as "refreshed" must not exceed 10% of the relevant class of shares in issue as at the date of approval of the refreshed scheme mandate. The listed issuer must send a circular to its shareholders containing the number of options and awards that were already granted under the existing scheme mandate limit and the existing service provider sublimit (if any), and the reason for the "refreshment".

AIX Business Rules and AIFC Market Rules

Rule ADS 4.3 (R), Admission and Disclosure Standards for issuers: Pre-Approval of Recurring Issuances of Equity Securities

ADS 4.3.1 (R) Where an issuer intends to issue equity securities of the same class on a regular basis and where prior approval of the issuer's shareholders has been obtained for such arrangements, an issuer may make an application for the pre-approval of the admission of the entire class of such securities.

The Listing Rules and Hong Kong Laws

Rule 17.03D(1), Listing Rules: Limit on granting options or awards to individual participants

Where any grant of options or awards to a participant would result in the shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of shares of the listed issuer in issue (the 1% individual limit), such grant must be separately approved by shareholders of the listed issuer in general meeting with such participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting. The listed issuer must send a circular to the shareholders.

AIX Business Rules and AIFC Market Rules

ADS 4.3.2 (G) Securities referred to in this Rule may be issued as a result of an employee share option scheme, a regular savings scheme or a dividend re-investment plan, or following the exercise of warrants or of conversion rights attaching to a class of convertible securities. The issuer will need to consider its obligations (if any) as an issuer to obtain the consent of the securities holders under the AIX Business Rules for such arrangements.

Chapter MLR 17.4 (R) of AIX Markets Listing Rules: Documents to be kept

MLR 17.4.1 (R) (7) An applicant must keep copies of the following documents for six (6) years after the admission to the Official List: in the case of an application in respect of securities issued pursuant to an employee share scheme, the scheme document.

The Listing Rules and Hong Kong Laws

Rule 17.04, Listing Rules: Granting Options or Awards to a Director, Chief Executive or Substantial Shareholder of a Listed Issuer, or any of their Respective Associates

Any grant of options or awards to a director, chief executive or substantial shareholder of a listed issuer, must be approved by the independent non-executive directors of the listed issuer (excluding independent non-executive director who is the grantee of the options or awards).

Where any grant of awards (excluding grant of options) to a director (other than an independent non-executive director) or chief executive of the issuer, or any of their associates would result in the shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the scheme) 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 relevant class of shares in issue, such further grant of awards must be approved by shareholders of the listed issuer in general meeting in the manner set out in Rule 17.04(4) of the Listing Rules.

AIX Business Rules and AIFC Market Rules

Chapter MLR 15 (R) of Markets Listing Rules: Warrants

MLR 15.1(1) To be admitted to the Official List, the total of all issued warrants to subscribe for shares, if applicable, must not, subject to Rule MLR 15.1(2), exceed 20 per cent of the issued share capital of the applicant as at the time of issue of the warrants.

MLR 15.1(2) Any rights under an employee share scheme are excluded from the twenty per cent calculation in Rule MLR 15.1(1).

Where any grant of options to an independent non-executive director or a substantial shareholder of the listed issuer, or any of their respective associates, would result in the shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the scheme) 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 relevant class of securities in issue, such further grant of options or awards must be approved by shareholders of the listed issuer in general meeting in the manner set out in Rule 17.04(4) of the Listings Rules.

As soon as possible upon the granting by the listed issuer of any options or awards under its share scheme, the listed issuer must publish an announcement setting out the following details in Rule 17.06B of the Listings Rules:

Rule 17.06A(1), Listing Rules: Announcement on Grant of Options

In the circumstances described above, the listed issuer must send a circular to the shareholders. The grantee, his/her associates and all core connected persons of the listed issuer must abstain from voting in favour at such general meeting.

(1) the date of grant;

(2) (a) where disclosure on an individual basis is required, the name of the grantee (and where the grantee is not a natural person, the name of its ultimate beneficial owner) and the relationship between the grantee and the issuer. Where the grantee is a related entity participant or service provider, the nature of services provided to the issuer; or

(b) where disclosure on an individual basis is not required, a description of each of the categories of grantees;

(3) the number of options or awards granted;

(4) the exercise price of the options or purchase price of awards granted;

(5) the market price of the shares on the date of grant;

(6) the exercise period of the options;

(7) the vesting period of the options or awards. In the case of grants of options or awards to employee participants with a shorter vesting period as set out in Rule 17.03F of the Listings Rules, the relevant circumstances that are specifically permitted by the scheme. Where the options or awards are granted to the issuer's directors and/or senior managers, the remuneration committee's views on why a shorter vesting period is appropriate;

(8) a description (which may be qualitative) of the performance targets attached to the options or awards granted, if any, and the clawback mechanism for the issuer to recover or withhold any awards or options granted, if any. Where options or awards are granted to the issuer's directors and/or senior managers without performance targets and/or clawback mechanism, the views of the remuneration committee on why performance targets and/or a clawback mechanism is/are not necessary and how the grants align with the purpose of the scheme;

(9) where options or awards are granted to a service provider or a related entity participant, the reasons for the grant and the views of the board how the grant aligns with the purpose of the scheme; and

(10) arrangements, if any, for the issuer or any of its subsidiaries to provide financial assistance to the grantee(s) to facilitate the purchase of shares under the scheme.

The announcement must also disclose the number of shares available for future grant under the scheme mandate and the service provider sublimit (if applicable).

The Listing Rules and Hong Kong Laws

9. Rules 13.46 to 13.50, Listing Rules:

Disclosure of Financial Information

Distribution of annual report and accounts

An issuer is required to send (i) every member of the issuer; and (ii) every other holder of its listed securities (not being bearer securities), a copy of either (a) its annual report including its annual accounts and, where the issuer prepares consolidated financial statements referred to in section 379(2) of the Companies Ordinance, the consolidated financial statements, together with a copy of the auditors' report thereon or (b) its summary financial report, not less than 21 days before the date of the issuer's annual general meeting and in any event not more than four months after the end of the financial year to which they relate.

Interim reports

In respect of the first six months of each financial year of an issuer unless that financial year is of six months or less, the issuer shall send to (i) every member of the issuer; and (ii) every other holder of its listed securities (not being bearer securities), either (a) an interim report, or (b) a summary interim report not later than three months after the end of that period of six months. The issuer may send a copy of its summary interim report to a member and a holder of its listed securities in place of a copy of its interim report, provided that such summary interim report complies with the relevant provisions of the Companies (Summary Financial Reports) Regulation governing summary financial reports.

AIX Business Rules and AIFC Market Rules

Issuers are obliged to prepare and disclose preliminary financial results, annual and semi-annual financial reports (statements). There are requirements as to period, auditing and signing of such reports. Below are the relevant excerpts.

Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1

An issuer, other than a listed fund, must make market disclosure relating to:

(a) an annual report prepared in accordance with the requirements in AIFC Market Rules 3.2 and 3.4.1(2) — no later than 150 days after the end of the financial period, (6.1)

(b) semi-annual report prepared in accordance with the relevant requirements set out in AIFC Market Rules 3.3 and 3.4.1(2) — as soon as possible and in any event no later than 75 days after the end of the period to which the report relates. (6.2)

The Listing Rules and Hong Kong Laws

Preliminary announcements of results — Full financial year

An issuer shall publish its preliminary results in respect of each financial year as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day after approval by or on behalf of the board. The issuer must publish such results not later than three months after the end of the financial year.

Preliminary announcements of results — First half of the financial year

The issuer shall publish a preliminary announcement in respect of its results for the first six months of each financial year, unless that financial year is of six months or less, as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day after approval by or on behalf of the board. The issuer must publish such results not later than two months after the end of that period of six months.

AIX Business Rules and AIFC Market Rules

Chapter 3 of AIFC Market Rules: Financial Reports

Rule 3.1, AIFC Market Rules: Core obligations

3.1.1 Obligation to prepare financial statements and reports

An issuer must:

(a) prepare and maintain all financial statements in accordance with the International Financial Reporting Standards (IFRS) or other financial reporting standards acceptable to the AFSA;

(b) prepare and file an annual report which meets the requirements in MAR 3.2 for each financial year of the issuer; and

(c) in addition to the annual report, prepare and file a semi-annual report which meets the requirements in MAR 3.3.1 in respect of shares, warrants or certificates over shares.

3.1.2 Audit of annual financial statements

The annual financial statements of an issuer must be audited by an independent, competent and qualified auditor in accordance with the International Standards on Auditing as issued by the International Auditing and Assurance Standards Board ("**IAASB**") or other standards acceptable to the AFSA.

The Listing Rules and Hong Kong Laws

Rule 4.03, Listing Rules: Reporting Accountants

Reporting accountants must be independent both of the issuer and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the requirements on independence issued by the Hong Kong Institute of Certified Public Accountants or the International Federation of Accountants. Subject to rules 4.03(1) and 4.03(2), accountants' reports must normally be prepared by practising accountants who are registered and not prohibited under the AFRCO from holding any appointment as auditors of a company.

AIX Business Rules and AIFC Market Rules

Rule 3.2, AIFC Market Rules: Annual Report

3.2.2 Signing of the annual report

The annual report must be signed by at least two directors of the issuer or approved by a body competent to decide on such matters under the issuer's constitutive documents and/or applicable law.

Rule 3.3, AIFC Market Rules: Semi-annual report

Rule 3.3.1, AIFC Market Rules: Preparation of the semi-annual report

An issuer to which the obligation in MAR 3.1.1(c) applies must prepare a semi-annual report:

(a) for the first six months of each financial year or period; and if there is a change to the accounting reference date, prepare such report in respect of the period up to the old accounting reference date; and

(b) in accordance with the applicable IFRS standards or other standards acceptable to the AFSA.

Rule 3.3.3, AIFC Market Rules: Signing of the semi-annual report

A semi-annual report must be signed by at least two directors of the issuer or approved by a body competent to decide on such matters under the issuer's constitutive documents and/or applicable law.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

Rule 3.4, AIFC Market Rules: Disclosure of annual and semi-annual reports

Rule 3.4.1, AIFC Market Rules: Obligation to make market disclosure

(1) Where an issuer is required by to prepare any of the following reports:

(a) its annual report;

(b) its semi-annual report,

it must do so in the time periods specified in MAR 3.4.2.

Rule 3.4.2, AIFC Market Rules: Time period for making market disclosure

(1) An issuer must disclose its required annual and semi-annual reports within the following time periods:

(a) in relation to its annual report: as soon as possible after the financial statements have been approved, but no later than 150 days after the end of the financial period; and

(b) in relation to its semi-annual report: as soon as possible and in any event no later than 75 days after the end of the period to which the report relates.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

Rule 3.5, AIFC Market Rules: Accounting periods

Rule 3.5.1, AIFC Market Rules: Accounting reference date

(1) An issuer must not change its accounting reference date as specified in its most recent prospectus unless it has obtained the prior approval of the AFSA in accordance with the requirements in (b).

(2) An issuer that proposes to change its accounting reference date must:

(a) notify the AFSA of its proposal at least 28 business days prior to making such a change; and

(b) obtain the AFSA prior approval for the proposed change.

Rule 3.5.2, AIFC Market Rules: Disclosure of changes to accounting reference date

An issuer must, where there is a change to its accounting reference date, disclose to the market:

(a) the change to its accounting reference date as soon as possible; and

(b) if it is an issuer in relation to shares, a second interim report within six months of the old accounting reference date if the change of the accounting reference date extends the annual accounting period to more than 14 months.

Chapter MDR 6 (R) and Appendix to Market Disclosure Rules: Table 1

An issuer must disclose to the market matters relating to financial information, including filing of an annual, semi-annual reports, change to accounting reference date. (6)

The Listing Rules and Hong Kong Laws

10. Public Float Requirement Rules (Qualifications for listing)

Rule 8.08(1), Listing Rules: Qualifications for listing

Save and except for the circumstances specified under Chapter 8 of the Listing Rules, an issuer must maintain at least 25% of its total number of issued shares at all times be held by the public.

AIX Business Rules and AIFC Market Rules

Chapter MLR 11 (R) of Markets Listing Rules: Shares in Public Hands

MLR 11.1 (R) (1) If an application is made for the admission of a class of shares, a sufficient number of shares of that class must, no later than the time of admission, be distributed to the public.

MLR 11.1 (R) (2) For the purposes of (1), a sufficient number of shares will be taken to have been distributed to the public when at least 25 per cent of the shares for which application for admission has been made are in public hands. However, AIX reserves the right to decrease this minimum amount, should it decide in its discretion to do so.

MLR 11.1 (R) (3) For the purposes of Rules MLR 11.1(1) and (2), shares are not held in public hands if they are held, directly or indirectly by:

(a) a director of the applicant or of any of its subsidiary undertakings; (b) a person connected with a director of the applicant or any of its subsidiary undertakings; (c) the trustees of an employee share scheme or pension fund established for the benefit of any directors or employees of the applicant and its subsidiary undertakings; (d) any person who under any agreement has a right to nominate a person to the board of directors of the applicant; (e) any person or persons in the same group or persons acting in concert who have an interest in 5% or more of the shares of the relevant class; or (f) if they are subject to a lock up period of more than 180 (one hundred and eighty) calendar days.

The Listing Rules and Hong Kong Laws

AIX Business Rules and AIFC Market Rules

MLR 11.2 (R) The AIX may waive or modify Rule MLR 11.2(2) to accept a percentage lower than 25 per cent if it considers that the market will operate properly with a lower percentage in view of additional factors. Such additional factors might permit, for example, a lower percentage than 25% for a company with a large market capitalisation with a large number of shares of the same class listed and where such shares would nonetheless expect to have a wide distribution to the public and be liquid.

Chapter MLR 19 (R) of Markets Listing Rules: Suspending, Delisting and Restoring a Listing

MLR 19.7.2 (G) In Rule MLR 19.7.1, an example of a breach of the continuing obligations, which may require a delisting by the AIX would be where the percentage of shares or certificates over shares in public hands falls below 25% or a lower percentage permitted by the AIX. The AIX may, however, allow a reasonable time to restore the required percentage unless this is precluded by the need to maintain the smooth operation of the market or to protect investors.

Chapter MLR 20 (R) of Markets Listing Rules: Continuing Obligations

MLR 20.2.1 A listed entity must endeavour to ensure that a sufficient number of its shares including certificates over shares are in circulation with the public at all times.

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
11. Shareholders Reporting Obligations **Part XV of the SFO: Disclosure of Interests by Substantial Shareholders** The Listing Rules require that the interests held by directors and chief executives and substantial shareholders (i.e. shareholders interested in 10% or more of the voting power) be disclosed in annual reports, interim reports and circulars of the listed company. The SFO and the Outline of Part XV of the SFO Disclosure of Interests ("**Outline**") issued by the SFC provides that a substantial shareholder (i.e. shareholder interested in 5% or more of any class of voting shares in a listed company) is required to disclose his interest, and short positions, in the shares of the listed company, within 10 business days after first becoming a substantial shareholder, or to disclose his changes in percentage figures of his shareholdings in the listed company or ceasing to be a substantial shareholder within three business days after becoming aware of the relevant events. Please refer to Section 2.7 of the Outline for examples of relevant events.	There is no definition of "substantial shareholder" in AIX Business Rules or AIFC Market Rules. See section 13 below for a definition of a "connected person".

The Listing Rules and Hong Kong Laws

12. Part XV of the SFO: Disclosure of Interests by Directors and Chief Executives

A director or a chief executive of a listed company is required to disclose his interest and short position in any shares in a listed company (or any of its associated companies) and his interest in any debentures of the listed company (or any of its associated companies) within 10 business days after becoming a director or chief executive of the listed company or within three business days after becoming aware of the relevant events.

If a person is both a substantial shareholder and a director of the listed company concerned under the SFO, such person may have separate duties to file notices (one in each capacity) as a result of a single event. For example, a person who is interested in 5.9% of the shares of a listed company and buys a further 0.2% will have to file a notice because he is a director (and therefore has to disclose all transactions) and will also have to file a notice as a substantial shareholder because his interest has crossed the 6.0% level.

AIX Business Rules and AIFC Market Rules

Chapter MDR 3 of Market Disclosure Rules: Disclosure of interests by connected persons

MDR 3.1 (G) AIX requires certain persons connected to an issuer to file with AIX and the issuer a report in accordance with the requirements prescribed in the Rules.

(R) Application

This section applies to a connected person of an issuer in respect of equity securities.

Rule MDR 3.2 (R), Market Disclosure Rules: Definitions

(1) A person is hereby prescribed as a connected person of an issuer if that person:

(a) is a director or an individual involved in the senior management of either:

(i) the issuer; or

(ii) a controller of the issuer; or

(b) owns, whether legally or beneficially, or controls, whether directly or indirectly, voting equity securities carrying more than 5% of the voting rights attaching to all the voting equity securities of either:

(i) the issuer; or

(ii) a controller of the issuer.

(2) In (1), a person is a controller of an issuer if that person (the first person), either alone or with his/her associates, controls the majority of the voting rights in, or the right to appoint or remove the majority of the board of directors of, the issuer or any person who has similar control over the first person, including an ultimate controller of the first person.

(3) For the purposes of determining whether a person:

(a) owns or controls voting equity securities in (1)(b); or

(b) controls the voting rights in or the right to appoint or remove the majority of the board of directors of an issuer or a controller of an issuer in (2), any equity securities held by that person and his/her associates, including those in which that person or an associate of that person has a beneficial interest, are deemed as his/her equity securities except as specified in (4).

(4) For the purposes of (3), equity securities are not deemed as his/her equity securities where:

(a) any such equity securities are held by that person on behalf of another person who is not an associate of that person; and

(b) the person does not have control over the voting rights attaching to the equity securities because some other person exercises those rights or manages those equity securities on a discretionary basis.

(5) A person is not a connected person of an issuer merely by reason that:

(a) its structured products are admitted to trading on an authorised market institution; or

(b) such person:

(i) owns or holds voting equity securities solely in its capacity as trustee, nominee or custodian under an agreement to hold such equity securities; and

(ii) does not exercise any voting or other rights associated with the equity securities except in accordance with the express instructions of the owner of the equity securities or in accordance with the agreement in (i).

Rule MDR 3.3 (R), Market Disclosure Rules: Events that Trigger a Report

MDR 3.3.1 A connected person must file the report required by the AIX and the issuer within 5 business days of the occurrence of any of the events prescribed in Rule MDR 3.3.2 and 3.3.3 and file such report also with the AFSA.

MDR 3.3.2 In the case of a person who is a connected person under Rule MDR 3.2(1)(a), that person must file the report:

(a) upon becoming or ceasing to be a director of a controller of the issuer;

(b) upon acquiring or ceasing to hold either alone or with an associate of the person any securities or other investments in or relating to the issuer or a controller of the issuer; and

(c) upon any increase or decrease of the level of an interest referred to in (b).

MDR 3.3.3 In the case of a person who is a connected person under Rule MDR 3.2(1)(b), that person must file the report:

(a) upon acquiring or ceasing to hold voting equity securities carrying more than 5% of the voting rights attaching to all voting equity securities of either the issuer or a controller of the issuer; and

(b) upon an increase or decrease of at least 1% of the level of interest previously reported pursuant to (a).

Rule MDR 3.3.4, Market Disclosure Rules: Derivatives giving entitlement to equity securities

For the purposes of Rules MDR 3.2 and 3.3, a person is taken to hold equity securities or investments in or relating to an issuer, if the person holds a derivative or any other financial instrument that on its maturity will confer on him/her:

(a) an unconditional right to acquire the equity security or investment; or

(b) the discretion as to his/her right to acquire the equity security or investment.

Rule MDR 3.5 (R), Market Disclosure Rules: Market disclosure

Upon a connected person filing a report with the issuer, the issuer must, as soon as possible and in any event no later than 3 business days following the filing, make market disclosure of that report in accordance with Rule MDR 7.

Chapter MDR 4 (R) of Market Disclosure Rules: Disclosure of Directors' material interests

MDR 4.1 (G) AIX requires directors with a material interest in the issuer to give a notice relating to that interest in accordance with the requirements prescribed in the Rules.

(R) Application

This section applies to every issuer other than that of a listed fund.

Rule MDR 4.2 (R), Market Disclosure Rules: Definition of a material interest

A director of an issuer has a material interest in the issuer if that person has any interest arising through:

(a) the direct or indirect ownership of, or beneficial ownership of, investments in the issuer; or

(b) any involvement in financial or commercial arrangement with or relating to the issuer.

Rule MDR 4.3 (R), Market Disclosure Rules: Contents and procedures relating to the notice

MDR 4.3.1 (R) Subject to Rule MDR 4.3.2, a notice relating to a material interest must be given by a person referred to in Rule MDR 4.2, to the other directors of the issuer within 5 business days of the material interest arising or changing.

MDR 4.3.2 (R) A person referred to in Rule MDR 4.3.1 need not give a notice relating to a material interest if the material interest is required to be included in a report which that person must provide by virtue of being a connected person under Rule MDR 3 and the person has complied with the requirement mentioned in that section.

MDR 4.3.3 (R) A notice relating to a material interest must contain:

(a) the name and address of the person giving the notice; and

(b) the details relating to the material interest, including the date on which the material interest arose or changed.

Rule MDR 4.4 (R), Market Disclosure Rules: Market disclosure

Upon receiving a notice relating to a material interest, the issuer must, as soon as possible, make market disclosure of that report in accordance with Rule MDR 7.

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
	Chapter MDR 6 (R) and Appendix to of Market Disclosure Rules: Table 1 An issuer, other than a listed fund, must disclose to the market matters relating to interests, including a report filed by a connected person[2], notice of director's material interest. (5)
13. Restrictions and notification requirements on issuers purchasing their own shares on a stock exchange **Rule 10.05, Listing Rules** Subject to the provisions of the Code on Share Buy-backs, approved by the SFC and as amended from time to time, an issuer may purchase its shares on the Stock Exchange or on another stock exchange recognised for this purpose by the SFC and the Stock Exchange. All such purchases must be made in accordance with Rule 10.06 of the Listing Rules. The Code on Share Buy-backs must be complied with by an issuer and its directors and any breach thereof by an issuer will be a deemed breach of the Listing Rules and the Stock Exchange may in its absolute discretion take such action to penalise any breach of this paragraph or the listing agreement as it shall think appropriate. It is for the issuer to satisfy itself that a proposed purchase of shares does not contravene the Code on Share Buy-backs.	**Rule 2.3.4, AIFC Market Rules: Reduction of share capital** The board of an issuer must ensure that an issuer does not reduce its share capital unless: (a) the reduction does not materially prejudice the issuer's ability to pay its creditors; (b) a public disclosure is made as soon as possible of any proposed change in its capital structure, and, following the redemption of listed shares, if any, information on such redemption including details of the number of shares redeemed and the number of shares of that class outstanding following the redemption.

[2] Connected person is (a) a director or an individual involved in the senior management of either the issuer or a controller of the issuer; (b) owns, whether legally or beneficially, or controls, whether directly or indirectly, voting securities carrying more than 5% of the voting rights attaching to all the voting securities of either the issuer or a controller of the issuer.

The Listing Rules and Hong Kong Laws

Rule 10.06, Listing Rules

An issuer whose primary listing is on the Stock Exchange may only purchase its shares on the Stock Exchange, either directly or indirectly, if the shares proposed to be purchased are fully-paid up, the issuer has previously sent to the shareholders an Explanatory Statement (as defined in the Listing Rules) complying with the provisions of Rule 10.06(1)(b) of the Listing Rules and that the shareholders of the issuer have given specific approval or a general mandate to the directors to make such a purchase(s), provided that the amount of shares so purchased under the general mandate shall not exceed 10% of the number of issued shares of the issuer as at the date of the passing of the relevant shareholders' resolution granting the mandate of purchase.

AIX Business Rules and AIFC Market Rules

Rule MLR 20.4, Markets Listing Rules: Purchase of own Shares

MLR 20.4.1 (G) Compliance with the Rules in this section in conjunction with Part 5 of the AIFC Market Rules may provide a safe harbour from the AIFC Market Abuse offences.

MLR 20.4.2 (R) A listed entity that intends the purchase of its own shares may not take any action with respect thereto that would result in unequal treatment of security holders or market participants. Specifically, the issuer must comply with the following rules:

(1) the price paid by the issuer for the repurchase of its shares must not be higher than five (5) per cent above the average market value of the issuer's shares for the five (5) business days prior to the commencement of the share repurchase programme; and

(2) a pre-arranged trade is not permitted where the seller is a director or officer of the issuer or an associate of a director or officer of the issuer.

MLR 20.4.3 (R) (1) The decision by the listed entity to purchase its own shares (either itself or through a person acting in his/her own name but on the issuer's behalf) must be announced to the market as soon as possible after such decision is made, and in any event by not later than the close of the next business day.

The Listing Rules and Hong Kong Laws

Rule 10.06(1)(b), Listing Rules: Explanatory statement

For the purpose of obtaining shareholders' approval, the issuer must have previously sent to its shareholders an Explanatory Statement (at the same time as the notice of the relevant shareholders' meeting) containing all the information reasonably necessary to enable those shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the purchase by the issuer of shares including the information set out below:

(1) a statement of the total number and description of the shares which the issuer proposes to purchase;

(2) a statement by the directors of the reasons for the proposed purchase of shares;

(3) a statement by the directors as to the proposed source of funds for making the proposed purchase of shares, which shall be funds legally available for such purposes in accordance with the issuer's constitutive documents and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;

AIX Business Rules and AIFC Market Rules

MLR 20.4.3 (R) (2) The announcement in Rule MLR 20.4.3(1) must set out whether the proposal relates to: (a) specific purchases and if so, names of the persons from whom the purchases are to be made; or (b) a general authorisation to make the purchases.

MLR 20.4.4 (R) (1) Any purchase of a listed entity's own shares by or on behalf of the listed entity or any other member its group must be disclosed to the market as soon as possible.

MLR 20.4.4 (R) (2) The disclosure in Rule MLR 20.4.4(1) must include: (a) the date of purchase; (b) the number of shares purchased; (c) where relevant, the highest and lowest purchase prices paid; (d) the number of shares purchased for cancellation and the number of shares purchased to be held as treasury shares; and (e) where the shares were purchased to be held as treasury shares, a statement of: (i) the total number of treasury shares of each class held by the listed entity following the purchase and non-cancellation of such shares; and (ii) the number of shares of each class that the listed entity has outstanding less the total number of treasury shares of each class held by the listed entity following the purchase and non-cancellation of such shares.

MLR 20.4.5 (G) (1) In Rule MLR 20.4.4(2), "treasury shares" means shares which are: (a) admitted to the Official List; (b) held by the same company which issued the shares; and (c) purchased by the company in (b) using its distributable profits.

The Listing Rules and Hong Kong Laws

(4) a statement as to any material adverse impact on the working capital or gearing position of the issuer (as compared with the position disclosed in its most recent published audited accounts) in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period, or an appropriate negative statement;

(5) a statement of the name of any directors, and to the best of the knowledge of the directors having made all reasonable enquiries, any close associates of the directors, who have a present intention, in the event that the proposal is approved by shareholders, to sell shares to the issuer, or an appropriate negative statement;

(6) a statement that the directors will exercise the power of the issuer to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;

(7) a statement as to the consequences of any purchases which will arise under the Takeovers Code of which the directors are aware, if any;

AIX Business Rules and AIFC Market Rules

Rule 2.3, AIFC Market Rules: Directors duties and fair treatment of shareholders

Guidance: Directors duties and fair treatment of shareholders

Where a person referred to in MAR 2.3.1 is required under any legislation applicable to such a person to comply with a similar or more stringent requirement than the requirements in this section, compliance with those other requirements would be sufficient compliance for the purposes of the relevant requirement in this section. For example, in the case of a reduction of share capital, more stringent procedures such as a special resolution (i.e. a vote of at least 75% of the shareholders in voting), may be required under the company law or other legislation applicable to an issuer in its jurisdiction of incorporation.

(8) a statement giving details of any purchases by the issuer of shares made in the previous six months (whether on the Hong Kong Stock Exchange or otherwise) giving the date of each purchase and the purchase price per share or the highest and lowest prices paid for such purchases, where relevant;

(9) a statement as to whether or not any core connected persons of the issuer have notified the issuer that they have a present intention to sell shares to the issuer or have undertaken not to sell any of the shares held by them to the issuer, in the event that the issuer is authorised to make purchases of shares;

(10) a statement giving the highest and lowest prices at which the relevant shares have traded on the Stock Exchange during each of the previous 12 months;

(11) the disclaimer of the Stock Exchange in the form set out under the Listing Rules; and

(12) a statement that neither the Explanatory Statement nor the proposed share repurchase has any unusual features.

Rule 10.06(2), Listing Rules: Dealing Restrictions

The buy-back of shares by an issuer is subject to various dealing restrictions, including, among others, that an issuer shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

Rule 10.06(4), Listing Rules: Reporting Requirements

(a) An issuer shall submit for publication to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase of shares (whether on the Hong Kong Stock Exchange or otherwise), the total number of shares purchased by the issuer the previous day, the purchase price per share or the highest and lowest prices paid for such purchases, where relevant, and shall confirm that those purchases which were made on the Stock Exchange were made in accordance with the Listing Rules and if the issuer's primary listing is on the Hong Kong Stock Exchange, that there have been no material changes to the particulars contained in the Explanatory Statement. In respect of purchases made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the Stock Exchange may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the Stock Exchange. The issuer should make arrangements with its brokers to ensure that they provide to the issuer in a timely fashion the necessary information to enable the issuer to make the report to the Stock Exchange.

The Listing Rules and Hong Kong Laws	AIX Business Rules and AIFC Market Rules
(b) An issuer shall also include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the Stock Exchange or otherwise) and the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The directors' report shall contain reference to the purchases made during the year and the directors' reasons for making such purchases.	
15. Solicitation for Proxy	**Proxy Solicitation**
Investors holding securities in listed companies listed on Stock Exchange through CCASS who want to attend the shareholders' meetings in person or appoint proxies to vote on their behalf must make a request through their broker firms or directly to CCASS (as the case may be) to authorise the investors as corporate representatives or proxies of Hong Kong Securities Clearing Company Limited Nominees (or any successor thereto) in respect of such shareholding of the investors in the listed companies.	**Rule 2.3.7, AIFC Market Rules: Proxy solicitation** The board of an issuer must ensure that for each meeting at which shareholders are eligible to exercise voting rights attaching to their securities, each shareholder is given the right and means to vote by proxy.

ISSUANCE OF NEW SHARES, CONVERTIBLE BONDS OR BONDS WITH WARRANTS

1. Sections 140 and 141, Companies Ordinance: Allotment and Issue of Shares

The directors of a company may exercise a power (i) to allot shares in the company; or (ii) to grant rights to subscribe for, or to convert any security into, shares in the company, only if the company gives approval in advance by resolution of the company.

Rules 13.36(1) to (3), Listing Rules: Pre-emptive rights

Except in the circumstances mentioned in Rule 13.36(2) of the Listing Rules:

(a) the directors of the issuer shall obtain the consent of shareholders in general meeting prior to allotting, issuing or granting: (i) shares; (ii) securities convertible into shares; or (iii) options, warrants or similar rights to subscribe for any shares or such convertible securities; and

There are no corresponding or similar provisions in AIX Business Rules or AIFC Market Rules dealing with powers of directors to issue shares.

Rule 2.3.5, AIFC Market Rules: Pre-emption rights

The board of an issuer must, except where otherwise provided in the constituent documents of the issuer, ensure that an issuer provides pre-emption rights under which, on an issue of shares by the issuer for cash, the shareholders of the issuer are offered any shares to be issued in proportion to their existing holdings prior to the shares being offered to third parties, unless there is prior approval of the issue of shares without pre-emption rights by shareholders in meeting, by a majority vote.

(b) the directors of the issuer shall obtain consent of the shareholders in general meeting prior to allotting any voting shares if such allotment would effectively alter the control of the issuer.

No such consent as is referred to in Rule 13.36(1)(a) of the Listing Rules shall be required:

(a) for the allotment, issue or grant of such securities pursuant to an offer made to the shareholders of the issuer which excludes for that purpose any shareholder that is resident in a place outside Hong Kong provided the directors of the issuer consider such exclusion to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place and, where appropriate, to holders of other equity securities of the issuer entitled to be offered them, pro rata (apart from fractional entitlements) to their existing holdings; or

(b) if, but only to the extent that, the existing shareholders of the issuer have by ordinary resolution in general meeting given a general mandate to the directors of the issuer, either unconditionally or subject to such terms and conditions as may be specified in the resolution, to allot or issue such securities or to grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter, subject to a restriction that the aggregate number of securities allotted or agreed to be allotted must not exceed the aggregate of (i) 20% of the number of issued shares of the issuer as at the date of the resolution granting the general mandate (or in the case of a scheme of arrangement involving an introduction in the circumstances set out in Rule 7.14(3) of the Listing Rules, 20% of the number of issued shares of an overseas issuer following the implementation of such scheme) and (ii) the number of such securities repurchased by the issuer itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the number of issued shares of the issuer as at the date of the resolution granting the repurchase mandate), provided that the existing shareholders of the issuer have by a separate ordinary resolution in general meeting given a general mandate to the directors of the issuer to add such repurchased securities to the 20% general mandate.

A general mandate given to directors to issue and allot shares under Rule 13.36(2) of the Listing Rules shall only continue in force until (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or (b) revoked or varied by ordinary resolution of the shareholders at general meeting, whichever occurs first.

2. Rule 13.36(5), Listing Rules: Placing of Securities for Cash

In the case of a placing or open offer of securities for cash consideration, the issuer may not issue any securities pursuant to a general mandate given under Rule 13.36 (2)(b) of the Listing Rules if the relevant price represents a discount of 20% or more to the benchmarked price of the securities, such benchmarked price being the higher of:

(a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate; and

Chapter ADS 4 (R) of Admission and Disclosure Standards for issuers: Requirements for Admission: Specific Securities

ADS 4.1.6 (G) For warrants, an issuer must confirm that the class of securities to which the warrants relate is trading on AIX or has a primary listing on another exchange.

Rule ADS 4.3.2 (G), Admission and Disclosure Standards

ADS 4.3.2 (G) Securities may be issued as a result of an employee share option scheme, a regular savings scheme or a dividend re-investment plan, or following the exercise of warrants or of conversion rights attaching to a class of convertible securities. The issuer will need to consider its obligations (if any) as a reporting entity to obtain the consent of the securities holders under the AIX Business Rules for such arrangements.

Chapter MLR 15 (R) of Markets Listing Rules: Warrants

MLR 15.1 (R) (1) To be admitted to the Official List, the total of all issued warrants to subscribe for shares, if applicable, must not, subject to Rule MLR 15.1(2), exceed 20 per cent of the issued share capital of the applicant as at the time of issue of the warrants.

MLR 15.1 (R) (2) Any rights under an employee share scheme are excluded from the twenty per cent calculation in Rule MLR 15.1(1).

(b) the average closing price in the five trading days immediately prior to the earlier of:

(i) the date of the announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate;

(ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate; and

(iii) the date on which the placing or subscription price is fixed,

unless the issuer can demonstrate that it is in a serious financial position and that the only way it can be saved is by an urgent rescue operation which involves the issue of new securities at a price representing a discount of 20% or more to the benchmarked price of the securities or that there are other exceptional circumstances. The issuer shall provide the Hong Kong Stock Exchange with detailed information on the allottees to be issued with securities under the general mandate.

Rule 15.02, Listing Rules: Options, Warrants and Similar Rights

All warrants must, prior to the issue or grant thereof, be approved by the Stock Exchange and in addition, where they are warrants to subscribe equity securities, by the shareholders in general meeting (unless they are issued by the directors under the authority of a general mandate granted to them by shareholders in accordance with Rule 13.36(2) of the Listing Rules). In the absence of exceptional circumstances which would include, by way of example, a rescue reorganisation, the Stock Exchange will only grant approval to the issue or grant of warrants to subscribe securities if the following requirements are complied with:

(1) the securities to be issued on exercise of the warrants must not, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the number of issued shares of the issuer at the time such warrants are issued. Options granted under employee or executive share schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of this limit; and

(2) such warrants must expire not less than one and not more than five years from the date of issue or grant and must not be convertible into further rights to subscribe securities which expire less than one year or more than five years after the date of issue or grant of the original warrants.

Rule 15.03, Listing Rules

The circular or notice to be sent to shareholders convening the requisite meeting under Rule 15.02 of the Listing Rules must include, at least, (1) the maximum number of securities which could be issued on exercise of the warrants, (2) the period during which the warrants may be exercised and the date when this right commences, (3) the amount payable on the exercise of the warrants, (4) the arrangements for transfer or transmission of the warrants, (5) the rights of the holders on the liquidation of the issuer, (6) the arrangements for the variation in the subscription or purchase price or number of securities to take account of alterations to the share capital of the issuer, (7) the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer, and (8) a summary of any other material terms of the warrants.

3. Rules 7.19A and 7.27A, Listing Rules: Rights Issue

A proposed rights issue must be made conditional on minority shareholders' approval in the manner set out in Rule 7.27A of the Listing Rules if the proposed rights issue would increase either the number of issued shares or the market capitalisation of the issuer by more than 50% (on its own or when aggregated with any other rights issues or open offers announced by the issuer (i) within the 12-month period immediately preceding the announcement of the proposed rights issue or (ii) prior to such 12-month period where dealing in respect of the shares issued pursuant thereto commenced within such 12-month period, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers).

Where minority shareholders' approval is required for a rights issue or open offer under Rule 7.19A or 7.24A of the Listing Rules:

(a) the rights issue or open offer must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting in favour;

(b) the Stock Exchange reserves the right to require the following parties to abstain from voting in favour of the relevant resolution at the general meeting:

(i) any parties who were controlling shareholders of the issuer at the time the decision for the transaction or arrangement involving the rights issue or open offer was made or approved by the board, and their associates; or

(ii) where there were no such controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer at the time the decision for the transaction or arrangement involving the rights issue or open offer was made or approved by the board, and their respective associates;

(c) the issuer must set out in the circular to shareholders:

(i) the purpose of the proposed rights issue or open offer, together with the total funds expected to be raised and a detailed breakdown and description of the proposed use of the proceeds. The issuer shall also include the total funds raised and a detailed breakdown and description of the funds raised on any issue of equity securities in the 12 months immediately preceding the announcement of the proposed rights issue or open offer, the use of such proceeds, the intended use of any amount not yet utilised and how the issuer has dealt with such amount; and (b) the information required under Rule 2.17 of the Listing Rules in the circular to shareholders; and

(ii) the issuer must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

4. Rule 17.03, Listing Rules: Terms of Share Option Schemes

The terms and provisions of the scheme must provide, *inter alia*:

(1) the purpose of the scheme;

(2) the participants of the scheme and the basis of determining the eligibility of the participants;

(3) the total number of shares which may be issued in respect of all options and awards to be granted under the scheme and any other schemes (the **scheme mandate limit**), together with the percentage of the issued shares that it represents at the date of approval of the scheme; and, where the participants of the scheme include service providers, the sublimit on the total number of shares that may be issued in respect of all options and awards to be granted to service providers (the **service provider sublimit**) within the scheme mandate limit;

(4) the maximum entitlement of each participant under the scheme;

(5) the period within which an option may be exercised by the grantee under the scheme, which must not be more than 10 years from the date of grant of the option;

There are no corresponding or similar provisions in AIX Business Rules or AIFC Market Rules dealing with terms of share option schemes.

(6) the vesting period of options or award to be granted under the scheme;

(7) a description (which may be qualitative) of the performance targets, if any, attached to options or awards to be granted under the scheme or, if none, a negative description of the target level and performance related measures and the method for assessing how they are satisfied;

(8) the amount, if any, payable on application or acceptance of the option or award and the period within which payments or calls must or may be made or loans for such purposes must be repaid;

(9) the basis of determination of the exercise price of options or the purchase price of shares awarded, if any;

(10) the voting, dividend, transfer and other rights, including those arising on a liquidation of the listed issuer, attaching to the shares and (if appropriate) any such rights attaching to the options or awards themselves;

(11) the life of the scheme, which must not be more than 10 years;

(12) the circumstances under which options or awards will automatically lapse; and

(13) a provision for the cancellation of options or awards granted.

5. Section 270 of the SFO: Insider dealing

In general terms, subject to the specified exempted circumstances, Section 270 of the SFO prohibits persons from dealing in listed securities (or their derivatives) of a corporation, or otherwise counsels or procures another person to deal in such listed shares (or their derivatives) when such person is connected with the corporation and has information which he knows is relevant information in relation to the corporation.

Section 278 of the SFO: Stock Market Manipulation

Section 278 of the SFO prohibits persons in Hong Kong or elsewhere from:

(a) entering into or carrying out, directly or indirectly, two or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction increase, or are likely to increase, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to purchase or subscribe for, or to refrain from selling, securities of the corporation or of a related corporation of the corporation;

Chapter 5 of AIFC Market Rules: Market Abuse

AIFC Market Rules and AIX Business Rules prohibit a conduct that amounts to Market Abuse which covers:

(a) unlawful disclosure of inside information;

(b) engaging or attempting to engage in insider dealing;

(c) recommending that another person engage in insider dealing or inducing another person to engage in insider dealing;

(d) engaging or attempting to engage in a so-called Market Manipulation covering (a) Market Manipulation Activities which according to its definition mainly concern entering into a transaction, placing an order to trade or any other activity or behaviour which affects or may affect the price of securities, or involves delivery of false or misleading information or any form of deception or contrivance; and (b) Market Manipulation Behaviour which includes, inter alia, taking advantage of occasional or regular access to the traditional or electronic media by voicing an opinion about a security (or indirectly about its issuer) while having previously taken positions on that security and profiting subsequently from the impact of the opinions voiced on the price of that instrument without having simultaneously disclosed that conflict of interest to the public in a proper and effective way (for more details, please refer to Rules 5.4.2 and 5.4.3, AIFC Market Rules).

(b) entering into or carrying out, directly or indirectly, two or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction reduce, or are likely to reduce, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to sell, or to refrain from purchasing, securities of the corporation or of a related corporation of the corporation; or

(c) entering into or carrying out, directly or indirectly, two or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction maintain or stabilise, or are likely to maintain or stabilise, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to sell, purchase or subscribe for, or to refrain from selling, purchasing or subscribing for, securities of the corporation or of a related corporation of the corporation.

BOARD COMPOSITION

Rules 3.10, 3.10A and 8.12, Listing Rules

Every board of directors of an issuer must include at least three independent non-executive directors; and at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise. An issuer must appoint independent non-executive directors representing at least one-third of the board. A new applicant applying for a primary listing on the Stock Exchange must have sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

Rules 3.21, 3.22 and paragraph D.3 of Appendix C1, Listing Rules: Audit Committee

Every listed issuer must establish an audit committee comprising non-executive directors only. The audit committee must comprise a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10(2) of the Listing Rules. The majority of the audit committee members must be independent non-executive directors of the listed issuer. The audit committee must be chaired by an independent non-executive director. The board of directors of the issuer must approve and provide written terms of reference which clearly establish the committee's authority and duties as required under Rule 3.22 and paragraph D.3 of Appendix C1 to the Listing Rules for the audit committee.

Principle 3 — Board composition and resources, Schedule 3, AIFC Market Rules: Corporate Governance Best Practice Standards

23. It may well be that no single director has all the knowledge, skills and expertise needed by a board to discharge its functions. The board should have an appropriate number and mix of individuals to ensure that there is an overall adequate level of knowledge, skills and expertise commensurate with the nature, scale and complexity of the business of the issuer.

General, Schedule 3, AIFC Market Rules: Corporate Governance Best Practice Standards

5. An issuer may have a small board to reflect the small and less complex nature of its business, as opposed to a larger and more complex business which requires a larger board. It may not be possible to have a large number of committees of the small board to undertake the functions of committees discussed in this Schedule. In such cases, the board as a whole may undertake all these functions, or alternatively, combine the roles of committees as appropriate.

Rules 3.25, 3.26 and paragraph E.1 of Appendix C1 of the Listing Rules: Remuneration Committee

An issuer must establish a remuneration committee chaired by an independent non-executive director and comprising a majority of independent non-executive directors, with specific terms of reference that clearly establish its authority and duties, including the terms of references set out in paragraph E.1 of Appendix C1 to the Listing Rules. The board of directors must approve and provide written terms of reference for the remuneration committee which clearly establish its authority and duties.

Paragraphs B.3 of Appendix C1 of the Listing Rules: Nomination Committee

Issuers should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors. The nomination committee should be established with specific written terms of reference which deal clearly with its authority and duties and should perform the duties as set out in paragraph B.3 of Appendix C1 to the Listing Rules.

Principle 4, Schedule 3, AIFC Market Rules: Corporate Governance Best Practice Standards

MAR 2.2.5: "The board must ensure that the issuer has an adequate, effective, well-defined and well-integrated risk management, internal control and compliance framework."

46. The board should, at least annually, conduct a review of the effectiveness of the issuer's risk management, internal control and compliance framework ("**systems and controls**") and should report to the shareholders that it has done so. The board may satisfy this requirement by instructing an auditor to undertake the review and report to it on its outcome.

47. The board should establish formal and transparent arrangements for considering how it should apply the financial reporting and internal control systems, and for maintaining an appropriate relationship with its auditors.

Principle 4, Schedule 3, AIFC Market Rules: Corporate Governance Best Practice Standards

50. The board should appoint at least two independent non-executive directors to the audit committee. At least one of the independent non-executive directors appointed to the audit committee should have recent and relevant financial expertise. The chair of the audit committee should be an independent non-executive director.

Principle 7, Schedule 3, AIFC Market Rules: Corporate Governance Best Practice Standards

70. The board should establish and maintain a remuneration committee to assess the remuneration of directors (including the chairman). The remuneration committee should comprise at least three members, with a majority of those members being independent non-executive directors. The chair of the committee should be an independent non-executive director. In addition, the chairman of the board may also be a member but not the chair of the committee.

Principle 3, Schedule 3, AIFC Market Rules: Corporate Governance Best Practice Standards

35. The board should establish and maintain a nomination committee to lead the process for appointments and make recommendations to the board relating to the appointment of board members and the senior management. A majority of members of the nomination committee should be independent non-executive directors. The chairman of the nomination committee should be an independent non-executive director.

Rule 2.2.2 Principle 1, AIFC Market Rules: Board of directors

An issuer must have an effective board which is collectively accountable for ensuring that the issuer's business is managed prudently and soundly.

Rule 2.2.3 Principle 2, AIFC Market Rules: Division of responsibilities

The board must ensure that there is a clear division between the board's responsibility for setting the strategic aims and undertaking the oversight of the issuer and the senior management's responsibility for managing the issuer's business in accordance with the strategic aims and risk parameters set by the board.

Rule 2.2.4 Principle 3, AIFC Market Rules: Board composition and resources

The board, and its committees, must have an appropriate balance of skills, experience, independence and knowledge of the issuer's business, and adequate resources, including access to expertise as required and timely and comprehensive information relating to the affairs of the issuer.

INTERESTED PERSON TRANSACTIONS OR CONNECTED TRANSACTIONS

Chapter 14A of the Listing Rules (Connected Transactions)

Chapter 14A of the Listing Rules specifies circumstances in which transactions between an issuer and certain specified persons (including connected persons) are, unless otherwise exempted, subject to the shareholders' approval, annual review and disclosure requirements.

Rule 2.5, AIFC Market Rules: Related party transactions

Rule 2.5.1, AIFC Market Rules: Application

This section applies, subject to MAR 2.5.4, to: (a) an issuer; and (b) a related party of such an issuer.

Rules 14A.07 and 14A.24, Listing Rules

"Connected person" is defined to include a director, chief executive or substantial shareholder of the listed issuer or any of its subsidiaries, any person who was a director of the listed issuer or any of its subsidiaries in the last 12 months, a supervisor of a PRC issuer or any of its subsidiaries, an associate of the respective persons as aforesaid, a connected subsidiary, or a person deemed to be connected by the Stock Exchange.

"Transaction" include both capital and revenue nature transactions, whether or not conducted in the ordinary and usual course of business of the listed issuer's group. This includes the following types of transactions:

(i) the acquisition or disposal of assets by a listed issuer's group including deemed disposals;

(ii) any transaction involving a listed issuer's group granting, accepting, transferring, exercising or terminating an option to acquire or dispose of assets or to subscribe for securities; or the listed issuer's group deciding not to exercise an option to acquire or dispose of assets or to subscribe for securities;

Rule 2.5.2, AIFC Market Rules: Definitions

In this section, unless otherwise provided:

(a) a person is a related party of an issuer if that person:

(i) is, or was within the 12 months before the date of the related party transaction: (A) a director or a person involved in the senior management of the issuer or a member of its group; (B) an associate of a person referred to in (a)(i)(A); or

(ii) owns, or has owned within 12 months before the date of the related party transaction, voting securities carrying more than 5% of the voting rights attaching to all the voting securities of either the issuer or a member of its group; or

(iii) is, or was within the 12 months before the date of the related party transaction, a person exercising or having the ability to exercise significant influence over the issuer or an associate of such a person; and

(iii) entering into or terminating finance leases or operating leases or sub-leases;

(iv) granting an indemnity or providing or receiving financial assistance. "Financial assistance" includes granting credit, lending money, or providing an indemnity against obligations under a loan, or guaranteeing or providing security for a loan;

(v) entering into an agreement or arrangement to set up a joint venture entity in any form, such as a partnership or a company, or any other form of joint arrangement;

(vi) issuing new securities of the listed issuer or its subsidiaries, including underwriting or sub-underwriting an issue of securities;

(vii) providing, receiving or sharing services; or

(viii) acquiring or providing raw materials, intermediate products and/or finished goods.

Rules 14A.35 to 37, 14A.49, 14A.71, 14A.76, Listing Rules: Reporting, Announcement and Independent Shareholders' Approval Requirements for Connected Transactions

Rules 14A.35, 14A.36, Listing Rules

The listed issuer must announce the connected transaction as soon as practicable after its terms have been agreed. Unless it is exempted under the Listing Rules, the connected transaction must be conditional on shareholders' approval at a general meeting held by the listed issuer. Any shareholder who has a material interest in the transaction must abstain from voting on such a resolution.

(b) a transaction is a related party transaction if it is a transaction:

(i) between an issuer and a related party; or

(ii) under which the issuer invests in another undertaking or asset, or provides financial assistance to another undertaking, in which a related party also has a financial interest; or

(iii) between the issuer and any other person the purpose or effect of which is to benefit a related party; or

(iv) of the kind referred to in (i)-(iii) and is between a subsidiary of an issuer and a related party of the issuer.

Guidance: Definitions

Any transaction between a subsidiary of an issuer and a related party is included within the definition of a related party transaction. This is because a related party may, through the issuer, be able to influence terms which are more favourable to the related party when transacting with the subsidiary. Such transactions could be detrimental to the interests of the issuer.

Rules 14A.37, 14A.73, 14A.76, Listing Rules

Certain categories of transactions are exempt from the general meeting requirements and the Stock Exchange accepts a written shareholder's approval (subject to certain conditions as set out in Rule 14A.37 of the Listing Rules), and certain transactions are subject only to annual review and disclosure requirements. Amongst other exemptions under the Listing Rules, a connected transaction (other than an issue of new securities by the listed issuer) conducted on normal commercial terms or better will constitute a de minimis transaction under Rule 14A.76(1) of the Listing Rules, which will be exempt from shareholders' approval, annual review and all disclosure requirements, where each of the percentage ratios (other than the profits ratio) is less than 0.1% or less than 1% (where the connected transaction only involves a connected person(s) at the issuer's subsidiary's level), or each of the percentage ratios (other than the profits ratio) is less than 5% and the total consideration is less than HK$3,000,000 (or in the case of any financial assistance, the total value of the financial assistance plus any monetary advantage to the connected person or commonly held entity).

Rule 2.5.3, AIFC Market Rules: Related party transaction procedures

If an issuer enters into a related party transaction or a series of related party transactions in any 12-month period and the value of such transaction(s) is greater than 5% of value of the net assets of the issuer as stated in its most recent financial reports, the issuer must, no later than the time when the terms of the transaction or arrangement are agreed, make public disclosure which sets out:

(a) the nature of the related party relationship;

(b) the name of the related party;

(c) the date and the value of the transaction or arrangement; and

(d) any other information necessary to assess whether the transaction or arrangement is fair and reasonable from the perspective of the issuer and of the stakeholders who are not a related party, including minority shareholders and creditors.

Rules 14A.49, 14A.71, Listing Rules: Reporting Requirements

The listed issuer's annual report must contain the following information on the connected transactions conducted in that financial year (including continuing connected transactions under agreements signed in previous years):

(1) the transaction date;

(2) the parties to the transaction and a description of their connected relationship;

(3) a brief description of the transaction and its purpose;

(4) the total consideration and terms;

(5) the nature of the connected person's interest in the transaction; and

(6) for continuing connected transactions,

  (a) confirmation from the listed issuer's independent non-executive directors on the matters set out in Rule 14A.55 of the Listing Rules; and

  (b) statement from the listed issuer's board of directors whether the auditors have confirmed the matters set out in Rule 14A.56 of the Listing Rules.

Rules 14A.81 to 14A.86, Listing Rules: Aggregation of Transactions

The Stock Exchange will aggregate a series of connected transactions and treat them as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. The listed issuer must comply with the applicable connected transaction requirements based on the classification of the connected transactions when aggregated. The aggregation period will cover 24 months if the connected transactions are a series of acquisitions of assets being aggregated which may constitute a reverse takeover.

Factors that the Hong Kong Stock Exchange will consider for aggregation of a series of connected transactions include whether:

(1) they are entered into by the listed issuer's group with the same party, or parties who are connected with one another;

(2) they involve the acquisition or disposal of parts of one asset, or securities or interests in a company or group of companies; or

(3) they together lead to substantial involvement by the listed issuer's group in a new business activity.

The Stock Exchange may aggregate all continuing connected transactions with a connected person.

Rule 2.5.4, AIFC Market Rules: Exemptions

The requirements in this section do not apply transaction referred to in MAR 2.5.2(b):

(a) where the transaction is made in the ordinary course of business and on commercial terms no less favourable than those of an arm's length transaction with an unrelated party; or

(b) where it, or any series of transactions with the same related party in any 12-month period, does not exceed 0.25% of the value of the net assets of the issuer as stated in its most recent financial reports; or

(c) where it is made in accordance with the terms of an employee share scheme or other employee incentive scheme approved by the board of the issuer; or

(d) where it involves the issue of new securities for cash or pursuant to the exercise of conversion or subscription rights attaching to securities issued to existing shareholders where the securities are traded on AIX.

The listed issuer must consult the Stock Exchange before the listed issuer's group enters into any connected transaction if:

(1) the transaction and any other connected transactions entered into or completed by the listed issuer's group in the last 12 months fall under any of the circumstances described in Rule 14A.82 of the Listing Rules; or

(2) the transaction and any other transactions entered into by the listed issuer's group involve the acquisition of assets from a person or group of persons or any of their associates within 24 months after the person(s) gain control (as defined in the Takeovers Code) of the listed issuer.

The listed issuer must provide information to the Stock Exchange on whether it should aggregate the transactions.

The Stock Exchange may aggregate a listed issuer's connected transactions even if the listed issuer has not consulted the Stock Exchange.

Rule 6.3, AIFC Market Rules: Managers' transactions

Rule 6.3.1, AIFC Market Rules: Notification of transactions

Persons discharging managerial responsibilities within an issuer must notify the issuer and the AFSA, in accordance with the rules in MAR 6.3, of every transaction conducted on their own account relating to the shares or debt instruments of that issuer or to derivatives or other securities linked thereto.

Rule 6.3.2, AIFC Market Rules: Transactions on behalf of Persons discharging managerial responsibilities

Transactions that must be notified under MAR 6.3.1 (Notification of transactions) must also include:

(a) the pledging or lending of securities by or on behalf of a person discharging managerial responsibilities, save that a pledge, or a similar security interest, of securities in connection with the depositing of the securities in a custody account does not need to be notified, unless and until such time that such pledge or other security interest is designated to secure a specific credit facility; and

(b) transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a person discharging managerial responsibilities, including where discretion is exercised.

Rules 14A.73, 14A.76, 14A.89, 14A.92 to 14A.101, Listing Rules: Exemptions

The connected transactions which can be exempt from the connected transaction requirements include:

(1) de minimis transactions;

(2) financial assistance;

(3) issue of new securities by the listed issuer or its subsidiary if (a) the connected person receives a pro rata entitlement to the issue as a shareholder; (b) the connected person subscribes for the securities in a rights issue or open offer; (c) the securities are issued to the connected person under a share option scheme; or (d) the securities are issued under a "top-up placing and subscription";

(4) dealings in securities on the Stock Exchange as prescribed under Rule 14A.93 of the Listing Rules;

(5) any repurchase of own securities by a listed issuer or its subsidiary from a connected person on Stock Exchange or a recognised stock exchange or under a general offer made under the Code on Share Buy-backs;

(6) the entering into of a service contract by a director of the listed issuer with the listed issuer or its subsidiary;

(7) the purchase and maintenance of insurance for a director of the listed issuer or its subsidiaries against liabilities to third parties that may be incurred in the course of performing his duties are fully exempt if it is in the form permitted under the laws of Hong Kong and where the company purchasing the insurance is incorporated outside Hong Kong, the laws of the company's place of incorporation;

(8) the acquisition as consumer or selling consumer goods or services to a connected person on normal commercial terms or better in its ordinary and usual course of business if such goods and services are (a) of a type ordinarily supplied for private use or consumption, (b) for the acquirer's own consumption or use, (c) consumed or used by the acquirer in the same state as when they were acquired, (d) on terms no more favourable to the connected person or no less favourable to the listed issuer's group than those available from independent third parties;

(9) the sharing of administrative services between the listed issuer's group and a connected person on a cost basis;

(10) transactions with associates of passive investors; and

(11) transactions with connected persons at the subsidiary level.

Rule 6.3.4, AIFC Market Rules: Notification to be made promptly

The notification in MAR 6.3.1 must be made promptly and no later than three business days after the date of the transaction.

Rule 6.3.5, AIFC Market Rules: Disclosure to the public

The issuer must ensure that the information that is notified in accordance with MAR 6.3.1 is made public promptly and no later than three business days after the transaction in a manner which enables fast access to the information on a non-discriminatory basis.

RESTRICTIONS ON DEALINGS OF DIRECTORS BEFORE PUBLICATION OF THE FINANCIAL RESULTS

Rules A.3, B.8, B.9 and C.14 of Appendix C3, Listing Rules

Rule A.3

A director must not deal in any securities of the listed issuer on any day on which its financial results are published and:

(i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

unless the circumstances are exceptional as described in Rule C.14 below. In any event, the director must comply with the procedure in the Rules B.8 and B.9 of the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Directors Dealing Code**").

The listed issuer must notify the Stock Exchange in advance of the commencement of each period during which directors are not allowed to deal under Rule A.3 of the Directors Dealing Code.

Rule 2.4.2, AIFC Market Rules: Prohibition on dealing

(a) A restricted person must not engage in dealing in the securities of the issuer during a closed period except in the circumstances specified in MAR 2.4.4 or MAR 2.4.5.

(b) The prohibition in (a) applies to any dealing by restricted persons whether or not such dealings are with another restricted person or any other person.

Rule 2.4.3, AIFC Market Rules: Definition of "closed period" and "dealing in Securities"

For the purposes of MAR 2.4.2:

(a) a 'closed period' is

(i) the period from the relevant financial year end up to and including the time of the announcement or publication of the annual financial statements and/or results; and

(ii) if the issuer reports on a semi-annual basis, the period from the end of the relevant semi-annual financial period up to and including the time of the announcement or publication of the semi-annual financial statements and/or results; or

(iii) if the issuer reports on a quarterly basis, the period from the end of the relevant quarter up to and including the time of the announcement or publication of the quarterly financial statements and/or results.

Rule C.14

If a director proposes to sell or otherwise dispose of securities of the listed issuer under exceptional circumstances where the sale or disposal is otherwise prohibited under the Directors Dealing Code, the director must, in addition to complying with other provisions of the Directors Dealing Code, comply with the provisions of the Rule B.8 of the Directors Dealing Code regarding prior written notice and acknowledgement. The director must satisfy the chairman or the designated director that the circumstances are exceptional and the proposed sale or disposal is the only reasonable course of action available to the director before the director can sell or dispose of the securities. The listed issuer shall give written notice of such sale or disposal to the Stock Exchange as soon as practicable stating why it considered the circumstances to be exceptional. The listed issuer shall publish an announcement in accordance with Rule 2.07C of the Listing Rules immediately after any such sale or disposal and state that the chairman or the designated director is satisfied that there were exceptional circumstances for such sale or disposal of securities by the director.

(b) 'dealing in securities' means:

(i) any acquisition or disposal of, or agreement to acquire or dispose of, securities of the issuer; or

(ii) entering into a contract (such as a contract for difference) the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the price of the securities of the issuer; or

(iii) the grant, acceptance, acquisition, disposal, exercise or discharge of any option to acquire or dispose of any securities of the issuer; or

(iv) entering into, or terminating, assigning or novating any stock lending agreement in respect of the securities of the issuer; or

(v) using as security, or otherwise granting a charge, lien or other encumbrance over the securities of the issuer; or

(vi) any other transaction including a transfer for no consideration, or the exercise of any power or discretion effecting a change of ownership of a beneficial interest in, the securities of the issuer.

Rule B.8

Under the Directors Dealing Code, a director must not deal in any securities of the issuer without first notifying in writing the chairman or a director (otherwise than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement. In his own case, the chairman must first notify the board at a board meeting, or alternatively notify a director (otherwise than himself) designated by the board for the purpose and receive a dated written acknowledgement before any dealing. The designated director must not deal in any securities of the listed issuer without first notifying the chairman and receiving a dated written acknowledgement. In each case, (a) a response to a request for clearance to deal must be given to the relevant director within five business days of the request being made; and (b) the clearance to deal in accordance with (a) above must be valid for no longer than five business days of clearance being received.

Rule B.9

The procedure established within the listed issuer must, as a minimum, provide for there to be a written record maintained by the listed issuer that the appropriate notification was given and acknowledged pursuant to Rule B.8 of the Directors Dealing Code, and for the director concerned to have received written confirmation to that effect.

Rule 2.4.4, AIFC Market Rules: Clearance to deal

(1) The prohibition in MAR 2.4.2 (1) does not apply in relation to any dealing in securities where the restricted person has obtained prior clearance to deal as provided in (2) and (3).

(2) For the purposes of (1), prior written clearance to deal in the securities of an issuer must be obtained:

(a) from a director designated by the board for the purposes of providing clearances to deal; and

(b) in the case of dealings by the director designated for the purpose of providing clearances to deal, from the full board or another director designated by the board for the purposes of providing such clearance.

(3) For the purposes of (1) and (2), a director of the issuer must not be given written clearance to deal in any securities of the issuer during any period when there exists any matter which constitutes inside information unless the person responsible for granting clearance has no reason to believe that the proposed dealing is or may be in breach of the Framework Regulations of AIFC or AIX Market Rules.

Rule 2.4.5, AIFC Market Rules: Exempt dealings

The prohibition in MAR 2.4.2 (1) does not apply in relation to any dealing in securities in the issuer if such dealing by the restricted person relates to:

(a) undertakings or elections to take up, or the taking up of, an entitlement under a rights issue or dividend reinvestment offer, or allowing such an entitlement or offer to lapse; or

(b) undertakings to accept, or the acceptance of, a takeover offer under the takeover rules; or

(c) dealings where the beneficial interest in the relevant security does not change; or

(d) transactions between the restricted person and an associate of such a person; or

(e) transactions relating to dealings in an employee share scheme in accordance with the terms of such a scheme.

Rule 6.3.8, AIFC Market Rules: Closed period

A person discharging managerial responsibilities within an issuer must not conduct any transactions on their own account or for the account of a third party, directly or indirectly, relating to the shares or debt instruments of the issuer or to derivatives or other securities linked to them during a closed period as defined in MAR 2.4.3.

Rule 6.3.9, AIFC Market Rules: Discretion to permit trading with the closed period

An issuer may allow a person discharging managerial responsibilities within it to trade on its own account or for the account of a third party during a closed period either:

(a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares; or

(b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share scheme or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change.

AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

JIAXIN INTERNATIONAL RESOURCES INVESTMENT LIMITED

佳鑫國際資源投資有限公司

(Incorporated in Hong Kong with limited liability)

(Approved by Special Resolutions dated August 15, 2025 and effective from the date on which the Prospectus as defined therein (together with the other documents required) are submitted to the Registrar of Companies in Hong Kong)

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Public Company Limited by Shares

AMENDED AND RESTATED ARTICLES OF ASSOCIATION

(Approved by Special Resolution dated August 15, 2025 and effective from the date on which the Prospectus as defined therein (together with the other documents required) are submitted to the Registrar of Companies in Hong Kong)

OF

Jiaxin International Resources Investment Limited
佳鑫國際資源投資有限公司

PRELIMINARY

1. The regulations in the Model Articles in Schedule 1 to the Companies (Model Articles) Notice (Chapter 622H of the Laws of Hong Kong) shall not apply to the Company.

INTERPRETATION

2. (a) In these Articles the words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

"Appointment"	includes election (and appoint includes elect);
"Articles"	means these articles of association as originally framed or as altered from time to time in accordance with the Ordinance;
"Auditors"	the auditors of the Company for the time being;
"Board"	means collectively the board of Directors from time to time of the Company or the Directors present at a meeting of the Directors at which a quorum is present;
"Chairman"	the Chairman presiding at any meeting of members or of the Board;
"Clearing House"	means a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or any other ordinance substituted therefor;

"close associate(s)"	has the same meaning ascribed to it under the Listing Rules;
"Company"	means Jiaxin International Resources Investment Limited 佳鑫國際資源投資有限公司;
"Company Secretary"	the person or persons appointed for the time being to perform for the Company the duties of the company secretary of the Company;
"Director(s)"	means the director(s) for the time being of the Company, or as the case may be, the directors assembled as a Board or a committee of the Board;
"Dividend"	includes bonuses, distributions in specie and in kind, capital distributions and capitalization issues;
"Listing Rules"	means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and any amendments thereto for the time being in force;
"Meeting of the Board"	means a meeting of the Directors;
"Member(s)"	means the member(s) or shareholder(s) for the time being of the Company;
"Month	means a calendar month;
"Office"	means the registered office of the Company;
"Ordinance" or "Companies Ordinance"	means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and every statutory replacements, modification or re-enactment thereof for the time being in force and (where the context so admits) every other ordinance from time to time in force concerning companies insofar as its applies to the Company;
"Paid Up"	means paid up or credited as paid up;
"Register"	means the register of members of the Company kept pursuant to the Ordinance and includes any branch Register kept pursuant to the Ordinance;
"Seal"	means the common seal of the Company or any official seal that the Company may have as permitted by the Ordinance;

"Securities and Futures Commission"	The Securities and Futures Commission of Hong Kong;
"special resolution"	has the meaning ascribed thereto in Section 564 of the Companies Ordinance;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"Year"	the year from 1st January to 31st December inclusive.

(b) Unless inconsistent with the subject or context, words importing the singular shall include the plural and vice versa.

(c) Unless inconsistent with the subject or context, words importing a gender shall include both gender and the neuter.

(d) The headings are inserted for convenience only and shall not affect the construction of these Articles.

(e) Expressions used in these Articles referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.

(f) Wherever any provision of these Articles (except a provision for the appointment of a proxy) requires that a communication as between the Company, its Directors or Members be effected in writing, the requirement may be satisfied by the communication being given in the form of an electronic record such as cable, telex, facsimile, email and any mode of reproducing words in a legible and non-transitory form.

(g) Wherever any provision of these Articles requires that a meeting of the Company, its Directors or Members be held, the requirement may be satisfied by the meeting being held by such lawful electronic means and in such manner as may be agreed by the Company in general meeting.

(h) References in these Articles to "in person or by proxy" shall be deemed to include a corporate representative appointed pursuant to Article 76.

(i) Subject as aforesaid, any word or expression to which a meaning is assigned by the Ordinance has the meaning so assigned to it on the date on which these Articles become binding on the Company.

NAME

3. The name of the Company is "Jiaxin International Resources Investment Limited 佳鑫國際資源投資有限公司".

OFFICE

4. The Office shall be at such place in Hong Kong as the Directors shall from time to time appoint.

LIABILITY OF MEMBERS

5. The liability of the Members is limited to any amount from time to time unpaid on the shares held by the Members.

SHARE CAPITAL

6. The Company may, subject to the provisions of the Ordinance:

   (a) subject and without prejudice to any rights attached to any existing shares, issue any share with such preferred, deferred or other special rights or such restrictions, whether in regard to Dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine (or, in the absence of any such determination, as the Board may determine); and

   (b) with the sanction of a special resolution, issue preference shares which are to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by these Articles. The terms and manner of redemption shall be provided for by these Articles. In the event of purchase or redemption of the redeemable share, the following provisions shall apply: (a) purchase not made through the market or by tender shall be limited to a maximum price; and (b) if purchases are by tender, tenders shall be available to all shareholders alike.

7. The Directors may, subject to approval by the Members in general meeting, issue warrants (other than share warrants to bearer) or other rights and grant options to subscribe for any class of shares or securities of the Company on such terms as the Directors may from time to time determine.

8. Subject to the provisions of the Ordinance and these Articles, all unissued shares in the Company shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise deal with or dispose of the same to such persons, at such times, for such consideration and generally on such terms and conditions as they in their absolute discretion think fit.

9. If at any time the share capital is divided into different classes of shares, all or any of the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) for the time being in issue may, at any time, as well before as during liquidation, subject to the provisions of the Ordinance, be varied, modified or abrogated either with the consent in writing of the holders of shares representing at least seventy-five (75) per cent. of the total voting rights of holder of shares in that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Articles relating to general meeting shall mutatis mutandis apply, but so that the necessary quorum shall be not less than two persons holding or representing by proxy one-third of the total voting rights of holders of shares of that class, and at an adjourned meeting one person holding or his proxy representing shares of that class, and any holder of shares of the class present in person or by proxy may demand a poll. The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.

10. The rights attached to any shares having preferred rights shall not (unless otherwise expressly provided in the rights attaching to, or the terms of issue of, those shares) be deemed to be varied by the allotment of further shares ranking *pari passu* therewith.

11. The Company may in connection with any issue of shares exercise the powers of paying commission conferred by the Ordinance. Subject to the provisions of the Ordinance, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in another. The Company may also on any issue of share capital pay such brokerage as may be lawful and exercise all powers of paying interest out of capital.

12. Except as required by a court of competent jurisdiction or by law or as provided by these Articles, no person shall be recognised by the Company as holding any share upon any trust, and except as aforesaid, the Company shall not be bound by or recognize any contingent, future, partial or equitable interest in any share or in any fractional part of a share or any other right in respect of any share or any other claim to or in respect of any such share on the part of any person (even when having notice thereof) except the absolute right of the registered holder to the entirety thereof.

13. The Directors may, if they think fit, recognize a renunciation of the allotment of a share by the allottee in favour of another person at any time before the allottee has been registered as the holder of the share and they may accord to an allottee of a share a right of renunciation on such terms and conditions as they think fit.

14. No person shall become a member until his name shall have been entered into the Register.

JOINT HOLDERS OF SHARES

15. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the following provisions:

    (a) the Company shall not be bound to register more than four persons as the holders of any shares except in the case of the legal personal representatives of a deceased Member;

    (b) the joint holders of any shares shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such shares;

    (c) on the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such shares, but the Directors may require such evidence of death as they may deem fit;

    (d) any one of such joint holders may give effectual receipts for any dividend, bonus or return of capital payable to such joint holders; and

    (e) the Company shall be at liberty to treat the person whose name stands first in the Register as one of the joint holders of any shares as solely entitled to delivery of the certificate relating to such shares, or to receive notices from the Company, or to attend or vote at general meetings of the Company, and any notice given to such person shall be deemed notice to all the joint holders; but any one of such joint holders may be appointed the proxy of the persons entitled to vote on behalf of such joint holders, and as such proxy to attend and vote at general meetings of the Company, but if more than one of such joint holders be present at any meeting personally or by proxy that one so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof.

REGISTER OF MEMBERS AND SHARE CERTIFICATE

16. The Directors shall cause to be kept a register of the members, and there shall be entered therein the particulars required under the Companies Ordinance, or any amendment thereto.

17. Every person whose name is entered as a Member in the Register shall be entitled without payment to receive (i) within two months after allotment or, (ii) within ten business days of the lodgment of an instrument of transfer duly stamped, or within such period as the terms of issue shall provide, one certificate for all his shares of any particular class, or if he shall so request, upon payment of a fee (not exceeding the maximum amount as the Stock Exchange may from time to time permit) for every certificate after the first, as the Directors shall from time to time determine, such number of certificates for shares in Stock Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in the event of a Member transferring part of the shares represented by a certificate in his name a new certificate in respect of the balance thereof shall be issued in his name without payment. In the case of a share or shares held jointly by several persons, the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

18. Every certificate may be under the Seal, or under the official seal kept by the company under section 126 of the Ordinance or executed otherwise in accordance with the Ordinance, and shall specify the number and class of shares and, if required, the distinctive numbers thereof, to which it relates and the amount Paid Up thereon, and may otherwise be in such form as the Board may from time to time determine. The Board may determine, either generally or in any particular case or cases, that the signatures on any 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. If at any time the share capital of the Company is divided into different classes of shares, every share certificate issued at that time shall comply with the provisions of the Ordinance, and no certificate shall be issued in respect of more than one class of shares.

19. Subject to the provisions of the Ordinance, if a share certificate is defaced, lost or destroyed, it may be, it may be replaced with a replacement certificate of the same class on (a) payment of such fee (if any) as may from time to time be permitted under the rules prescribed by the Stock Exchange; and (b) such other terms (if any) as to evidence and indemnity and the payment (in the case of a loss or destruction) of out-of-pocket expenses of the company of investigating evidence as the Directors think fit but otherwise free of charge, and (in the case of defacement or damage) on delivery up of the old certificate.

20. No share certificates should be issued in bearer form, and the Company shall not have power to issue share warrants in bearer form.

LIEN

21. 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, and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a Member, whether singly or jointly with any other person or persons, for all moneys presently payable by him or his estate to the Company, whether the same shall have been incurred before or after notice has been given to the Company of any interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have already 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; but the Directors may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien, if any, on a share shall extend to all Dividends payable thereon.

22. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy or winding-up or otherwise by operation of law or court order.

23. To give effect to any such sale the Directors may authorize a person to transfer the shares sold to, or in accordance of, the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

24. The net proceeds of the sale, after payment of the costs of such sale, shall be received by the Company and applied in or towards payment or satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

25. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares, and any such call may be made payable by instalments. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place for payment, pay to the Company the amount called on his shares and at the time or times and place so specified. The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, any of the Members shall not invalidate the call. A call may be revoked, varied or postponed as to all or any of the Members liable therefor as the Directors may determine. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made. The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of that share.

26. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed.

27. 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 be liable to pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on the outstanding part thereof at such rate as the Directors shall determine (not exceeding fifteen per cent. per annum) from the day appointed for the payment of such call or instalment to the time of discharge thereof in full; but the Directors may, if they shall think fit, waive the payment of such costs, charges, expenses or interest or any part thereof.

28. If, by the terms of the issue of any shares or otherwise, any amount is made payable upon allotment or at any fixed time, every such amount shall be payable as if it were a call duly made and payable on the date on which by the terms of issue the same becomes payable; and all the provisions hereof with respect to the payment of calls and interest thereon, or to the forfeiture of shares for non-payment of calls shall apply to every such amount and the shares in respect of which it is payable in the case of non-payment thereof.

29. The Directors may, if they shall think fit, receive from any member willing to advance the same (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 paid in advance the Directors may (until the same would, but for such payment in advance, become presently payable) pay interest at such rate as may be agreed upon between the member paying the money in advance and the Directors (not exceeding fifteen per cent. per annum). But a payment in advance of a call shall not entitle the shareholder to receive any dividend or to exercise any other rights or privileges as a shareholder in respect of the share or the due portion of the shares upon which payment has been advanced by such shareholder before it is called. The Directors may also at any time repay the amount so advanced upon giving to such Member one month's notice in writing 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.

30. The Directors may, if they think fit, receive from any Member willing to advance the same (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 the Directors may (until the same would, but for such advance, become payable) pay interest at such rate as may be agreed upon between the Member paying the money in advance and the Directors (not exceeding fifteen per cent. per annum). But a payment in advance of a call shall not entitle the shareholder to receive any dividend or to exercise any other rights or privileges as a shareholder in respect of the share or the due portion of the shares upon which payment has been advanced by such shareholder before it is called. The Directors may also at any time repay the amount so advanced upon giving to such Member one month's notice in writing 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.

31. On the trial or hearing of any action 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 money is due; that the resolution making the call is duly recorded in the minute book of the Company; and that notice of such call was duly given to the Member sued in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence that the money is due.

32. No Member shall, unless the Directors otherwise determine, be entitled to receive any dividend or bonus, or to receive notice of or to be present or vote at any general meeting, either personally or (save as proxy for another member) by proxy, or to exercise any privileges as a Member, or be reckoned in a quorum, until he shall have paid all calls or other sums for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

FORFEITURE

33. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid without prejudice to the provisions of Article 31, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses incurred by reason of such non-payment.

34. The notice shall name a further day (not earlier than 14 clear days from the date of service of the notice) on or before which such call or part thereof and all interest accrued and expenses incurred by reason of such non-payment are to be paid, and it shall also name the place where payment is to be made, such place being either the Office, or some other place at which calls of the Company are usually made payable. The notice shall also state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

35. If the requirements with regard to payment of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter and before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect, and any such forfeiture shall extend to all dividends and bonuses declared in respect of the shares so forfeited but not payable until after such forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender.

36. Any shares so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either subject to or discharged from all calls made prior to the forfeiture, to any person, upon such terms as to subscription price and otherwise and in such manner and at such time or times as the Directors think fit. For the purpose of giving effect to any such sale or other disposition the Directors may authorise the transfer of the shares so sold or otherwise disposed of to the purchaser thereof or any other person becoming entitled thereto.

37. The Directors may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit or permit the shares forfeited upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with interest thereon from the date of forfeiture until payment at such rate as the Directors may prescribe (not exceeding fifteen per cent. per annum), and the Directors may enforce the payment of such moneys or any part thereof and without any deduction or allowance for the value of the shares at the date of forfeiture. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, shall notwithstanding that the 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. When any shares have been forfeited, notice of the resolution shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry shall be made in the Register recording the forfeiture and the date thereof, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry, and so soon as the shares so forfeited have been sold or otherwise disposed of, an entry shall also be made of the manner and date of the sale or disposal thereof.

40. A statutory declaration in writing that the declarant is a Director or the Company Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall constitute a good title to the share. Subject to the execution of any necessary transfer the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission, irregularity or invalidity relating to or in connection with the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of share.

TRANSFER OF SHARES

41. The right of Members to transfer their fully-paid shares shall not be restricted (except where permitted by the Stock Exchange) and shall also be free from all lien.

42. The instrument of a transfer of a share shall be in writing and in any usual form or in any other form as the Board may accept and shall be executed by or on behalf of the transferor and by or on behalf of the transferee. The instrument of transfer may be executed by hand only or, if the transferor or transferee is a Clearing House (or its nominee), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof. Nothing in these Articles 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.

43. Every instrument of transfer and other documents relating to or affecting the title to any shares of the Company shall be lodged at the Office for registration (or at such other place as the Board may appoint for such purpose) accompanied by the certificate relating to the shares to be transferred and such other evidence as the Directors may require in relation thereto.

44. All instruments of transfer which shall be registered shall be retained by the Company, but save where fraud is suspected, any instrument of transfer which the Directors refuse to register shall, on demand, be returned to the person lodging the same.

45. There shall be paid to the Company in respect of the registration of a transfer and of any grant of probate or letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any share or for making of any entry in the Register affecting the title to any share such fee (if any) as the Directors may from time to time require or prescribed, provided that such fee (if any) shall not exceed the maximum fees as the Stock Exchange may from time to time prescribe or permit.

46. The registration of transfers may be suspended at such times and for such periods as the Directors may, in accordance with the Ordinance, from time to time determine and either generally or in respect of any class of shares.

47. The Directors may, subject to the Ordinance, at any time in their absolute discretion refuse to register any transfer of any share which is not fully paid up. The Directors may also refuse to register any transfer unless:

(a) the instrument of transfer is in respect of only one class of share;

(b) in the case of a transfer to joint holders, the number of transferees does not exceed four;

(c) the shares are free from any restriction on the right of transfer (except when permitted by the Stock Exchange);

(d) the shares concerned are free of any lien in favour of the Company;

(e) the instrument of transfer is properly stamped;

(f) such other conditions as the Directors may from time to time impose for the purpose of guarding against losses arising from forgery are satisfied;

(g) a fee not exceeding the maximum fee prescribed or permitted from time to time by the Stock Exchange is paid to the Company in respect thereof; and

(h) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

48. If the Directors refuse to register a transfer of any share, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal in accordance with the Ordinance.

49. If the Directors refuse to register a transfer of any share, the transferor or the transferee may request a statement of the reasons for the refusal. If such a request is made, the Company shall, within 28 days after receiving the request: (a) send the person who made the request a statement of reasons; or (b) register the transfer.

50. No transfer may be made to an infant or to a person of unsound mind or under other legal disability.

TRANSMISSION OF SHARES

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

52. Any person becoming entitled to shares in the Company in consequence of the death, bankruptcy or winding-up of a Member or otherwise by operation of law or by court order shall, upon producing such evidence of his title as the Directors may require, have the right either to be registered himself as the holder of the shares upon giving to the Company notice in writing of such his desire or to transfer such shares to some other person. All the limitations, restrictions and provisions of these Articles and the Ordinance relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as if the same were a transfer of shares by a Member, including the Directors' right to refuse or suspend registration.

53. A person becoming entitled to shares in the Company in consequence of the death, bankruptcy or winding-up of any Member or otherwise by operation of law or by court order shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the shares, provided always that the Directors may at any time give notice requiring any such person to elect to be registered himself or to transfer the shares, and if the notice is not complied with within sixty days, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the shares until the requirements of the notice have been complied with. Save as aforesaid, such person shall have no other rights or privileges of a Member in respect of the share (including to attend and vote at a meeting of the Company) unless and until he shall be registered as a holder thereof.

54. If the Directors refuse to register a transfer of any share in the Company that has been transmitted to a person by operation of law, they shall, within two months after the date on which the transfer was lodged with the Company, send to the person notice of the refusal in accordance with the Ordinance.

55. Any person to whom the right to any shares in the Company has been transmitted by operation of law may, if the Directors refuse to register the transfer, request a statement of the reasons for the refusal. If such a request is made, the Company shall, within 28 days after receiving the request: (a) send the person who made the request a statement of reasons; or (b) register the transfer.

ALTERATION OF SHARE CAPITAL

56. The Company may from time to time by ordinary resolution alter its share capital in any one or more of the ways set out in section 170 of the Ordinance, including but not limited to:

    (a) increasing its share capital by allotting and issuing new shares in accordance with the Ordinance;

    (b) increasing its share capital without allotting and issuing new shares, if the funds or other assets for the increase are provided by the Members of the Company;

    (c) capitalising its profits, with or without allotting and issuing new shares;

    (d) allotting and issuing bonus shares with or without increasing its share capital;

    (e) converting all or any of its share into a larger or smaller number of existing shares;

(f) dividing its shares into several classes and attaching thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions, 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";

(g) cancelling shares:

(i) that, at the date of the passing of the resolution for cancellation, have not been taken or agreed to be taken by any person; or

(ii) that have been forfeited; and

(h) making provision for the issue and allotment of shares which do not carry any voting rights.

57. The general meeting resolving upon the creation of any new shares may direct that the same or any of them shall be offered in the first instance, to all the holders for the time being of any class of shares in the capital of the Company, in proportion to the number of shares of such class held by them respectively, or make any other provisions as to the issue and allotment of the new shares, and in default of any such direction, or so far as the same shall not extend, the new shares shall be at the disposal of the Directors.

58. Subject to any direction or determination that may be given or made in accordance with the powers contained in these Articles, all new shares created pursuant to Article 55 shall be subject to the same provisions herein contained with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as the existing shares of the Company.

59. Where any difficulty arises in regard to any consolidation and division of shares, the Directors may settle such difficulty as they think expedient and in particular may arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Directors may authorise some person to transfer the shares representing fractions to the purchaser thereof, who 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.

60. The Company may by special resolution reduce its share capital in any manner allowed by law.

PURCHASE OF OWN SHARES AND WARRANTS

61. The Company may exercise any powers conferred or permitted by the Ordinance or any other ordinance from time to time to purchase or otherwise acquire its own shares at any price or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares in the Company and should the Company purchase or otherwise acquire its own shares neither the Company nor the Board shall be required to select the shares to be purchased or otherwise acquired ratably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by the Stock Exchange or the Securities and Futures Commission from time to time in force. For the purpose of this Article, "shares" include shares, warrants and any other securities convertible into shares which are issued from time to time by the Company.

GENERAL MEETINGS

62. The Company must, in respect of each financial year of the Company, hold a general meeting as its annual general meeting in addition to any other meetings in that year. The annual general meeting shall be held within 6 months after the end of each financial year and at such place(s) as may be determined by the Directors.

63. General meetings other than annual general meetings shall be called extraordinary general meetings.

64. The Directors may whenever they think fit, and shall on requisition in accordance with the Ordinance, convene an extraordinary general meeting.

65. A general meeting may be held at two or more places using any technology that enables Members who are not together at the same place to listen, speak and vote at such meeting.

NOTICE OF GENERAL MEETINGS

66. Subject to section 578 of the Ordinance, an annual general meeting shall be called by not less than notice in writing of at least twenty-one days (or such longer period as may be required by the Listing Rules), and any other general meeting shall be called by not less than notice in writing of at least fourteen days (or such longer period as may be required by the Listing Rules).

67. Subject to sections 576 and 578 of the Ordinance, the notice shall specify the place(s), date and time of meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. There shall appear on every such notice with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not be a member of the Company.

68. Notwithstanding that a meeting of the Company is called by shorter notice than that specified in these Articles or required by the Ordinance, it shall be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called as the 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 a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent of the shares giving that right.

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

QUORUM OF GENERAL MEETINGS

70. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two persons entitled to vote at the meeting, each being a Member or a proxy for a Member or a duly authorized representative of a corporation, shall be a quorum (but the absence of a quorum shall not prevent the appointment, choice or election of a chairperson which shall not be treated as part of the business of the meeting).

71. If, within fifteen minutes from the time appointed for the meeting a quorum be not present, the meeting, if convened upon requisition in accordance with the Ordinance, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place(s), or to such other day, time and place(s) as the Chairman of the meeting may determine. If at such adjourned meeting a quorum be not present within fifteen minutes from the time appointed for the meeting, the Member or Members present in person or by proxy shall be a quorum and may transact the business for which the meeting is called.

PROCEEDINGS AT GENERAL MEETING

72. Subject to the provisions of the Ordinance, the Listing Rules and these Articles, Members must have the right to (a) speak at a general meeting; and (b) vote at a general meeting.

73. The Chairman (if any) of the Board or, in his absence, a deputy Chairman (if any) shall preside as Chairman at every general meeting. If there is no such Chairman or deputy Chairman, or if at any meeting neither the Chairman nor a deputy Chairman is present within fifteen minutes after the time appointed for holding the meeting, or if neither of them is willing to act as Chairman, an executive director of the Directors present shall preside as Chairman. If no executive director is present or is willing to act as Chairman, the Directors present shall choose one of their number to be Chairman of the meeting.

74. The Chairman of any general meeting at which a quorum is present may, with the consent of the meeting, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place(s) to place(s) or sine die; but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place unless due notice thereof is given or such notice is waived in the manner prescribed by these Articles. When a meeting is adjourned for thirty days or more, or sine die, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjourned meeting or the business to be transacted thereat. Where a meeting is adjourned sine die the time and place(s) for the adjourned meeting shall be fixed by the Directors.

VOTING

75. Subject to the rules prescribed by the Stock Exchange from time to time, any vote of shareholders at a general meeting shall be taken by poll except where the Chairman of the meeting, 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. For the purposes of these Articles, 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 duties of the Chairman of the meeting 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.

76. A poll shall be taken at such time and place and in such manner as the Chairman of the meeting shall direct, and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken.

77. On any resolution where a vote is not required under the Ordinance, the Listing Rules or these Articles to be held on a poll, a poll may be demanded before or on the declaration of the result of the show of hands:

    (a) by the Chairman of the meeting; or

    (b) by at least five 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 at the meeting; or

    (c) by any Member or Members present in person (or in the case of a Member being a corporation, by its duly authorised representative) or by proxy and representing in the aggregate not less than 5 per cent of the total voting rights of all Members having the right to attend and vote at the meeting; or

    (d) by any Member or Members present in person (or in the case of a Member being a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than 5 per cent of the total sum paid up on all shares conferring that right.

78. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman of the meeting at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

79. A poll demanded on the election of a Chairman or on the question of an adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs, not being more than 30 days after the poll is demanded.

80. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

81. Where a resolution is voted on by a show of hands, a declaration by the Chairman of the meeting that a resolution has been carried unanimously or by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

82. Subject to the provisions of the Ordinance and the Listing Rules, a resolution in writing signed by or on behalf of all the Members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if it had been passed at a general meeting of the Company (or of such holders) duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a Member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Any such resolution may be contained in one document or separate copies prepared and/or circulated for the purpose and signed by one or more Members.

VOTES OF MEMBERS

83. Subject to the provisions of the Ordinance, these Articles and any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, every Member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised at any general meeting shall be entitled, on a show of hands, to one vote only and, on a poll, to one vote for every fully paid-up share of which he is the holder.

84. On a poll, votes may be given either personally or by proxy or (in the case of a corporate member) by a duly authorised representative. A Member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

85. In the case of joint holders, 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 seniority shall be determined by the order in which the names stand in the Register in respect of such share.

86. In the case of an equality of votes at any general meeting, whether upon a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.

87. Save as expressly provided in these Articles, no person other than a Member duly registered and who shall have paid all amounts for the time being payable by him to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum at any general meeting.

88. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction (whether in Hong Kong or elsewhere) in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee or curator bonis appointed by that court, and any such committee, curator bonis or other person may on a poll, vote by proxy. If any member be a minor he may vote by his guardian or one of his guardians who may give their votes personally or by proxy.

89. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting or poll at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting or poll shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

90. Where any Member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.

PROXIES

91. Any Member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote on his behalf. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a Member of the Company.

92. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may accept, provided that this shall be so worded as not to preclude the use of the two-way form. An instrument appointing a proxy shall be signed by the appointor or his duly authorised attorney. A corporation may execute a form of proxy either under its common seal or under the hand of a duly authorised officer. Any instrument of proxy issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the Member, according to his intention, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business, and 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.

93. To be valid, the instrument appointing a proxy and the authority (if any) under which it is signed, or a copy of such power or authority, shall be deposited at the Office at least forty-eight hours before the time fixed for holding the meeting at which the person named in such instrument proposes to attend and vote or, in the case of a poll, at least twenty-four hours before the time appointed for the taking of the poll; otherwise the person so named shall not be entitled to vote at that meeting (or as the case may be) except with the approval of the Chairman of the meeting. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve 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 or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

94. An instrument of proxy may be revoked by forwarding to the Office written notification of such revocation signed by or on behalf of the person who issued or authorised the issue of the instrument of proxy.

95. A vote given in accordance with the terms of an instrument of proxy or by the duly authorized representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or other authority, or transfer of the shares in respect of which the proxy is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received at the Office at least twenty-four hours before the time fixed for holding the meeting, or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES

96. Any corporation which is a Member may by resolution of its directors or other governing body or by power of attorney, authorize such person as it thinks fit to act as its corporate representative at any meeting of the Company or of any class of Members, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member. References in these Articles to a Member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a Member represented at the meeting by such duly authorized representative.

97. Without prejudice to the generality of the provisions of the Ordinance and Article 95, if a Clearing House (or its nominee) is a member of the Company, it (or, as the case may be, its nominee) may authorize such person or persons as it thinks fit to act as its proxy and proxies or representative or representatives at any meeting of the Company or at any meeting of any class of Member of the Company provided that, if more than one person is so authorized, the authorization or the instrument of proxy shall specify the number and class of shares in respect of which each such person is so authorized. A person shall be deemed to have been duly authorized without further evidence of the facts and so authorized shall be entitled to exercise the same powers on behalf of the Clearing House (or its nominee) which he represents as that Clearing House (or its nominee) could exercise if it were an individual member of the Company, including the right to vote individually on a show of hands.

MANAGEMENT APPOINTMENT

98. The senior management personnel shall be under the supervision of the Board, and shall be responsible for the day-to-day operation management of the Company.

99. For the avoidance of doubt, the compensation (including salary and benefits) of management personnel (including mid-level management personnel) and technical personnel of the Company shall be borne by the Company at such standards consistent with international standards within the mining industry and shall in no event be lower than those of personnel in similar positions of the Company.

100. The Board shall have the right to elect sub-committees such as technology committee and investment committee based on the management needs of the Company, and shall authorize the members of such committees to complete the management matters of the Company.

NUMBER OF DIRECTORS

101. Unless and until otherwise determined by an ordinary resolution of the Company, the number of Directors shall not be subject to any maximum but shall not be less than two.

102. The Company shall keep in accordance with the Ordinance a register containing the names and addresses and occupations of its Directors and shall from time to time notify to the Registrar of Companies any change that takes place in such Directors as required by the Ordinance.

103. A Director need not hold any shares in the Company. A Director who is not a Member of the Company shall nevertheless be entitled to attend and speak at general meetings.

DIRECTORS' REMUNERATION

104. The Directors shall be entitled to receive by way of remuneration for their services such sum as is from time to time determined by the Company in general meeting, such sum (unless otherwise directed by resolution by which it is voted) is to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing shall not apply to a Director who holds any salaried employment or office in the Company in the case of sums paid in respect of directors' fees.

105. The Directors shall also be entitled to be repaid their reasonable travelling, hotel and other expenses incurred by them in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or on the discharge of their duties as directors.

106. The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration (if any) as a Director, and may, without prejudice to the provisions of Article 103, be made payable by a lump sum or by way of salary, commission, participation in profits or otherwise as the Board may decide.

APPOINTMENT AND REMOVAL OF DIRECTORS

107. (a) The Company may, from time to time, by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.

(b) No person (other than a Director retiring in accordance with these Articles) shall be eligible for election to the office of Director at any general meeting under paragraph (a) above unless:

(i) he is recommended by the Board for re-election; or

(ii) he is nominated by notice in writing by a Member (other than the person to be proposed) entitled to attend and vote at the meeting, and such notice of nomination shall be given to the Company Secretary within the seven-day period (or a longer period as may be determined by the Directors from time to time) commencing no earlier than the day after the despatch of the notice of such meeting and ending no later than seven days prior to the date appointed for such meeting. The notice of nomination shall be accompanied by a notice signed by the proposed candidate indicating his willingness to be appointed or re-appointed.

108. Without prejudice to the power of the Company in general meeting in accordance with any of the provisions of these Articles to appoint any person to be a Director, the Board shall have power, exercisable at any time and from time to time, to appoint any other person as a Director, either to fill a casual vacancy or as an addition to the Board, provided that the number of Directors so appointed shall not exceed the maximum number (if any) determined pursuant to these Articles. Any Directors so appointed shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election, but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at each annual general meeting.

109. (a) Subject to the provisions of these Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but greater than one-third, shall retire from office by rotation. Subject to the provisions of the Ordinance, the Listing Rules and these Articles, the Directors to retire in every year shall be those who have been longest in office since their last election, and as between persons who became Directors on the same day, the Directors to retire shall (unless they otherwise agree between themselves) be determined by lot. Every Director, including those appointed for a specific term, shall be subject to retirement at least once every three years.

(b) A retiring Director shall (unless he is removed from office or his office is vacated in accordance with these Articles) retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.

(c) A retiring Director shall be eligible for re-election. The Company at any general meeting at which any Directors retire may fill the vacated offices.

(d) Subject to the provisions of these Articles, if the Company, at any meeting at which a Director retires in accordance with these Articles upon expiration of his term or otherwise, does not fill the office vacated by such Director, the retiring Director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.

110. The Company may, at any general meeting convened and held in accordance with the Ordinance, by ordinary resolution remove any Director before the expiration of his period of service notwithstanding anything in these Articles or in any agreement between him and the Company (but without prejudice to any claim he may have for damages for termination of such agreement not in accordance with its terms), and may, if thought fit, by ordinary resolution appoint another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.

VACATION OF OFFICE OF DIRECTORS

111. The office of a Director shall ipso facto be vacated if:

(a) if he ceases to be a Director by virtue of any provision of the Ordinance or the Companies (Winding Up and Miscellaneous Provisions) Ordinance) (Chapter 32 of the Laws of Hong Kong) or he becomes prohibited by law or court order from being a Director;

(b) if he becomes bankrupt or a receiving order (or, in the case of a company, a winding up order) is made against him or he makes any arrangement or composition with his creditors generally;

(c) if he is, or may be, suffering from mental disorder and an order is made by a court claiming jurisdiction in that behalf (whether in Hong Kong or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person by whatever name called to exercise powers with respect to his property or affairs;

(d) if he is absent from meetings of the Board during a continuous period of six successive months without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended such meetings in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;

(e) if he is removed from office by notice in writing served upon him signed by all other Directors;

(f) if he serves on the Company notice of his wish to resign, in which case he shall vacate office on the service of such notice to the Company or such later time as is specified in such notice;

(g) if he is removed by ordinary resolution in accordance with the Ordinance or in the manner provided in Article 109; or

(h) he is convicted of an indictable offence.

If the office of a Director is vacated for any reason, he shall cease to be a member of any committee or sub-committee appointed by the Board.

ALTERNATE DIRECTORS

112. Any Director may by written notice to the Company nominate any other person to act as alternate Director in his place and in similar manner remove such alternate Director. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to approval of a majority of the Directors or a resolution of the Board.

113. An alternate Director shall (except as regards the power to appoint an alternate) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company; and each alternate Director, whilst acting as such, shall exercise and discharge all the functions, powers and duties of the Director he represents, but shall look to such Director solely for his remuneration as alternate Director. Every person acting as an alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Board and shall have one vote for each Director for whom he acts as alternate at any such meeting at which the Director appointing him is not personally present (in addition to his own vote if he is also a Director). Any Director of the Company who is appointed an alternate director shall be considered as two Directors for the purpose of making a quorum of Directors, provided that this shall not enable a meeting of the Board to be constituted when only one person is physically present. The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles. A Director shall not be liable for the acts or defaults of any alternate Director appointed by him. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any committee of which his appointor is a member.

114. Any person appointed as an alternate Director shall vacate his office as such alternate Director if and when the Director by whom he has been appointed removes him as an alternate Director or the Director by whom he has been appointed vacates office as Director.

POWERS OF DIRECTORS

115. The business of the Company shall be managed by the Directors who may exercise all the powers of the Company to the extent that the same are not required by the Ordinance, the Listing Rules or these Articles to be exercised by the Company in general meeting. Any exercise of such powers by the Directors shall be in accordance with the provisions of the Ordinance, the Listing Rules and these Articles. No alteration of these Articles shall invalidate any prior act of the Directors which would have been valid if the same had not been passed or made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article or by any resolution of the Company in general meeting.

116. Without limiting the generality of Article 114, the Directors shall have specific power to make, vary and to enforce such rules in connection with the management, operation and conduct of business of the Company and its subsidiaries as they deem desirable, provided that no such rule shall be inconsistent with or shall affect or repeal anything contained in these Articles and that any such rule shall comply with all legal and regulatory requirements imposed on or applicable to the Company.

117. The continuing Directors or the sole continuing Director at any time may act notwithstanding any vacancy in their body; provided always that if the Directors shall at any time be reduced in number to less than the minimum number fixed by or in accordance with these Articles, it shall be lawful for him or them to act as Director(s) for the purpose of filling up vacancies in their body or convening general meetings of the Company or of the holders of any class of shares in the Company, but not for any other purpose. If there shall be no Director able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.

118. (a) The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependents of any such persons.

(b) The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and wellbeing of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.

(c) Without prejudice to the generality of the foregoing paragraphs of this Article, the Directors may exercise any of the powers conferred by the Ordinance to make provision for the benefit of any such persons as aforesaid in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.

(d) The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

BORROWING POWER OF DIRECTORS

119. The Directors may exercise all the powers of the Company to 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 to issue debentures, debenture stocks, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

120. Debentures, debenture stocks, bonds and other securities of the Company may be made assignable free from any equities between the Company and the person to which the same may be issued, and may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

121. The Directors shall cause a proper register to be kept, in accordance with the provisions of the Ordinance, of all mortgages and charges affecting the property of the Company and shall duly comply with the requirements of the Ordinance in regard to the registration of mortgages and charges therein specified and otherwise.

122. 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.

DIRECTORS' INTERESTS

123. If a Director or any entity connected with the Director is in any way, whether directly or indirectly, interested in a transaction, arrangement or contract or proposed transaction, arrangement or contract with the Company, such Director shall declare the nature and extent of his interest or his connected entities' interest at a meeting of the Directors at which the question of entering into the transaction, arrangement or contract is first taken into consideration, if he knows his interest then exists, or in any other case as soon as reasonably practicable, and in any event at the first meeting of Directors after he knows that he is or has become so interested. Such declaration shall be made in accordance with the Ordinance, these Articles and any other requirements prescribed by the Company for the declaration of interests of Directors in force from time to time. For the purposes of this Article, references to an entity connected with a Director shall be construed in accordance with section 486 of the Ordinance.

124. A general notice in writing given by a Director to the Directors at a meeting of the Directors to the effect that he is a member or a director of a specified company or firm, and is to be regarded as interested in any contract, transaction, arrangement or dealing which may, after the date of the notice, be entered into or made with that company or firm, shall be deemed to be a sufficient declaration of interest in relation to any contract, transaction, arrangement or dealing so entered into or made if such declaration is made in accordance with the provisions of the Ordinance.

125. (a) A Director may:

(i) hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms as the Directors may determine and may be paid such extra remuneration for so doing as the Directors may determine, either in addition to or in lieu of any remuneration provided for by or pursuant to these Articles;

(ii) act by himself or his firm in a professional capacity for the Company (other than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

(iii) continue to be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as a shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or officer of, or from his interest in, such other company. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors or officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or is about to be appointed a director or 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.

(b) Subject to the provisions of the Ordinance, no Director or intended Director shall be disqualified by his office from contracting with the Company, nor shall any contract, transaction or arrangement entered into by or on behalf of the Company with any Director or any firm or company 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 for any profit, remuneration or other benefits realised by any such contract, transaction or arrangement by reason only of such Director holding that office or of any fiduciary relationship thereby established, provided that such Director shall duly declare the nature and extent of his interest in any contract, transaction or arrangement in accordance with these Articles.

126. (1) A Director shall not vote (or be counted in the quorum) on any resolution of the Board in respect of any contract or transaction or arrangement or proposal in which he or any of his close associates, is to his knowledge, materially interested, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to and the Directors may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

(a) the giving by the Company of any security or indemnity to him or any of his close associates in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(b) the giving by the Company 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 he himself or any of his close associates has assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(c) any proposal concerning an offering 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 he or any of his close associates is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;

(d) any proposal concerning any other company in which he or his close associates are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which he or his close associates are beneficially interested in shares of that company, provided that he and any of his close associates are not in aggregate beneficially interested in five per cent or more of the issued shares of any class of the share capital of such company (or of any third company through which his interest or that of his close associates is derived) or of the voting rights;

(e) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

(i) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which he or his close associates may benefit; or

(ii) the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme which relates both to him, his close associates and employees of the Company or of any of its subsidiaries and does not provide in respect of him or his close associates any privilege or advantage not generally accorded to the class of persons to whom such scheme or fund relates; and

(f) any contract or arrangement in which he or any of his close associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his interest in shares or debentures or other securities of the Company.

References in this paragraph (1) to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.

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

(3) Subject to the provisions of the Ordinance, the Company may by ordinary resolution suspend or relax the provisions of these Articles to any extent or ratify any transaction not duly authorised by reason of a contravention of these Articles.

PROCEEDINGS OF DIRECTORS

127. The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined by the Board, two Directors shall constitute a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. Matters arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote. A meeting of the Board or any committee of the Board may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. The Board shall meet regularly and at least four times a year at approximately quarterly intervals.

128. A Director may at any time, and, on the request of any Director, the Company Secretary shall, call a meeting of the Directors. Notice of meetings of the Directors shall be given to all Directors. Notice of a meeting of Directors shall be deemed to be duly given to a Director if it is given to him personally, in writing, by using electronic means or by word of mouth, or sent to him at his last known address or any other address given by him to the Company for this purpose. A Director may consent to short notice of and may waive notice of any meeting and any such waiver may be retrospective.

129. The Directors may elect a Chairman of the Board and determine the period for which he is to hold office; but if no such Chairman be elected, or if at any meeting the Chairman be not present within fifteen minutes after the time appointed for holding the same, a deputy Chairman (if any) shall preside as Chairman. If there is no such Chairman or deputy Chairman, or if at any meeting neither the Chairman nor a Deputy Chairman is present within fifteen minutes after the time appointed for holding the meeting, or if neither of them is willing to act as Chairman, an executive director of the Directors present shall preside as Chairman. If no executive director is present or is willing to act as Chairman, the Directors present shall choose one of their number to act as Chairman of such meeting and the Director so chosen shall preside at such meeting accordingly.

130. A meeting of the Directors 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 generally.

131. A resolution in writing signed or approved in writing by all the Directors entitled to notice of a meeting of the Directors shall be as effective for all purposes as a resolution of the Directors passed at a meeting duly convened, held and constituted. A written notification of confirmation of such resolution in writing given by a Director by any means shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents, each signed or approved by one or more Directors.

132. The Directors may, from time to time, appoint committees consisting of such one or more persons as they think fit, and may delegate any of their powers to any such committee and, from time to time, revoke any such delegation and discharge any such committee wholly or in part. Any committee so appointed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed upon it by the Directors. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company. The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, insofar as the same are not superseded by any regulations made by the Directors under the last preceding Article.

133. All acts done bona fide by any meeting of the Directors or of a committee of Directors, or by any persons acting as Directors, shall, notwithstanding that there was some defect in the appointment of any such Directors or persons 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 continued to be a Director.

134. The Directors shall cause minutes to be entered and kept in books provided for the purpose:

(a) of all appointments of officers made by the Directors;

(b) of all the names of the Directors and any alternate Director who is not also a Director present at each meeting of the Directors and of any committee; and

(c) of all resolutions and proceedings of all general meetings and of all meetings of the Directors and committees.

Any such minutes of any meeting of the Directors, or of any committee, or of the Company, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be sufficient evidence of the proceedings of such meeting.

THE SEAL

135. (a) The Directors shall provide for the safe custody of the Seal (if so adopted) and the Company may exercise the powers conferred by the Ordinance with regard to having official seals for use in any territory outside Hong Kong, and such powers shall be vested in the Directors. The Seal shall be used only by the authority of a resolution of the Directors or of a committee of the Directors and subject to as otherwise provided in these Articles. The Directors may determine whether any instrument to which the Seal is affixed shall be signed and, if it is to be signed, who shall sign it. Unless otherwise determined by the Directors, every other instrument to which the Seal is affixed shall be signed by one Director and the Company Secretary or by two Directors or by any one or more persons authorised for the purpose by the Directors.

(b) The Company may have an official seal for use for sealing certificates for shares or other securities issued by the Company as permitted by the provisions of the Ordinance (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document to which such official seal so affixed and such certificates or other document shall be valid and deemed to have been sealed and executed with the authority of the Directors notwithstanding the absence of any such signature or mechanical reproduction as aforesaid) and an official seal for use abroad under the provisions of the Ordinance where and as the Directors shall determine.

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

(d) The Company may exercise all the powers of having official seals (if so adopted) conferred by the Ordinance and such powers shall be vested in the Directors.

136. Any document executed in accordance with section 127(3) of the Ordinance and expressed (in whatever words) to be executed by the Company shall have the same effect as if it had been executed under seal.

AUTHENTICATION OF DOCUMENTS

137. Any Director or the Company Secretary or other authorised officer of the Company shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors 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 of extracts; and where any books, records, documents or accounts are elsewhere than at the Office, the local manager or such other officer of the Company having the custody thereof shall be deemed to be the authorised officer of the Company as aforesaid. 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 Directors or any local board or committee which is certified as aforesaid 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 any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

COMPANY SECRETARY

138. Subject to the provisions of the Ordinance, the Directors shall appoint such person, persons or entities to be Company Secretary or Joint Company Secretaries of the Company for such period, at such remuneration and upon such conditions as they may think fit, and any Company Secretary or Joint Secretaries so appointed may be removed by them. Anything by the Ordinance or these Articles required or authorized to be done by or to the Company Secretary or Joint Company Secretaries, if the office is vacant or there is for any other reason no person capable of acting in the capacity as Company Secretary or Joint Company Secretaries, may be done by or to any assistant or deputy Company Secretary, or if there is no assistant or deputy Company Secretary capable of acting, by or to any officer of the Company authorized generally or specially in that behalf by the Board.

DIVIDENDS

139. Subject to the provisions of the Ordinance, the Company may, by ordinary resolution, declare a dividend to be paid to the Members, according to their respective right and interests in the profits, and may fix the time for payment of such dividend, but no dividend shall exceed the amount recommended by the Directors. No dividend shall be payable except out of the profits or other distributable reserves of the Company.

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

141. The Directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts and liabilities in respect of which the lien exists. The Board may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

142. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable 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 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 Article shall mutatis mutandis apply to capitalisations to be effected in pursuance of these Articles.

143. Any general meeting sanctioning a dividend may make a call on the Members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call shall be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.

144. (a) In respect of any dividend which the Board has resolved to pay or any dividend declared or sanctioned or proposed to be declared or sanctioned by the Board or by the Company in general meeting, the Board may determine and announce, prior to or contemporaneously with the announcement, declaration or sanction of the dividend in question:

either

(i) that shareholders entitled thereto will receive in lieu of such dividend (or such part thereof as the Board may think fit) an allotment of shares credited as fully paid provided that the shareholders are at the same time accorded the right to elect to receive such dividend (or part thereof as the case may be) in cash in lieu of such allotment. In such case, the following provisions shall apply:

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

(B) the Board, after determining the basis of allotment and notwithstanding that the number of shares to be allotted may not be calculated until after notice to the shareholders has been given as required by the provisions of this subparagraph and subject to the provisions of sub-paragraph (D) below, shall give notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective which shall be not less than two weeks from the date on which the notice above referred to was despatched to the shareholders;

(C) the right of election accorded to shareholders as aforesaid may be exercised in whole or in part;

(D) the Board may resolve:

(I) that the right of election accorded to shareholders as aforesaid may be exercised so as to take effect on all future occasions (if any) when the Board makes a determination pursuant to sub-paragraph (i) of this paragraph (a); and/or

(II) that a shareholder who does not exercise the right of election accorded to him as aforesaid either in whole or in part may notify the Company that he will not exercise the right of election accorded to him in respect of all future occasions (if any) when the Board makes a determination pursuant to sub-paragraph (i) of this paragraph (a) of this Article.

Provided that a shareholder may exercise such election or give such notice in respect of all but not some of the shares held by him and may at any time give seven days' notice in writing to the Company of the revocation of such an election or such a notice which revocation shall take effect at the expiry of such seven days, and until such revocation has taken effect, the Board shall not be obligated to give to such shareholder notice of the right of election accorded to him or send to him any form of election;

(E) the dividend (or that part of the dividend in lieu of which an allotment of shares is to be made as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (the "**Non-Elected Shares**") and in lieu thereof shares shall be allotted credited as fully paid to the holders of the Non-Elected Shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of the amount standing to the credit of share capital account or out of any part of the undivided profits of the Company as the Board may determine, a sum equal to the value of shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the Non-Elected Shares on such basis;

or

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

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

(B) the Board, after determining the basis of allotment and notwithstanding that the number of shares to be allotted may not be calculated until after notice to the shareholders has been given as required by the provisions of this subparagraph and subject to the provisions of sub-paragraph (D) below, shall give notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective which shall be not less than two weeks from the date on which the notice above referred to was despatched to the shareholders;

(C) the right of election accorded to shareholders as aforesaid may be exercised in whole or in part;

(D) the Board may resolve:

(I) that the right of election accorded to shareholders as aforesaid may be exercised so as to take effect on all future occasions (if any) when the Board makes a determination pursuant to sub-paragraph (ii) of this paragraph (a); and/or

(II) that a shareholder who does not exercise the right of election accorded to him as aforesaid either in whole or in part may notify the Company that he will not exercise the right of election accorded to him in respect of all future occasions (if any) when the Board makes determination pursuant to sub-paragraph (ii) of paragraph (a).

Provided that a shareholder may exercise such election or give such notice in respect of all but not some of the shares held by him and may at any time give seven days' notice in writing to the Company of the revocation of such an election or such a notice which revocation shall take effect at the expiry of such seven days, and until such revocation has taken effect, the Board shall not be obliged to give to such member notice of the right of election accorded to him or send to him any form of election;

(E) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (the "**Elected Shares**") and in lieu thereof shares shall be allotted credited as fully paid to the holders of the Elected Shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of the amount standing to the credit of share capital account or out of any part of the undivided profits of the Company as the Board may determine, a sum equal to the value of shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the Elected Shares on such basis.

(b) The shares allotted pursuant to the provisions of paragraph (a) of this Article shall rank pari passu in all respects with the fully paid shares then in issue save only as regards participation:

(i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or

(ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of its proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (a) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (a) of this Article shall rank for participation in such distribution, bonus or rights.

(c) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) of this Article with full power to the Board to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

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

(e) The Board may on any occasion when it makes a determination pursuant to paragraph (a) of this Article, resolve that no allotment of shares or rights of election for shares to be issued pursuant to such determination shall be made available or made to any shareholders with registered addresses in any particular territory or territories or to a Depositary where the allotment of shares or the circulation of an offer of such rights of election would or might, in the opinion of the Board, be unlawful or would or might, in the opinion of the Board, be unlawful in the absence of a registration statement or other special formalities, and in such event the provision aforesaid shall be read and construed subject to such resolution and the only entitlement of shareholders in any such territory or territories shall be to receive in cash the relevant dividend resolved to be paid or declared. "Depositary" means a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board whereby such custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder thereof to or to receive such shares, rights or interests, provided and to the extent that such arrangements have been approved by the Board for the purpose of these Articles and shall include, where approved by the Board, the trustees (acting in their capacity as such) of any employees' share scheme established by the Company or any other scheme or arrangements principally for the benefit of employees of the Company and/or its subsidiaries which have been approved by the Board.

(f) The Board may at any time resolve to cancel all (but not some only) of the elections made and the notices given by the shareholders pursuant to sub-paragraphs (i)(D) and (ii)(D) of paragraph (a) of this Article by giving seven days' notice in writing to the relevant shareholders.

(g) The Board may on any occasion determine that rights of election under paragraph (a) of this Article shall not be made available to shareholders who are registered in the register of shareholders, or in respect of shares the transfer of which is registered, after a date fixed by the Board and in such event the provisions aforesaid shall be read and construed subject to such determination.

145. No dividend or other moneys payable on or in respect of a share in the capital of the Company shall bear interest as against the Company.

146. The Directors may, if they think fit, from time to time, resolve to pay to the Members such interim dividends as appear to the Directors to be justified. If at any time the share capital of the Company is divided into different classes the Directors may resolve to pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights as well as in respect of those shares which confer on the holders thereof preferential or special rights in regard to dividend, and provided that the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights. The Directors may also resolve to pay at half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of the opinion that the payment is justified.

147. All dividends unclaimed for one year after having become payable may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed, and all dividends unclaimed for six years after having been declared may be forfeited by the Directors and shall revert to the Company. The payment into a separate account of any monies payable in respect of a dividend shall not constitute the Company a trustee in respect thereof for any person.

148. Unless otherwise directed any dividend or other monies payable in cash on or in respect of a share may be paid by cheque or warrant sent by post to the registered address of the member or person entitled, or, in the case of joint holders, to the registered address of that one whose name stands first on the Register in respect of the joint holding, or addressed to such person at such address as the holder or joint holders shall direct. The Company shall not be liable or responsible for any cheque or warrant lost in transmission nor for any dividend or other monies lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant. Payment of the cheque or warrant by the banker on whom it is drawn shall be a good discharge to the Company.

149. The Directors may distribute in specie or in kind among the Members in satisfaction in whole or in part of any dividend any of the assets of the Company, and in particular any shares or securities of other companies to which the Company is entitled, 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 fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where required, a contract shall be filed in accordance with the provisions of the Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

RESERVES

150. The Directors may, before recommending a dividend, set aside any part of the net profits of the Company, and may apply the same either by employing it in the business of the Company or by investing it in such manner as they shall think fit and the income arising from such net profits shall be treated as part of the profits of the Company. Such net profits may be applied for the purpose of maintaining the property of the Company, replacing wasting assets, meeting contingencies, forming an insurance fund, equalising dividends, paying special dividends, or for any other purpose for which the undivided profits of the Company may lawfully be used, and until the same shall be so applied it shall be deemed to remain undivided profit. The Directors may also carry forward as undivided profit any profit or balance of profit which they shall not think fit to recommend as dividend or to set aside.

CAPITALIZATION OF PROFITS

151. (a) The Company may at any time and from time to time, upon the recommendation of the Directors, by ordinary resolution resolve to capitalise any part of the Company's undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to a dividend, and accordingly that such part be divided amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied as a capitalisation issue either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such Members in the proportion aforesaid, or partly in one way and partly in the other, provided that any amount standing to the credit of the share capital account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid-up shares.

(b) Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid-up shares, debentures or other securities and generally shall do all acts and things required to give effect thereto.

(c) The Directors may settle any difficulty which may arise in regard to the distribution or capitalisation issue as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any Members based upon the value so fixed or that fractions of such value as the Directors may determine may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the distribution or capitalisation issue as may seem expedient to the Directors. The provisions of the Ordinance in relation to the filing of contracts for allotment shall be observed, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the distribution or capitalisation issue, and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.

ACCOUNTING RECORDS

152. The Directors shall cause proper books of account to be kept with respect to all 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 assets and liabilities of the Company and of all other matters required by the Ordinance or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions in accordance with the Ordinance.

153. The accounting records shall be kept at the Office or, subject to section 374 of the Ordinance, at such other place or places as the Directors may think fit, and shall always be open to inspection by the Directors of the Company.

154. The Directors shall, from time to time, determine whether in any particular case, or class of cases, or generally, and at what times, and places, and under what conditions or regulations, the accounting records of the Company, or any of them, shall be open to the inspection of the Members, and no Member (other than a Director of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorized by the Directors or by any ordinary resolution of the Company.

155. (a) The Directors shall from time to time, in accordance with the provisions of the Ordinance, cause to be prepared and to be laid before the annual general meeting of the Company, a copy of the reporting documents for the financial year as are required by the Ordinance. The Directors may also cause to be prepared any summary financial report as they think fit in accordance with the Ordinance.

(b) Subject to paragraph (c) below, a copy of the relevant reporting documents or the summary financial report shall, not less than twenty-one days before the date of the meeting, be delivered or sent by post to the registered address of every member and every holder of debentures of the Company, or in the case of joint holding to that Member or debenture holder (as the case may be) whose name stands first in the appropriate Register in respect of the joint holding, provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware.

(c) Where a Member or debenture holder of the Company has, in accordance with the provisions of the Ordinance, consented or is deemed to have consented to treat the publication or the making available of the relevant financial documents and/or the summary financial report on the Company's website or by such other means as discharging the Company's obligation under the Ordinance to send a copy of the relevant financial documents and/or the summary financial report, then the publication or the making available by the Company, in accordance with the provisions of the Ordinance, on the Company's website or by such other means of the relevant financial documents or the summary financial report not less than twenty-one days before the date of the meeting shall, in relation to each such Member or debenture holder of the Company, be deemed to discharge the Company's obligations under paragraph (b) above.

(d) For the purpose of this Article, "reporting documents" and "summary financial report" shall have the meaning ascribed to them in the Ordinance.

AUDITORS

156. Auditors shall be appointed and removed and their duties regulated in accordance with the provisions of the Ordinance, the Listing Rules and these Articles.

157. Subject as otherwise provided by the Ordinance, the remuneration of the Auditors shall be fixed by the Company in general meeting, provided always that in respect of any particular Year the Company in general meeting may delegate the fixing of such remuneration to the Board.

158. Every statement of accounts audited by the Company's Auditors and presented by the Board at a general meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three Months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of account amended in respect of the error shall be conclusive.

CORPORATE COMMUNICATIONS

159. The Company may, to the extent permitted by and in accordance with applicable laws and regulations, make copies of its listing documents (together with the relative application forms) available to the public:

(i) in electronic format on CD ROM (together with any related application forms in electronic format on the same CD ROM); and/or

(ii) in electronic format through publication of the listing document (together with any related application forms) on the Company's own website on a continuous basis for at least five years from the date of first publication.

160. (a) The Company may, after it has made adequate arrangements to ascertain the preference of the holders of its securities and other persons entitled to receive notices of general meetings of the Company and to the extent permitted by and in accordance with applicable laws and regulations, send or otherwise make available using electronic means or by posting on the Company's own website any corporate communication which it is required by the Listing Rules or the Ordinance to send, mail, despatch, issue, publish or otherwise make available to the relevant holders of its securities or other persons entitled to receive notices of general meetings of the Company and any such corporate communication sent or otherwise made available using electronic means or by posting on the Company's own website shall be deemed to satisfy the requirements in the Listing Rules or the Ordinance that such corporate communication be sent, mailed, despatched, issued, published or otherwise made available by the Company to the relevant holders of its securities or other persons entitled to receive notices of general meetings of the Company.

(b) Any requirement in the Listing Rules and/or these Articles that a corporate communication, notice or other document must be in writing or in printed form may be satisfied by such corporate communication, notice or other document being in electronic format in compliance with this paragraph (a) of this Article.

(c) Any corporate communication which is made available by the Company, in compliance with this paragraph (a) of this Article, to the relevant holders of its securities or other persons entitled to receive notices of general meetings of the Company by posting on the Company's own website shall be deemed to have been given to such holders or persons at the time when such corporate communication is first posted on the Company's own website. Any corporate communication which is made available by the Company, in compliance with this Article, by using electronic means shall be deemed to have been served or delivered on the day following that on which it was sent by or on behalf of the Company.

(d) Where the Company is required by the Listing Rules to send, mail, despatch, issue, publish or otherwise make available any corporate communication in both English and Chinese, the Company may, where it has made adequate arrangements to ascertain whether or not a holder of its securities wishes to receive the English language version only or the Chinese language version only, and to the extent permitted by and in accordance with applicable laws and regulations, send the English language version only or the Chinese language version only (in accordance with the holder's stated wish) to the holder concerned.

DESTRUCTION OF DOCUMENTS

161. (a) The Company shall be entitled to destroy:–

(i) any instrument of transfer, after six years from the date on which it is registered;

(ii) any dividend mandate or notification of change of name or address, after two years from the date on which it is recorded;

(iii) any share certificate, after one year from the date on which it is cancelled; and

(iv) any other document on the basis of which an entry in the Register is made, after ten years from the date on which it is made.

(b) Any document referred to in paragraph (a) of this Article may be destroyed earlier than the relevant date authorised by that paragraph, provided that a permanent record of the document is made which is not destroyed before that date.

(c) It shall be conclusively presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of a document destroyed in accordance with this Article was duly and properly made, that every instrument of transfer so destroyed was duly registered, that every share certificate so destroyed was duly cancelled, and that every other document so destroyed was valid and effective in accordance with the particulars in the records of the Company, provided that:

(i) this Article shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant;

(ii) nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document otherwise than in accordance with this Article which would not attach to the Company in the absence of this Article; and

(iii) references in this Article to the destruction of any document include references to the disposal of it in any manner.

NOTICES

162. Any notice (including the corporate communication) to be given or issued by or on behalf of the Company to any entitled person pursuant to these Articles or the Ordinance, the Listing Rules and other applicable laws, rules and regulations shall be in writing, except that a notice calling a meeting of the Directors need not be in writing. The signature to any notice to be given by the Company may be written or printed.

163. (a) Subject to and to the extent not prohibited by law and in accordance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations, the Company may give notice to any member or other entitled person:

(i) personally;

(ii) by sending it by post in a prepaid envelope or wrapper addressed to the member at his registered address as appearing in the register (or in the case of any other entitled person, to such address as he may provide to the Company for that purpose);

(iii) by delivering or leaving it at such address as aforesaid;

(iv) by publishing such notice in one English language and one Chinese language newspaper;

(v) by sending it in accordance with applicable legislation and the Listing Rules as an electronic communication to the member or the entitled person at his electronic address as he may provide to the Company;

(vi) by publishing it in accordance with applicable legislation and the Listing Rules on the Company's computer network (including the Company's website);

(vii) subject to the applicable legislation and the Listing Rules, by any other means authorised in writing by the member or the entitled person concerned; or

(viii) by any means permitted by applicable legislation and the Listing Rules.

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

164. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the Register in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.

165. A Member shall be entitled to have notices served on him at any address within Hong Kong or elsewhere. Any Member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A Member who has no registered address shall be deemed to have received any notice which shall have been displayed at the Office and shall have remained there for the period of twenty-four hours and such notice shall be deemed to have been received by such Member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any Member whose registered address is outside Hong Kong.

166. (a) Any notice or document or corporate communication given or issued by or on behalf of the Company:

(i) if sent by post, shall be deemed to have been served, received or delivered on the second business day (as defined in Part 18 of the Ordinance) following that on which the envelope or wrapper containing the same is put into a post office and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid (and in the case of an overseas address where airmail service can be extended thereto airmail postage prepaid), addressed and put into such post office and a certificate in writing signed by the Company Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof;

(ii) if not sent by post but left by the Company at the registered address of a Member or at the address (other than an address for the purposes of electronic communications) notified to the Company in accordance with these Articles by an entitled person not being a member, shall be deemed to have been served, received or delivered on the day it was so left;

(iii) if published by advertisement in newspapers in accordance with Article 158, shall be deemed to have been served, received or delivered on the day on which the notice or document is first published in newspapers;

(iv) if sent as an electronic communication, shall be deemed to have been served, received or delivered 24 hours after it had been so sent, or if later at the time as prescribed by the Ordinance and other applicable laws, rules and regulations;

(v) if published on the Company's computer network (including the Company's website), shall be deemed to have been served, received or delivered 24 hours after the later of (i) where it is so published, (ii) notification of such publication is given by the Company at the time as prescribed by the Ordinance and other applicable laws, rules and regulations; and

(vi) if served, sent or delivered by any other means authorised in writing by the member or the entitled person concerned, shall be deemed to have been served, received or delivered in accordance with the terms of such authorisation, or if such terms of authorisation do not specify the terms of deemed service, receipt or delivery, shall be deemed to have been served, received or delivered 48 hours after the Company has carried out the action it has been authorised to take for that purpose.

For the purposes of calculating the period of 24 hours or, as the case may be, 48 hours mentioned in this Article, any part of a day which is not a business day (as defined in Part 18 of the Ordinance) is to be disregarded.

(b) 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, previously to his name and address being entered in the Register, shall have been duly given to the person from whom he derives his title to such share.

(c) A notice or document may be given, delivered or sent by the Company to the person entitled to a share in consequence of the death or bankruptcy of a Member by sending or delivering it in any manner authorised by these Articles for the giving of notice to a Member addressed to that person 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 that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

UNTRACEABLE MEMBERS

167. Without prejudice to the rights of the Company, the Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise 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.

168. (a) The Company shall be entitled to sell, in such manner as the Board thinks fit, any shares of a Member, or any shares to which a person is entitled by transmission, if:

(i) all cheques or warrants, being not less than three 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 these Articles have remained uncashed or unclaimed;

(ii) 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 shareholder who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law;

(iii) on or after the expiry of the relevant period the Company has caused advertisements to be published in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper circulating in Hong Kong giving notice of its intention to sell the share;

(iv) during the period of three months following the publication of those advertisements or the first of the advertisements if they are published on different dates, the Company has not received any communication from the Member or the person entitled by transmission to the share; and

(v) the Company has notified the Stock Exchange of its intention to sell such shares.

For the purpose of the foregoing, "**relevant period**" means the period commencing twelve years before the date of publication of the notice referred to in paragraph (iii) of this Article and ending at the expiry of the period referred to in that paragraph.

(b) The manner, timing and terms of any sale of shares pursuant to this Article (including but not limited to the price or prices at which the same is made) shall be such as the Board determines, based upon advice from such bankers, brokers or other persons as the Board considers appropriate consulted by it for the purposes, to be reasonably practicable having regard to all the circumstances including the number of shares to be disposed of and the requirement that the disposal be made without delay and the Board shall not be liable to any person for any of the consequences of reliance on such advice.

(c) To give effect to any such sale pursuant to this Article, the Board may authorise any person to transfer the said shares and the 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 proceeds, it shall become indebted to the former shareholder by carrying all moneys in respect thereof to a separate account for an amount equal to such net proceeds. No trusts 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 Article shall include any additional shares which during the relevant period or during any period ending on the date when all the requirements of sub-paragraphs (a)(i) to (v) of this Article have been satisfied have been issued in respect of those held at the beginning of such relevant period and shall be valid and effective notwithstanding that the shareholder holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

WINDING UP

169. Unless otherwise prescribed by laws, the Directors shall not 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 without the special resolution passed at a general meeting.

170. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the Members in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid-up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up on the shares held by them respectively. This Article is, however, subject to the rights of the holders of any shares which may be issued on special terms or conditions.

171. If the Company shall be wound up, the liquidator (whether voluntary or official) may, with the sanction of a special resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company or vest any part of the assets of the Company in trustees upon such trusts for the benefit of the Members or any of them as the resolution shall provide. Any such resolution may provide for and sanction a distribution of any specific assets amongst different classes of Members otherwise than in accordance with their existing rights.

172. In the event of a winding-up of the Company in Hong Kong, every Member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong upon whom all summonses, notices, processes, orders and judgements in relation to or under the winding-up of the Company may be served and, in default of such nomination, the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such Member for all purposes, and where the liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such Member by advertising in such daily newspaper circulating in Hong Kong as he shall deem appropriate or by a registered letter sent through the post and addressed to such Member at his address as appearing in the Register, and such notice shall be deemed to be served on the day on which the advertisement appears or the letter is posted.

INDEMNITY

173. (a) Subject to the provisions of the Ordinance, but without prejudice to any indemnity to which a director may otherwise be entitled, every director, former director, responsible person, senior management, officer or internal auditor of the Company shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, responsible person, senior management, officer or auditor of the Company.

(b) Paragraph (a) shall not apply to:

(i) any liability of the director, former director, responsible person, senior management, officer or auditor to pay:

(A) a fine imposed in criminal proceedings; or

(B) a sum payable by way of a penalty in respect of non-compliance with any requirement of a regulatory nature; or

(ii) any liability incurred by the director, former director, responsible person, senior management, officer or auditor:

(A) in defending criminal proceedings in which the director, former director, responsible person, senior management, officer or auditor is convicted;

(B) in defending civil proceedings brought by the Company, or an associated company of the Company, in which judgment is given against the director, former director, responsible person, senior management, officer or auditor;

(C) in defending civil proceedings brought on behalf of the Company by a Member of the Company or of an associated company of the Company, in which judgment is given against the director, former director, responsible person, senior management, officer or auditor;

(D) in defending civil proceedings brought on behalf of an associated company of the Company by a Member of the associated company or by a Member of an associated company of the associated company, in which judgment is given against the director, former director, responsible person, senior management, officer or auditor; or

(E) in connection with an application for relief under section 903 or 904 of the Companies Ordinance in which the Court refuses to grant the director, former director, responsible person, senior management, officer or auditor relief.

(c) A reference in paragraph (b)(ii) to a conviction, judgment or refusal of relief is a reference to a final decision in the proceedings.

(d) For the purposes of paragraph (c), a conviction, judgment or refusal of relief:

(i) if not appealed against, becomes final at the end of the period for bringing an appeal; or

(ii) if appealed against, becomes final when the appeal, or any further appeal, is disposed of.

(e) For the purposes of paragraph (d)(ii), an appeal is disposed of if:

(i) it is determined, and the period for bringing any further appeal has ended; or

(ii) it is abandoned or otherwise ceases to have effect.

NO IMPAIRMENT OF RIGHTS

174. Notwithstanding these Articles, no powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested in any share directly or indirectly have failed to disclose their interests to the Company.

INSURANCE

175. Subject to the provisions of the Ordinance, the Company may purchase and maintain for any Director or director of an associated company of the Company insurance against any liability.

INFORMATION

176. No member (not being a director) shall have any right to require information in respect of the Company's trading and other activities or any matter which is or may be in the nature of confidential information or a trade secret or secret process relating to the conduct of the business of the Company, except as conferred by law or authorised by the directors or by the Company in general meeting or by an order under section 740 of the Companies Ordinance.

ALTERATION OF ARTICLES

177. Subject to the Ordinance, the Company may by special resolution alter its articles of association.

SHARE CAPITAL AND INITIAL SHAREHOLDER

178. The total number of shares that the Company issued on its formation was 10,000 ordinary shares.

179. The name and address of, and the amount of share capital subscribed by the founder member of the Company are:

Name and Address of Founder Member	**Number of Shares and Total Amount of Capital Subscribed by Founder Member**
LIU Liqiang 劉力強 Flat C, 19/F., The Grandeur, 47 Jardine's Bazaar, Causeway Bay, Hong Kong (Merchant)	10,000 ordinary shares HK$10,000.00
Total number of shares and total amount of capital subscribed	10,000 ordinary shares HK$10,000.00
The Company's initial paid-up share capital	HK$10,000.00