

**NEW ARTICLES OF ASSOCIATION**

*(Adopted by a Special Resolution passed on 26 May 2014)*

**OF**

**CHINA OVERSEAS LAND & INVESTMENT LIMITED**

中國海外發展有限公司

*(Name changed on 23rd July 1992)*

**Stock Code: 688**

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**Incorporated on the First day of June 1979.**

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Reprinted in May 2014

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**THE COMPANIES ORDINANCE**  
**(Chapter 622)**

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**SPECIAL RESOLUTION**  
**OF**  
**CHINA OVERSEAS LAND & INVESTMENT LIMITED**  
中國海外發展有限公司

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**PASSED ON 26TH MAY 2014**

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At the Annual General Meeting of the above Company duly convened and held at Rooms S426 - S427, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Monday, 26th May 2014 at 3:00 p.m., the following resolution was duly passed as a special resolution of the Company:

**SPECIAL RESOLUTION**

“**THAT**, the new articles of association of the Company in the form of the document marked “A” and produced to this meeting and for the purpose of identification signed by the chairman of this meeting be approved and adopted in substitution for and to the exclusion of the existing memorandum and articles of association of the Company and the object clause contained in the existing memorandum of association of the Company (which is regarded as a provision of the existing articles of association of the Company by virtue of section 98(1) of the Companies Ordinance ) be abandoned, with immediate effect, and any director or the company secretary of the Company be and is hereby authorised to do all things necessary to implement the adoption of the new articles of association of the Company.”

(*Sd.*) Hao Jian Min

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*Hao Jian Min*  
*Chairman*

No. 70153

編號

[COPY]

**CERTIFICATE OF INCORPORATION**

公司更改名稱

**ON CHANGE OF NAME**

註冊證書

---

**I hereby certify that**

本人茲證明

**CHINA OVERSEAS BUILDING DEVELOPMENT  
COMPANY LIMITED**

(中國海外建築工程有限公司)

having by special resolution changed its name, is now incorporated under the name of  
經通過特別決議案，已將其名稱更改，該公司現在之註冊名稱為

**CHINA OVERSEAS LAND & INVESTMENT LIMITED**

中國海外發展有限公司

GIVEN under my hand this Twenty-third day of July, One Thousand Nine Hundred

簽署於一九九二年七月二十三日。

and Ninety Two.

(*Sd.*) MRS. V. YAM

.....  
*P. Registrar General*

*(Registrar of Companies)*

*Hong Kong*

香港註冊總署署長暨公司註冊官

(註冊主任 任李韻文 代行)

No. 70153

[COPY]  
**CERTIFICATE OF INCORPORATION**

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**I HEREBY CERTIFY that**

**CHINA OVERSEAS BUILDING DEVELOPMENT  
COMPANY LIMITED**

(中國海外建築工程有限公司)

is this day incorporated in Hong Kong under the Companies Ordinance, and that this company is limited.

**Given** under my hand this First day of June, One Thousand Nine Hundred and Seventy-nine.

(Sd.) Leslie FOO

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*for Registrar of Companies,  
Hong Kong.*

# THE COMPANIES ORDINANCE (CHAPTER 622)

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Public Company Limited by Shares

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## NEW ARTICLES OF ASSOCIATION

*(Adopted by a Special Resolution passed on 26 May 2014)*

## CHINA OVERSEAS LAND & INVESTMENT LIMITED

中國海外發展有限公司

*(Name changed on 23rd July 1992)*

### PRELIMINARY

#### **1. Disapplication of Table A and Model Articles**

The regulations contained in (1) Table A in the First Schedule to the previous Companies Ordinance (Chapter 32 of the Laws of Hong Kong), the predecessor of the Companies Ordinance, and (2) Schedule 1 (Model Articles for Public Companies Limited by Shares) to the Companies (Model Articles) Notice (Chapter 622H of the laws of Hong Kong), shall not apply to the Company.

#### **\*2. Name of the Company**

The name of the company is “CHINA OVERSEAS LAND & INVESTMENT LIMITED 中國海外發展有限公司”.

#### **3. Members’ liability**

The liability of the members is limited.

#### **4. Extent of member’s liability**

The liability of the members is limited to any amount unpaid on the shares held by the members.

\* *The name of the Company was changed to the present name on 23rd July 1992*

## INTERPRETATION

### 5. Interpretation

- (1) The headings or sub-headings to these Articles shall not be deemed to be part of these Articles and shall not affect their interpretation and in the interpretation of these Articles, unless there be something in the subject or context inconsistent therewith:-

“Auditors” shall mean the auditors for the time being of the Company or, in the case of joint auditors, any one of them;

“associate” in relation to a Director, shall have the meaning as ascribed to it in the Listing Rules;

“these Articles” shall mean these Articles of Association in their present form and all supplementary, amended or substituted articles for the time being in force;

“Board” shall mean the Directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of the Directors;

“business day” shall mean a day that is not a general holiday or a black rainstorm warning day or gale warning day as defined by section 71(2) of the Interpretation and General Clauses Ordinance (Chapter 1 of the Laws of Hong Kong);

“call” shall include any instalment of a call;

“capital” shall mean the share capital from time to time of the Company;

“Chairman” shall mean the Chairman presiding at any meeting of members or of the Board;

“clearing house” shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

“Company” or “this Company” shall mean CHINA OVERSEAS LAND & INVESTMENT LIMITED 中國海外發展有限公司;

“Company Secretary” shall mean the person or corporation for the time being performing the duties of a company secretary;

“Companies Ordinance” or “Ordinance” shall mean the Companies Ordinance (Chapter 622 of the laws of Hong Kong) which became effective on 3 March 2014;

“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;

“Director” shall mean a director of the Company;

“dollars” shall mean dollars in the lawful currency of Hong Kong;

“electronic communication” shall mean a communication sent by electronic transmission in any form through any medium, including but not limited to electronic mail and facsimile;

“Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China;

“Listing Rules” shall mean the Rules Governing the Listing of Securities on the Stock Exchange;

“mental incapacity” shall have the meaning given by section 2(1) of the Mental Health Ordinance (Chapter 136 of the Laws of Hong Kong);

“mentally incapacitated person” shall mean a person who is found under the Mental Health Ordinance (Chapter 136 of the Laws of Hong Kong) to be incapable, by reason of mental incapacity, of managing and administering his or her property and affairs;

“month” shall mean a calendar month;

“register” shall mean the register of members and includes any branch register to be kept pursuant to the provisions of the Companies Ordinance;

“seal” shall mean the common seal from time to time of the Company and includes, unless the context otherwise requires, any official seal that the Company may have as permitted by these Articles and the Companies Ordinance;

“share” shall mean share in the capital of the Company;

“shareholders” or “members” shall mean the duly registered holders from time to time of the shares in the capital of the Company;

“Stock Exchange” shall mean The Stock Exchange of Hong Kong Limited;

“subsidiary” shall have the meaning ascribed to it in the Listing Rules;

“in writing” shall include written, printed, typewritten or telexed or transmitted by facsimile, or visibly expressed in any other mode or representing or reproducing words, or partly one and partly another;

- (2) words denoting the singular shall include the plural and words denoting the plural shall include the singular;
- (3) words importing any gender shall include every gender; and
- (4) words importing persons shall include partnerships, firms, companies and corporations.
- (5) Subject as aforesaid, any words or expressions defined in the Companies Ordinance (except any statutory modification thereof not in force when these Articles become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Articles, save that “company” shall where the context permits include any company incorporated in Hong Kong or elsewhere.
- (6) A reference to any ordinance or provision of an ordinance shall include any orders regulations or other subordinate legislation made under it and shall, unless the context requires, include any modification or re-enactment of any ordinance or provision of an ordinance for the time being in force.
- (7) References to any Articles by number are to the particular Article of these Articles.

## **SHARE CAPITAL AND MODIFICATION OF RIGHTS**

### **6. Power to issue different class of shares**

Whether or not all the shares for the time being in issue shall have been fully paid up and without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and 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 from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine) and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company or the holder thereof is liable, to be redeemed.

### **7. Power to issue redeemable share, warrants and other rights and securities**

- (1) Subject to Division 4 of Part 5 and/or any other applicable provisions of the Companies Ordinance, the Company may issue shares on the terms that they are to be redeemed, or liable to be redeemed, at the option of the Company or the holders of the shares.
- (2) The Board may issue warrants or other rights and grant options to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine.

## **8. Variation of rights**

- (1) If at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths of the total voting rights of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings 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 that class, and at an adjourned meeting one person holding shares of that class or his proxy, and that any holder of shares of the class present in person or by proxy may demand a poll.
- (2) 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.
- (3) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

## **SHARES AND INCREASE OF CAPITAL**

### **9. Power to finance buy back of own shares and warrants**

The Company may exercise any powers conferred or permitted by the Companies Ordinance or any other ordinance from time to time to buy back or otherwise acquire its own shares and warrants (including any redeemable 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 buy back or other acquisition made or to be made by any person of any shares or warrants in the Company and should the Company buy back or otherwise acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be bought back or otherwise acquired ratably or in any other particular manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance



with the rights as to dividends or capital conferred by any class of shares provided always that any such buy-back or other acquisition or financial assistance shall only be made or given in accordance with the Companies Ordinance, any relevant rules or regulations issued by the Stock Exchange or the Securities and Futures Commission from time to time in force.

**10. Rights attached to new shares**

Any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Companies Ordinance and of these Articles, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.

**11. New shares to form part of original capital unless determined otherwise**

- (1) The Company may by ordinary resolution, before the issue of any new shares, make any provisions as to the allotment and issue of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.
- (2) Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by allotting and issuing new shares shall be treated as if it formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

**12. Commission may be paid on subscription for shares**

The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies Ordinance shall be observed and complied with, and in each case the commission shall not exceed ten per cent. of the price at which the shares are issued.

### **13. Exclusion of trusts etc.**

Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, 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 be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any share except an absolute right to the entirety thereof of the registered holder.

## **REGISTER OF MEMBERS**

### **14. Register of members**

- (1) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Companies Ordinance.
- (2) Subject to the provisions of the Companies Ordinance, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Hong Kong as the Board thinks fit.

### **15. Joint holders**

- (1) The Company shall not be bound to register more than four persons as joint holders of any share.
- (2) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.

## **SHARE CERTIFICATES**

### **16. Share certificates**

- (1) Subject to Articles 16(2) and 18(3),
  - (a) every person whose name is entered as a member in the register shall be entitled to receive within the relevant time limit as prescribed in the Companies Ordinance or as the Stock Exchange may from time to time determine, whichever is the shorter, after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares; or

(b) if he shall so request, in the case where the allotment or transfer is of a number of shares in excess of the number for the time being a stock exchange board lot, 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,

upon payment of such sum as the Board from time to time determine provided that such fees shall not exceed the maximum fees as prescribed in the Companies Ordinance or as the Stock Exchange from time to time determine, whichever is the lower.

(2) In respect of a share or shares held jointly by several persons, the Company shall not be bound to issue a certificate or certificates to 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.

#### **17. Requirement of seal on share certificates**

Unless the Directors resolve otherwise, every certificate for shares or debentures or representing any other form of security of the Company shall be issued under the seal of the Company, which for this purpose may be any official seal as permitted by Section 126 and/or any other applicable provisions of the Companies Ordinance.

#### **18. Every certificate to specify number and class of shares**

(1) Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and may otherwise be in such form as the Board may from time to time prescribe.

(2) If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with Section 179 and/or any other applicable provisions of the Companies Ordinance.

(3) A share certificate shall relate to only one class of shares.

#### **19. Replacement of share certificates**

If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, as the Board may determine from time to time but not to exceed the maximum fees prescribed by the Stock Exchange from time to time in the Listing Rules and on such terms and conditions, if any, as to publication of notice, evidence and indemnity, as the Board thinks fit and:-

(1) in the case of wearing out or defacement, after delivery up of the old certificate;

(2) in the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

## **LIEN**

### **20. Company's lien**

- (1) The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share;
- (2) the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not;
- (3) The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof.
- (4) The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempt wholly or partially from the provisions of this Article.

### **21. Sale of shares subject to lien**

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled by reason of such holder's death, bankruptcy or winding-up to the shares.

### **22. Application of proceeds of such sale**

- (1) The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale.

- (2) For giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the 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 in reference to the sale.

## **CALLS ON SHARES**

### **23. Calls**

The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments.

### **24. Notice of call**

Fourteen days' notice or such other notice period as resolved by the Board and specified in the notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

### **25. Copy of notice to be sent to members**

A copy of the notice referred to in Article 24 shall be sent to members.

### **26. Means of giving of notice of call**

In addition to the giving of notice in accordance with Article 24, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members by notice to be published on the Company's website unless the Board otherwise resolve and to the extent as permitted under the Companies Ordinance.

### **27. Every member liable to pay call at appointed time and place**

Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint.

### **28. When the call be deemed to be made**

A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.

### **29. Liability of Joint holders**

The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.

### **30. Revocation or postponement of call and liability remains notwithstanding transfer**

A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. 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.

### **31. Interest on unpaid calls**

If the whole of the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on the unpaid amount at such rate not exceeding twenty per cent. per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such costs, charges, expenses or interest wholly or in part.

### **32. Suspension of rights and privileges while call unpaid**

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

### **33. Evidence in action for call**

- (1) On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove:
  - (a) that the name of the member sued is or was entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued;
  - (b) that the resolution making the call is duly recorded in the minute book; and
  - (c) that notice of such call was duly given to the member sued, in pursuance of these Articles.
- (2) It shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

#### **34. Sums payable on allotment deemed a call**

- (1) Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, shall for all purposes of these Articles be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified.
- (2) The Directors may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment.

#### **35. Payment of calls in advance**

- (1) The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty per cent. per annum as the Board may decide.
- (2) The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

### **TRANSFER OF SHARES**

#### **36. Form of transfer**

- (1) All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept and may be under hand only.
- (2) If the transferor or the transferee is a clearing house or its nominee(s), or otherwise, the Board may resolve, either generally or in a particular case, to accept a transfer executed by hand or by machine imprinted signature or such other manner as the Board considers appropriate.
- (3) All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint.

### **37. Execution of transfer**

- (1) The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof.
- (2) 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.

### **38. Board may refuse to register a transfer**

The Board may, in its absolute discretion, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

### **39. Requirements as to transfer**

The Board may also decline to recognise any instrument of transfer unless:-

- (1) such fee or fees as the Board shall determine from time to time but not to exceed the maximum fees prescribed by the Stock Exchange from time to time in the Listing Rules is paid to the Company in respect thereof;
- (2) 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;
- (3) the instrument of transfer is in respect of only one class of share;
- (4) the shares concerned are free of any lien in favour of the Company; and
- (5) the instrument of transfer is properly stamped.

### **40. No transfer to a minor etc.**

No transfer shall be made to a minor or to a mentally incapacitated person or under other legal disability.



#### **41. Notice of refusal**

- (1) If the Board shall refuse to register a transfer of any share, it shall send to each of the transferor and the transferee a notice of such refusal within two months or such longer period as required by applicable laws, rules or regulations after the transfer is lodged with the Company.
- (2) The transferor or transferee may also request a statement of the reasons for the refusal and the Board shall, within 28 days or such longer period as required by applicable laws, rules or regulations after receiving such request, send to the transferor or transferee who made the request such statement or register the transfer.

#### **42. Certificate to be given up on transfer**

Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him. The Company shall also retain the instrument of transfer.

#### **43. Power to suspend registration of transfers**

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year or, with the approval of the Company in general meeting, sixty days in any year.

### **TRANSMISSION OF SHARES**

#### **44. Transmission on death**

In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised 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 solely or jointly held by him.

#### **45. Registration of personal representatives and trustees in bankruptcy**

Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.

#### **46. Documents required for registration**

If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such share to his nominee. All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.

#### **47. Notice of refusal of registration**

Within two months or such longer period as required by applicable laws, rules or regulations after receiving the notice as referred to in Article 46, the Board shall register the person as the holder of the share or send to the person a notice of refusal of registration if it shall refuse the registration. In the latter case, the person may request a statement of the reasons for the refusal. If such a request is made, the Board shall, within 28 days or such longer period as required by applicable laws, rules or regulations after receiving the request send to the person such a statement or register the person as the holder of the share.

#### **48. Retention of dividends**

A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 83 being met, such a person may vote at meetings.

## **FORFEITURE OF SHARES**

### **49. Notice of unpaid calls**

If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board 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 32, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and any expenses incurred by reason of the said non-payment.

### **50. Form of notice**

The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being either the registered office of the Company, 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.

### **51. Forfeiture on non-compliance with notice**

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Board 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.

### **52. Forfeited shares to become property of Company**

Any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.

### **53. Arrears to be paid notwithstanding forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this 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 that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

### **54. Evidence of forfeiture and transfer of forfeited share**

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. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

### **55. Notice after forfeiture**

When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.

**56. Power to redeem forfeited shares**

Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the share forfeited to be redeemed 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.

**57. Forfeiture not to prejudice Company's right to call or instalment**

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

**58. Forfeiture for non-payment of any sum due on shares**

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified.

**59. Delivery of certificates for forfeited shares**

In the event of a forfeiture of shares the member shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect.

**CONSOLIDATION, SUB-DIVISION AND OTHER CHANGES IN SHARE CAPITAL**

**60. Power to consolidate, divide or sub-divide shares**

The Company may from time to time by ordinary resolution:-

- (1) consolidate or divide all or any of its shares into a smaller or larger number of shares respectively; the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may:
  - (a) as between the holders of the shares to be consolidated determine which particular shares are to be consolidated into each consolidated share; and
  - (b) if it shall happen that any person shall become entitled to fractions of a consolidated share or shares:

- (i) such fractions may be sold by some person appointed by the Board for that purpose;
  - (ii) the person so appointed may transfer the shares so sold to the purchaser thereof;
  - (iii) the validity of such transfer shall not be questioned; and
  - (iv) the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
- (2) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- (3) sub-divide its shares or any of them into a larger number of shares, subject nevertheless to the provisions of the Companies Ordinance, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; and
- (4) make provision for the allotment and issue of shares which do not carry any voting rights.

#### **61. Alteration of share capital**

The Company may by ordinary resolution alter its share capital in any one or more of the ways set out in section 170 and/or any other applicable provisions of the Companies Ordinance.

#### **62 Reduction of share capital**

The Company may by special resolution reduce its share capital in accordance with Division 3 of Part 5 and/or any other applicable provisions of the Companies Ordinance.

#### **63. Share buy-backs**

The Company may buy back its own shares (including any redeemable shares) in accordance with Division 4 of Part 5 and/or any other applicable provisions of the Companies Ordinance.

## **GENERAL MEETINGS (INCLUDING ANNUAL GENERAL MEETINGS)**

### **64. Annual general meetings and general meetings**

- (1) Subject to sections 611, 612 and 613 and/or any other applicable provisions of the Companies Ordinance, the Company shall, in respect of each financial year, hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it. The annual general meeting shall be held at such time and place as the Board shall fix.
- (2) Other than annual general meetings, all general meetings of members shall be called general meetings.

### **65. Convening of general meeting**

The Board may, whenever it thinks fit, convene a general meeting, and general meetings shall also be convened on request by members, or, in default, may be convened by the requesting members in accordance with the relevant provisions under the Companies Ordinance.

### **66. Notice of general meetings**

- (1) An annual general meeting shall be called by twenty-one days' notice in writing at the least, and a general meeting of the Company other than an annual general meeting shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall:
  - (a) specify the place of meeting (and if the meeting is to be held in 2 or more places, the principal place of the meeting and the other place or places of the meeting);
  - (b) specify, the date and the time of meeting;
  - (c) state the general nature of the business to be dealt with at the meeting;
  - (d) for a notice calling an annual general meeting, state that the meeting is an annual general meeting;
  - (e) if a resolution (whether or not a special resolution) is intended to be moved at the meeting—
    - (i) include notice of the resolution; and
    - (ii) include or be accompanied by a statement containing the information or explanation, if any, that is reasonably necessary to indicate the purpose of the resolution (if applicable);

- (f) if a special resolution is intended to be moved at the meeting, specify the intention and include the text of the special resolution; and
  - (g) contain a statement specifying a member's right to appoint a proxy under the Companies Ordinance,
- (2) Such content of notice shall be subject to any exceptions specified in the Companies Ordinance and such a notice shall be given, in a manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company (including every member, Director and Auditor of the Company) provided that subject to the provisions of the Companies Ordinance, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:-
- (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 ninety-five per cent. of the total voting rights at the meeting of all the members.

#### **67. Omission to give notice**

- (1) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.
- (2) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

#### **68. Quorum**

For all purposes the quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. No business other than the appointment of the Chairman of the meeting shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.



#### **69. Adjournment if quorum not present**

If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the request of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Chairman, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding 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 was called.

#### **70. Chairman of general meeting**

The Chairman (if any) of the Directors or, if he is absent or declines to take the chair at such meeting, the Vice Chairman (or Deputy Chairman, as the case may be) (if any) shall take the chair at every general meeting, or, if there is no such Chairman or Vice Chairman (or Deputy Chairman, as the case may be), or, if at any general meeting neither of such Chairman or Vice Chairman (or Deputy Chairman, as the case may be) is present within fifteen minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Directors present within fifteen minutes after the time appointed for holding such meeting, shall choose one of their number as Chairman, and if no Director is present within fifteen minutes after the time appointed for holding such meeting or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the members present shall choose one of their own number to be Chairman. A proxy may be elected to be the Chairman of a general meeting by a resolution of the Company passed at the meeting.

#### **71. Power to adjourn general meeting**

The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of any original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

## **72. Right to speak and vote at general meeting**

In determining attendance at a general meeting, it is immaterial whether any two or more members (whether present in person or by proxy) attending it are in the same place as each other. Two or more members who are not in the same place as each other are considered to have attended a general meeting if their circumstances are such that if they have rights to speak and vote at the meeting, they are able to exercise them.

## **73. Simultaneous attendance and participation at general meetings**

A person having the right to speak at a general meeting is able to exercise such rights when the person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions that the person has on the business of the meeting. A person having the right to vote at a general meeting is able to exercise such right when the person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and the person's vote can be taken into account in determining whether or not those resolutions are passed at the same time as the votes of all the other persons attending the meeting. The Board may make whatever arrangements it considers appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

## **74. Voting and demand for poll**

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:-

- (1) by the Chairman of the meeting; or
- (2) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (3) 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 not less than 5% of the total voting rights of all the members having the right to vote at the meeting.

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

## **75. Poll**

If a poll is demanded as aforesaid, it shall (subject as provided in Article 76) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice needs to be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

## **76. Poll taken without adjournment**

Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

## **77. Chairman to have casting vote**

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive.

## **78. Continuance of business after demand for poll**

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 a poll has been demanded.

## **79. Resolution in writing of members**

A resolution in writing signed by 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 the same had been passed at a general meeting of the Company 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. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members.

## VOTES OF MEMBERS

### **80. Voting rights**

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised under Section 606 and/or any other applicable provisions of the Companies Ordinance or by proxy shall have one vote, and on a poll every member present in person, or (being a corporation) by duly authorised representative, or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share). Where more than one proxy is appointed by a member of the Company, the proxies so appointed are not entitled to vote on the resolution on a show of hands. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. On a poll 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.

### **81. Corporation acting by representatives at meetings**

Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such persons as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. 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 authorised representative.

### **82. Recognised clearing house acting by representatives at meetings**

If a clearing house (or its nominees(s)), being a corporation, is a member of the Company, it may, by resolution of its Directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members' meeting of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Each person so authorised under this provision shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including the right to vote individually on a show of hands.

### **83. Votes in respect of deceased and bankrupt**

Any person entitled under Article 45 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

### **84. Joint holders**

Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto: but if more than one of such joint holders are present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

### **85. Votes of mentally incapacitated members**

A member who is a mentally incapacitated person or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, guardian or other person in the nature of a committee, receiver or guardian appointed by that court, and any such committee, receiver, guardian or other person may on a poll vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place or by such other means as determined by the Board as permitted under the Companies Ordinance.

### **86. Qualification for voting**

- (1) Save as expressly provided in these Articles, no person other than a member duly registered and who shall have paid everything for the time being due from him payable 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.
- (2) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive.

- (3) 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.

#### **87. Proxies**

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 instead of him. On a poll, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

#### **88. Execution of proxies**

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

#### **89. Delivery of proxies**

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place as is specified in the notice of meeting or in the instrument of proxy issued by the Company or by such other means as the Board may determine as permitted under the Companies Ordinance not less than forty-eight hours or such other minimum period as permitted under the applicable laws, rules or regulations before the time for holding the meeting or adjourned meeting or poll (as the case may be, and in the case of a poll to be taken more than forty-eight hours after it is demanded, not less than twenty-four hours before the time appointed for the taking of the poll) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. 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.

#### **90. Form of proxy**

Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve.

### **91. Authority of proxy**

The instrument appointing a proxy to vote at a general meeting shall: (1) be deemed to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit Provided that any form issued to a member for use by him for appointing a proxy to attend and vote at a general meeting (including 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 (2) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

### **92. Death of principal etc. and validity of proxy**

A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or mental incapacity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, mental incapacity, revocation or transfer as aforesaid shall have been received by the Company at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **UNTRACED MEMBERS**

### **93. Sale of shares of untraceable members**

- (1) The Company shall be entitled to sell any share of a member, or any share to which a person is entitled by transmission, if and provided that:-
  - (a) during the period of 12 years prior to the date of the publication of the advertisements referred to in sub-paragraph (b) below (or, if published on different dates, the earlier thereof) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share, at his address on the register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of such share from such member or person, provided that during such period of 12 years the Company has paid at least three dividends (whether interim or final) and no dividend in respect of such share has been claimed by the person entitled to it;

- (b) on expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisement published by such means and in such form in accordance with the relevant requirements under the Listing Rules;
  - (c) the said advertisements, if not published on the same day, shall have been published within 30 days of each other;
  - (d) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates, the later thereof) and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission; and
  - (e) if shares of the class concerned are listed or dealt in on any stock exchange, the Company has given notice to that exchange of its intention to make such sale.
- (2) 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.
- (3) To give effect to any sale of shares pursuant to this Article the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the register notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- (4) If during the period of 12 years referred to in paragraph (1) of this Article, or during any period ending on the date when all the requirements of sub-paragraphs (a) to (d) of paragraph (1) of this Article have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements of sub-paragraphs (b) to (d) of paragraph (1) of this Article have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.



- (5) The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all moneys in respect thereof to a separate account. The Company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect of such moneys. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such moneys and the Company shall not be required to account for any money earned on them.

## **REGISTERED OFFICE**

### **94. Registered Office**

The registered office of the Company shall be at such place in Hong Kong as the Board shall from time to time appoint.

## **BOARD OF DIRECTORS**

### **95. Minimum number of Directors**

The number of Directors shall not be less than two.

### **96. Board's power to appoint additional Directors**

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following 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 who are to retire by rotation at such meeting.

### **97. Alternate Directors**

- (1) A Director may at any time, by notice in writing signed by him delivered to the Company or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved.
- (2) The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.

- (3) An alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the 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. 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.
- (4) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- (5) An alternate Director shall be deemed to be the agent of the Director who appoints him. A Director who appoints an alternate Director shall be vicariously liable for any tort committed by the alternate Director while he/she is acting in the capacity of alternate Director.

#### **98. No qualification share for Directors**

A Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and of any class of members of the Company.

#### **99. Directors' remuneration**

The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the 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 provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.

#### **100. Directors' expenses**

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

#### **101. Special remuneration**

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 as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.

#### **102. Remuneration of managing directors etc.**

Notwithstanding Articles 99, 100 and 101, the remuneration of a managing director, joint managing director, deputy managing director or other Executive Director or a Director appointed to any other office (at such title or titles as the Board may think fit) in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

#### **103. Vacation of office of Director**

(1) A Director shall vacate his office:-

- (a) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (b) if he becomes a mentally incapacitated person;
- (c) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;

- (d) if he becomes prohibited from being a Director by reason of any order made under any provision of the Companies Ordinance or by applicable laws, rules or regulations;
  - (e) if by notice in writing delivered to the Company at its registered office (or otherwise in accordance with section 464(5) of the Companies Ordinance) he resigns his office;
  - (f) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors; or
  - (g) if he shall be removed from office by an ordinary resolution of the Company under Article 111.
- (2) No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.

#### **104. Director's interest**

- (1) (a) Provided that the Director declares the nature and extent of his relevant interest to other Directors in accordance with section 536 and/or any other applicable provisions of the Companies Ordinance, a Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (b) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he or any other director is appointed to hold any office or place of profit under the Company or at which the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.
- (2) (a) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any transaction, contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such transaction, contract or arrangement by reason only of such Director holding that office or the

fiduciary relationship thereby established, provided that such Director shall disclose the nature and extent of his interest in any transaction, contract or arrangement in which he is interested at the meeting of the Board at which the question of entering into the transaction, contract or arrangement is first taken into consideration, if he knows his interest in accordance with section 536 and/or any other applicable provisions of the Companies Ordinance.

(b) Save as otherwise provided by the Articles, a Director shall not vote (or be counted in the quorum at a meeting) on any resolution of the Board in respect of any transaction, contract or arrangement or any other proposal in which he or any of his associates has a material interest, but this prohibition shall not apply to any of the following matters:-

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

(aa) to the Director or his associate(s) 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; or

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

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

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

(aa) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or

(bb) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;

- (iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (c) 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 his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or his associate(s), 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 or his associate(s) as known to such chairman has not been fairly disclosed to the Board. For the purposes of this paragraph and in relation to an alternate Director, an interest of his appointor or his associate(s) shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.
- (d) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by it as directors of such other company in such manner as in all respects it thinks fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or be about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

- (e) A general notice to the Board by a Director that he is a member of a specified firm or corporation and is to be regarded as interested in any transaction, contract or arrangement which may be made with that firm or corporation after the date of such notice or that he is to be regarded as interested in any transaction, contract or arrangement which may be made with a specified person who is connected with him after the date of such notice shall be deemed to be a sufficient declaration of interest in relation to any transaction, contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Board or in writing and sent to the Company.
- (3) A Director of the Company may be or become a Director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.
- (4) Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

### **ROTATION OF DIRECTORS**

#### **105. Retirement of Directors by rotation**

- (1) 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 one-third, shall retire from office, provided that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years at an annual general meeting of the Company. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.
- (2) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.

#### **106. Retiring Directors to remain in office till successors appointed**

If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office

until the next annual general meeting and so on from year to year until their places are filled, unless:-

- (1) it shall be determined at such meeting to reduce the number of Directors; or
- (2) it is expressly resolved at such meeting not to fill up such vacated offices; or
- (3) in any such case the resolution for re-election of a Director is put to the Meeting and lost.

#### **107. Power of general meeting to increase or reduce number of Directors**

The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.

#### **108. Appointment of Directors**

The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.

#### **109. Notice to be given when person proposed for election**

No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company at least seven days before the date of general meeting. Such period for lodgment of the notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting provided that such period shall be at least seven days.

#### **110. Register of Directors and notification of changes to Registrar of Companies**

The Company shall keep in accordance with the Companies 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 Companies Ordinance.



## **111. Removal of Directors**

The Company may by ordinary resolution remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed. Special notice, in accordance with the Companies Ordinance, shall be required in relation to any meeting at which such an ordinary resolution is to be considered.

## **BORROWING POWERS**

### **112. Power to borrow money**

The Board may from time to time in its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.

### **113. Conditions on which money may be borrowed**

The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

### **114. Assignment**

Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

### **115. Special privileges**

Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise (if applicable) 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.

### **116. Register of charges to be kept**

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

- (2) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures in accordance with the provisions of the Companies Ordinance.

#### **117. Mortgage of uncalled capital**

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.

### **MANAGING DIRECTORS ETC.**

#### **118. Power to appoint managing directors etc.**

The Board may from time to time appoint any one or more of its body to the office of managing director, joint managing director, deputy managing director or other Executive Director and/or such other office (at such title or titles as it may think fit) in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 102.

#### **119. Removal of managing directors etc.**

Every Director appointed to an office under Article 118 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company be liable to be dismissed or removed therefrom by the Board.

#### **120. Cessation of appointment**

A Director appointed to an office under Article 118 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors of the Company (subject to the proviso to Article 105(1)), and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

#### **121. Power may be delegated**

The Board may from time to time entrust to and confer upon a managing director, joint managing director, deputy managing director or Executive Director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

## **MANAGEMENT**

### **122. General powers of Company vested in Board**

- (1) Subject to any exercise by the Board of the powers conferred by Articles 123 to 125, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Companies Ordinance expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (2) Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:-
  - (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share; and
  - (b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

## **MANAGERS ETC.**

### **123. Appointment and remuneration of managers etc.**

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

### **124. Tenure of office and powers**

The appointment of such general manager, manager or managers etc. under Article 123 may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as it may think fit.

## **125. Terms and conditions of appointment**

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

### **CHAIRMAN**

## **126. Appointment of Chairman or Vice Chairman**

The Board may from time to time elect or otherwise appoint a Director to be Chairman or Vice Chairman (or Deputy Chairman, as the case may be) and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Vice Chairman (or Deputy Chairman, as the case may be) shall preside at meetings of the Board, but if no such Chairman or Vice Chairman (or Deputy Chairman, as the case may be) be elected or appointed, or if at any meeting the Chairman or Vice Chairman (or Deputy Chairman, as the case may be) is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

### **PROCEEDINGS OF THE BOARD**

## **127. Board meeting and quorum**

The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be 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. The Board or any committee of the Board may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

## **128. Convening of Board meeting**

A Director may, and on request of a Director the Company Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telex or telegram at the address from time to time notified to the Company by such Director or by electronic means (including but not limited to telephonic or videoconferencing) or in such other manner as the Board may from time to time determine, Provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective.

### **129. Questions to be decided by majority**

Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.

### **130. Powers of meeting**

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

### **131. Power to appoint committee and to delegate**

The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons, as the Board thinks fit, and may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.

### **132. Acts of committee to be of same effect as acts of Board**

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.

### **133. Proceedings of committee**

The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Article 131.

### **134. Validity of acts of Directors and committee members**

All acts done by any meeting of the Board or by any such committee or by any person acting as a Director shall be valid, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were not qualified to hold or disqualified from holding or had ceased to hold office as a Director or persons acting as aforesaid or that they or any of them were not entitled to vote on the matter in question.

### **135. Directors powers when vacancies exist**

The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.

### **136. Resolution in writing of Directors**

A resolution in writing signed by all the Directors except such as are absent from Hong Kong or temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as they constitute a quorum as provided in Article 127) be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

### **137. Minutes**

- (1) The Board shall cause minutes to be made of:-
  - (a) all appointments of officers made by the Board;
  - (b) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 131; and
  - (c) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (2) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

## **COMPANY SECRETARY**

### **138. Appointment of Company Secretary**

The Company Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Company Secretary so appointed may be removed by the Board. Anything by the Companies Ordinance or these Articles required or authorised to be done by or to the Company Secretary, if the office is vacant or there is for any other reason no Company Secretary capable of acting, 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 authorised generally or specially in that behalf

by the Board. If the Company Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised.

### **139. Residence**

The Company Secretary shall, if an individual, ordinarily reside in Hong Kong and, if a body corporate, have its registered office or a place of business in Hong Kong.

### **140. Same person not to act in two capacities at the same time**

A provision of the Companies Ordinance or of these Articles requiring or authorising a thing to be done by or to a Director and the Company Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Company Secretary.

### **141. Register of Company Secretaries and notification of changes to Registrar of Companies**

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

## **GENERAL MANAGEMENT AND USE OF THE SEAL**

### **142. Seal**

- (1) Unless the Board resolved otherwise, the Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or a committee of the Board authorised by the Board in that behalf. A common seal shall be a metallic seal having the Company's name engraved on it in legible form and subject to this requirement, the Board may decide by what means and in what form a common seal or official seal (whether for use outside Hong Kong or for sealing securities) is to be used.
- (2) Every document to which the seal shall be affixed shall be signed by one Director or by some other person appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signature may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every document executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

- (3) Unless the Board resolved otherwise pursuant to Article 142(1) above, the Company may have an official seal for use for sealing certificates for shares or other securities issued by the Company as permitted by Section 126 and/or any other applicable provisions of the Companies 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 is affixed and such certificates or other document shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid) and an official seal for use outside Hong Kong under the provisions of the Companies Ordinance where and as the Board shall determine and the Company may by writing under the seal appoint any agents or agent, committees or committee outside Hong Kong to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

#### **143. Cheques and banking arrangements**

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

#### **144. Power to appoint attorney**

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



- (2) The Company may, by writing under its seal, empower any person, either generally or in respect of 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 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.

#### **145. Local boards**

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

#### **146. Power to establish retirement benefits, superannuation funds**

The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory retirement benefit or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, retirement benefits, 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 spouses, widows or widowers, families and dependants of any such persons. 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 well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, retirement benefit, allowance or emolument.

## CAPITALISATION OF RESERVES

### 147. Capitalisation of Reserves

- (1) To the extent as permitted under the Companies Ordinance, the Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on the condition that the same will not be paid in cash but will be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid or otherwise to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other.
- (2) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in lieu of fractional certificates or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties. The provisions of the Companies Ordinance in relation to the filing requirements (if any) for allotment shall be observed and, the Board may appoint any person to sign any relevant contract on behalf of the persons entitled to share in a 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.

## **DIVIDENDS AND RESERVES**

### **148. Dividends should not exceed amount recommended by the Board**

The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

### **149. Board's power to pay interim dividends**

- (1) The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.
- (2) The Board may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.

### **150. Dividends to be paid out of profits**

No dividend shall be payable except out of the profits of the Company, and no dividend shall bear interest as against the Company.

### **151. Power to satisfy dividends by distribution in specie, issue of financial certificates or making of cash payments**

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue 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 determine that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the members concerned, 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 requisite, a contract shall be filed in accordance with the provisions of the Companies 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.

### **152. Scrip dividends**

(1) 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 (a) 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 (or otherwise as permitted under the Companies Ordinance) 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:-

- (i) the basis of any such allotment shall be determined by the Board;
- (ii) 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 (iv) 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;

(iii) the right of election accorded to shareholders as aforesaid may be exercised in whole or in part;

(iv) the Board may resolve:

(aa) 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 (a) of this paragraph (1); and/or

(bb) 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 (a) of paragraph (1) 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 obliged to give to such shareholder notice of the right of election accorded to him or send to him any form of election;

(v) 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 (or otherwise as permitted under the Companies Ordinance) to the holders of the Non-Elected Shares on the basis of allotment determined as aforesaid and for such purpose the Board may determine to capitalise and apply out of the amount standing to the credit of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Board may determine, a sum equal to the cash otherwise payable on the Non-Elected Shares (or such other amount as the Board may determine as permitted

under the Companies Ordinance) 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 (b) that shareholders entitled to such dividend be entitled to elect to receive an allotment of shares credited as fully paid (or otherwise as permitted under the Companies Ordinance) in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:

- (i) the basis of any such allotment shall be determined by the Board;
- (ii) the Board, after determining the basis of allotment 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 (iv) 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;
- (iii) the right of election accorded to shareholders as aforesaid may be exercised in whole or in part;
- (iv) the Board may resolve:
  - (aa) 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 subparagraph (b) of this paragraph (1); and/or
  - (bb) 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 (b) of paragraph (1).

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;

- (v) 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 (or otherwise as permitted under the Companies Ordinance) to the holders of the Elected Shares on the basis of allotment determined as aforesaid and for such purpose the Board may determine to capitalise and apply out of the amount standing to the credit of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Board may determine, a sum equal to the cash otherwise payable on the Elected Shares (or such other amount as the Board may determine as permitted under the Companies Ordinance) 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;

(2) The shares allotted pursuant to the provisions of paragraph (1) of this Article shall rank *pari passu* in all respects with the fully paid shares then in issue save only as regards participation:-

- (a) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
- (b) 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 (a) or (b) of paragraph (1) 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 (1) of this Article shall rank for participation in such distribution, bonus or rights.

- (3) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this 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.
- (4) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up (or otherwise as permitted under the Companies Ordinance) without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (5) The Board may on any occasion when it makes a determination pursuant to paragraph (1) 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 (save Hong Kong) 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.
- (6) 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 (a)(iv) and (b)(iv) of paragraph (1) of this Article by giving seven days notice in writing to the relevant shareholders.
- (7) The Board may on any occasion determine that rights of election under paragraph (1) 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.



### **153. Reserves**

The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.

### **154. Dividends to be paid in proportion to paid up capital**

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid up on the shares in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share.

### **155. Retention of dividends and deduction of debts**

- (1) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (2) 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.

### **156. Dividend and call together**

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.

### **157. Effect of transfer**

A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.

### **158. Receipt for dividends by joint holders of share**

If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares.

### **159. Payment by post**

Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through by post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.

### **160. Unclaimed dividend**

- (1) All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.
- (2) If any cheques, warrants or orders for dividends or other moneys payable in respect of a share sent by the Company to the person entitled thereto are left uncashed on two consecutive occasions or on one occasion if such cheque, warrant or order is returned to the Company undelivered, the Company shall not be obliged to send any dividends or other moneys payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

## **161. Record dates**

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

## **162. Distribution of realised capital profits**

The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same and not required for the payment or provision of any fixed preferential dividend instead of being applied in the purchase of any other capital assets or for other capital purposes be distributed amongst the ordinary shareholders on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided that no such profits as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the Company for the time being.

## ANNUAL RETURNS

### **163. Annual Returns**

The Board shall make the requisite annual returns in accordance with the Companies Ordinance.

## ACCOUNTS

### **164. Proper accounting records to be kept**

The Board shall cause accounting records to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Ordinance, and the annual financial statements for a financial year shall give a true and fair view of the financial position of the Company as at the end of the financial year and a true and fair view of the financial performance of the Company for the financial year.

### **165. Where accounting records to be kept**

The books of account shall be kept at the registered office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

### **166. Inspection of records**

The Board shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as authorised by an enactment or a court order or by the Board or by an ordinary resolution of the Company.

### **167. Reporting documents laid before general meeting**

(1) The Directors shall, from time to time, in accordance with the Companies Ordinance, cause to be prepared and to be laid before the general meeting the reporting documents required by the Companies Ordinance. The Directors may also cause to be prepared a summary financial report if they think fit, which may be provided to members and/or debenture holders instead of the reporting documents in circumstances permitted by the Stock Exchange.

- (2) Subject to section 430 and/or any other applicable provisions of the Companies Ordinance and paragraph (3) below, a copy of the reporting documents or the summary financial report shall, not less than 21 days before the general meeting, be delivered or sent by post to the registered address of every member and debenture holder of the Company, or in the case of a joint holding to the member or debenture holder (as the case may be) whose name stands first in the appropriate Register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.
- (3) Where a member or debenture holder of the Company has, in accordance with the Companies Ordinance and the Listing Rules from time to time, consented to treat the publication of the reporting documents and/or the summary financial report on the Company's website or in any other permitted manner (including sending by electronic communication or in an electronic form) as discharging the Company's obligation under the Companies Ordinance to send a copy of the reporting documents and/or summary financial report, then subject to compliance with the publication and notification requirements of the Companies Ordinance and any rules prescribed by the Stock Exchange from time to time, publication by the Company of the reporting documents and/or the summary financial report in such agreed manner at least 21 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 (2) above.
- (4) For the purpose of this Article, "reporting documents" and "summary financial report" shall have the meaning ascribed to them in the Companies Ordinance.

## **AUDIT**

### **168. Auditors**

Auditors shall be appointed, removed and their duties regulated in accordance with the provisions of the Companies Ordinance and the Listing Rules.

### **169. Remuneration of Auditors**

Subject as otherwise provided by the Companies 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.

### **170. When accounts be deemed conclusive**

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.

## **NOTICES, DOCUMENTS AND OTHER INFORMATION**

### **171. Notice etc. to be in writing**

Any notice, document or information to be given or issued under these Articles shall be in writing, except that any such notice, document or information to be given or issued by or on behalf of the Company under these Articles (including any "corporate communication" within the meaning ascribed thereto in the Listing Rules) shall be in writing which may or may not be in a transitory form and may be recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form (including an electronic communication and publication on a website) whether having physical substance or not may be served or delivered by the Company by any of the means as specified in Article 174(2) below subject to and to such extent permitted, by and in accordance with the Companies Ordinance, all applicable laws, rules and regulations including, without limitation, the rules prescribed by the Stock Exchange from time to time.

## **172. Language**

Subject to any applicable laws, rules and regulations, any notice, document or information, including but not limited to the documents referred to in Article 171 and any “corporate communication” within the meaning ascribed thereto in the Listing Rules, may be given in the English language only, in the Chinese language only or in both the English language and the Chinese language.

## **173. Notice to joint holders**

In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be sufficient notice to all the joint holders.

## **174. When notice etc. be deemed to be served or received**

Subject to these Articles, the Companies Ordinance, all applicable laws, rules and regulations including, without limitation, the rules prescribed by the Stock Exchange from time to time, anything:

- (1) sent or supplied to the Company under these Articles may be sent or supplied in any way in accordance with Part 18 and/or any other applicable provisions of the Companies Ordinance;
- (2) sent or supplied by or on behalf of the Company under these Articles may be sent or supplied in accordance with Part 18 and/or any other applicable provisions of the Companies Ordinance. Any notice, document or information (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company to any person by any of the following means shall be deemed as being served on or received by that other person in the manner as follows:
  - (a) By post – a notice, document or information (including in hard copy or electronic form) may be sent or supplied by post and the same shall be deemed to have been served on the second business day or such earlier day as permitted under applicable laws, rules or regulations following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office (airmail if posted from Hong Kong to an address outside Hong Kong) 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 or document was so properly prepaid, addressed and put into such post office shall be conclusive evidence thereof;

- (b) By hand – a notice, document or information (including in hard copy or electronic form) may be sent or supplied by hand (and the same shall be deemed to have been served at the time when it is delivered);
- (c) By electronic means (other than by means of website) – a notice, document or information (including the same in electronic form) may be sent or supplied by electronic means and the same shall be deemed to have been received at the time when it is being sent or supplied (or such longer period as required under the applicable laws, rules or regulations) provided that no contrary is proved, including that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender's control shall not invalidate the effectiveness of the notice or document being served; and
- (d) By means of website – a notice, document or information may be if published on the Company's website and the same shall be deemed to have been received at the time when the same is first made available on the website or after receipt by the recipient of the notice of posting on the website sent by the Company (if applicable) (or such longer period as required under the applicable laws, rules or regulations), whichever is the later.

#### **175. Means of service of notice etc. to Director**

Subject to these Articles, the Companies Ordinance, all applicable laws, rules and regulations including, without limitation, the rules prescribed by the Stock Exchange from time to time, any notice, document or information to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such a notice, document or information for the time being.

#### **176. Service of notice to persons entitled in consequence of death, mental incapacity or bankruptcy of a member**

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



#### **177. Transferee to be bound by prior notices**

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

#### **178. Notice etc. valid though member deceased or bankrupt**

Any notice or document delivered or sent by post or by hand to or left at the registered address of any member in pursuance of these Articles, shall notwithstanding that such member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

#### **179. Signature on notices etc.**

The signature to any notice or document by the Company may be written, typed, printed or made electronically or made in such other manner as permitted under the Companies Ordinance.

### **INFORMATION**

#### **180. Member not entitled to information relating to trade secret etc.**

No member (not being a Director) shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interests of the members of the Company to communicate to the public.

### **WINDING UP**

#### **181. Division of assets in liquidation**

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, but all subject to the rights of any shares which may be issued on special terms or conditions.

### **182. Power to distribute assets in specie**

If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies (Winding Up and Miscellaneous Provisions) Ordinance or other relevant laws and regulations, divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability.

### **183. Service of process on member upon winding-up of the Company**

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 the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by a registered letter sent through the post and addressed to such member at his address as mentioned in the register or by such other means and in such other manner as provided for or permitted under the Companies (Winding Up and Miscellaneous Provisions) Ordinance or other relevant laws and regulations.

## **INDEMNITY**

### **184. Indemnity for directors and officers**

- (1) Every Director, former Director, other officer or other former officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director, former Director, other officer or other former officer shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.
- (2) Subject to Section 468 and/or any other applicable provisions of the Companies Ordinance, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

### **185. Power to insure**

The Company may purchase and maintain for any Director, director of an associated company, Company Secretary, officer and auditor of the Company in accordance with the relevant provisions of the Companies Ordinance-

- (1) insurance against any liability to the Company, an associated company or any other party attaching to him in respect of any negligence, default, breach of duty or breach of trust (save for fraud) (a) in relation to the Company or associated company (as the case may be) or (b) (for auditor) occurring in the course of performance of duties of auditor in relation to the Company or associated company (as the case may be); and
- (2) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) (a) in relation to the Company or associated company (as the case may be) or (b) (for auditor) occurring in the course of performance of duties of the auditor in relation to the Company or associated company (as the case may be).

For the purpose of this Article 185, “associated company” means any company that is the Company’s subsidiary or holding company or a subsidiary of that holding company.

The following table sets out the details of the initial subscribers of the Company, the initial number of shares and share capital taken by each of them and the initial share capital of the Company on 2 March 1979 and 21 May 1979, respectively.

NAMES, ADDRESSES AND DESCRIPTIONS OF INITIAL SUBSCRIBERS	INITIAL NUMBER OF SHARES AND SHARE CAPITAL TAKEN BY INITIAL SUBSCRIBERS
CLIFFORD C. F. WONG (黃振輝) 15 Fontana Gardens 9/F, Ka Ning Path, Causeway Bay, Hong Kong. Company Director	ONE SHARE
中國北京百萬莊 中國建築工程公司 副總經理宿玉璞  SU YU PU China Construction Co. Bai Wan Chuang Beijing, China. Deputy Manager	ONE SHARE

Total Number of Shares Taken

TWO SHARES

Total Initial Share Capital of the Company

HK\$200