

**THE COMPANIES ORDINANCE (Chapter 622)**

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**Company Limited by Shares**

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**ARTICLES OF ASSOCIATION**

*(As adopted by Special Resolution passed on 27th June, 2014)*

**OF**

**GR Properties Limited**

國銳地產有限公司

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**PART 1 – SPECIAL PROVISIONS**

**BORROWING POWERS**

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

**VOTING RIGHTS**

- (B) The Directors shall, in appropriate circumstances, secure adequate voting rights to preference shareholders of the Company. Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every Member who is present in person at a general meeting of the Company shall have one vote, and on a poll every Member who is present in person or by proxy shall have one vote for every share held by him.

**DIRECTORS**

- (C) Unless and until otherwise determined by ordinary resolution of the Company, the Directors (disregarding alternate Directors) shall be not less than two nor more than fifteen in number.
- (D) Each of the Directors shall be paid a fee at such rate as may from time to time be determined by the Board.

- (E) No shareholding qualification for Directors shall be required.
- (F) Without prejudice to any of the provisions for disqualification of Directors or for retirement by rotation hereinafter contained, the office of a Director shall be vacated if by notice in writing delivered to the office or tendered at a meeting of the Board his resignation is requested by all of the other Directors and all of the other Directors are not less than three in number.

#### **PROVISION FOR EMPLOYEES**

- (G) The Board may by resolution exercise any power conferred by the Ordinance to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.
- (H) Upon any increase of capital the Company is to be at liberty to issue any new shares either in Hong Kong Dollars or in any other currency or partly in one currency and partly in another and with any preferential, deferred, qualified or special rights, privileges or conditions attached thereto. Shares within a class shall carry equal rights and rank pari passu with each other.

#### **COMPANY INFORMATION**

- (I) The name of the Company is “GR Properties Limited 國銳地產有限公司”.
- (J) The liability of the Members is limited.
- (K) The liability of the Members is limited to any amount unpaid on the shares held by the Members.

#### **PART 2 – GENERAL PROVISIONS**

- 2. The regulations in Schedule 1 (Model Articles for Public Companies Limited by Shares) to the Companies (Model Articles) Notice (L.N. 77 of 2013) and any re-enactment thereof shall not apply to the Company, and the Articles contained herein shall be the Articles of Association of the Company.

#### **INTERPRETATION**

- 3. In these Articles unless the context otherwise requires:-

“these Articles” means these Articles of Association in their present form or as from time to time altered;

“associates” shall have the meaning attributed to it in the Listing Rules;

“Board” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present;

“Executive Director” means a Managing Director, Joint Managing Director or Assistant Managing Director of the Company or a Director who is the holder of any other employment or executive office with the Company;

“the holder” in relation to any shares means the Member whose name is entered in the Register as the holder of such shares;

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

“Hong Kong Dollars” and “Hong Kong Cents” mean the lawful currency for the time being of Hong Kong;

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

“Member” means a shareholder of the Company;

“Office” means the registered office of the Company;

“the Ordinance” means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and every other Ordinance incorporated therewith, or any ordinance or Ordinance substituted therefor; and in case of any such substitution the references in these presents to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new Ordinance or Ordinances;

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

“recognised clearing house” means a recognised clearing house as referred to in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised share depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

“Register” means the Register of Members of the Company;

“Seal” means the common seal and/or securities seal of the Company or any official seal that the Company may be permitted to have under the Ordinance;

“Secretary” includes a temporary or assistant or deputy Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

reference to writing shall include typewriting, printing, lithography, photography and other modes (including telex and facsimile transmission) of representing or reproducing words in a legible and non-transitory form;

any words or expressions defined in the Ordinance in force at the date when these Articles or any part thereof are adopted shall bear the same meaning in these Articles or such part (as the case may be) save that “company” shall where the context permits include any company or body incorporated in Hong Kong or elsewhere;

where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective;

references to a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person; and in the event of any conflict between Part 1 and Part 2 of these Articles, Part 1 shall prevail.

#### **REGISTERED OFFICE**

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

#### **SHARE RIGHT**

5. Subject to the Ordinance and any special rights conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.
6. Subject to the Ordinance, the Listing Rules and to any special rights conferred on the holders of any shares or class of shares, any shares may be issued on terms that they are, or at the option of the Company or the Member are liable, to be redeemed. The Directors may determine the terms, conditions and manner of redemption of such shares. Purchases for redemption of a redeemable share:
  - (i) not made through the market or by tender shall be limited to a maximum price; and
  - (ii) by tender shall be made available to all Members alike.

#### **MODIFICATION OF RIGHTS**

7. Subject to the Ordinance, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders representing at least 75 per cent. of the total voting rights of holders of shares in that class or with the sanction of a special resolution passed at a separate general meeting of the holders of such shares. To any such separate general meeting all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting) shall be two or more persons present in person or by proxy together holding at least one-third of the total voting rights of holders of shares in that class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum.

8. 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 share, be deemed to be altered by the creation or issue of further shares ranking pari passu therewith.

#### **ISSUE OF SHARES**

9. Subject to the Ordinance and these Articles, the Board may offer, allot, issue or grant rights over, or to subscribe for, or to convert any security into, any class of shares of securities of the Company or otherwise dispose of any shares of the Company to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.
10. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Ordinance.
11. Except as ordered by a Court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as otherwise provided by these Articles or by law) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

#### **CERTIFICATES**

12. Every person whose name is entered as a holder of any shares in the Register shall be entitled, without payment, to receive within 21 days after allotment or 10 business days after lodgment of a transfer to him of the shares in respect of which he is so registered (or within such other period as the terms of issue shall provide) one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board may from time to time determine. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A Member (except such a nominee as aforesaid) who has transferred part of the shares comprised in his registered holding shall be entitled to a certificate for the balance without charge.
13. If a share certificate is defaced, worn out, lost or destroyed, it may subject to the Ordinance, be replaced on payment of a fee not exceeding 2 Hong Kong Dollars (or such higher amount as shall for the time being be approved by The Stock Exchange of Hong Kong Limited) and on such terms (if any) as to evidence and indemnity and to payment of any exceptional costs and the reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, where it is defaced or worn out, after delivery of the old certificate to the Company.
14. Subject to the Ordinance and the Listing Rules, without prejudice to Article 112, all forms of certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) may be issued under a Seal and, if issued under an official seal, need not be signed by any person. The Board may also by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical method or system.

## **LIEN**

15. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable (whether presently or not) in respect of such share. The Company's lien on a share shall extend to all dividends and distributions payable thereon. 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 wholly or in part exempt from the provisions of this Articles. Fully-paid shares shall be free from any restriction on the right of transfer.
16. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.
17. The net proceeds, after payment of the costs, of the sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the shares sold) be paid to the holder immediately before such sale of the share. For giving effect to any such sale the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.

## **CALLS ON SHARES**

18. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue, and each Member shall (subject to the Company serving upon him at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.
19. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 15 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
22. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, shall for all the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

23. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
24. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the money uncalled and unpaid upon any shares held by him and upon all or any of the money so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) 15 per cent. per annum, as may be agreed upon between the Board and the Member paying such sum in advance but any amount paid up in advance of calls on any share shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.

### **FORFEITURE OF SHARES**

25. If any call or instalment of a call remains unpaid on any share after the day appointed for payment thereof, the Board may at any time serve a notice on the holder of such share requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
26. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture shall include surrender.
27. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually before the forfeiture.
28. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share; but no forfeiture shall be in any manner invalidated by any omission of neglect to give such notice as aforesaid.
29. Until cancelled in accordance with the requirements of the Ordinance, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board may think fit.
30. A person whose shares have been forfeited shall there upon cease to be a Member in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at the rate fixed by the terms of issue of the shares or, if no such rate is fixed, at the rate of 15 per cent. per annum (or such lower rate as the Board may determine) from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal.

31. A statutory declaration that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on the 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 the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

### **TRANSFER OF SHARES**

32. Subject to such of the restrictions of the Articles as may be applicable, any Member may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve.
33. The instrument of transfer of a share shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the 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. All instruments of transfer, when registered, may be retained by the Company. For the purposes of this Article, the Board may, on such terms and subject to such conditions as the Board may think fit, accept the machine imprinted or mechanically produced signature of the transferor or the transferee as the valid signature of the transferor or the transferee.
34. The Board may, in its absolute discretion decline to register any transfer of any share which is not a fully paid share.
35. The Board may also decline to register any transfer unless:-
- (a) the instrument of transfer is lodged with the Company accompanied by the certificate for 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; and
  - (b) the instrument of transfer is in respect of only one class of share.

Provided that where power is taken to limit the number of shareholders in a joint account, such limit shall not prevent the registration of a maximum of four persons.

36. If the Board declines to register a transfer it shall, within two months after the date on which the instrument of transfer was lodged, send to the transferee notice of the refusal.
37. A fee not exceeding 2 Hong Kong Dollars (or such maximum amount as shall for the time being be approved by The Stock Exchange of Hong Kong Limited) may be charged by the Company for registering any transfer, or other document relating to or affecting the title to any share, or for otherwise making any entry in the Register of Members relating to any share.



## TRANSMISSION OF SHARES

38. In the case of the death of a Member the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole holder, shall be the only persons recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.
39. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law may, subject as hereinafter provided and upon such evidence being produced as may from time to time be required by the Board as to his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled elects 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 signify his election by signing an instrument of transfer of such share in favour of his nominee, all the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or instrument of transfer as aforesaid as if the death or bankruptcy of the Member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer signed by such Member.
40. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other money payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or at any separate meeting of the holders of any class of shares in the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends and other money payable in respect of the share until the requirements of the notice have been complied with.

## UNTRACEABLE MEMBERS

41. (1) Without prejudice to the rights of the Company under paragraph (2) of this Article, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed in two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such cheque or warrant is returned undelivered.
- (2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:
- (a) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares as dividends in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;

- (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law: and
- (c) the Company has caused an advertisement to be inserted in an English language daily newspaper and a Chinese language daily newspaper circulating in Hong Kong in accordance with the requirements of The Stock Exchange of Hong Kong Limited giving notice of its intention to sell such shares and has notified The Stock Exchange of Hong Kong Limited of such intention and a period of three (3) months has elapsed since the date of such advertisement.

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

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

#### **CHANGES IN SHARE CAPITAL**

- 42. The Company may alter its capital in any one or more of the ways (including any increase in share capital) set out in section 170 of the Ordinance.
- 43. Subject to the Ordinance, the Company may, by the resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or may make any other provisions as to issue of the new shares.
- 44. The new shares shall be subject to all provisions of the Articles with reference to lien, the payment of call, forfeiture, transfer, transmission and otherwise.
- 45. The Company may by special resolution reduce its capital in any manner allowed by law.
- 46. Where any difficulty arises in regard to any conversion of shares into a larger or smaller number of shares, the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to or in accordance with the directors of the purchaser thereof. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

## **GENERAL MEETINGS**

47. The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Ordinance at such times and places as the Board shall appoint.
48. The Board may, whenever it thinks fit, and shall on requisition in accordance with the Ordinance, proceed to convene a general meeting other than an annual general meeting.
49. The Company may hold a general meeting at two or more places using any technology that enables the members of the Company who are not together at the same place to listen, speak and vote at the meeting.

## **NOTICE OF GENERAL MEETINGS**

50. Subject to the Ordinance and the Listing Rules, an annual general meeting shall be called by not less than twenty-one days' notice in writing and any other general meeting shall be called by not less than 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 specify the place, day and time of meeting, and the general nature of the business to be dealt with at the meeting. If the meeting is to be held in two or more places, the notice of meeting shall specify the principal place of the meeting and the other place or places of the meeting. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given in manner hereinafter mentioned to all Members other than such as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Auditors for the time being of the Company.
51. Subject to the Listing Rules, notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Article, it shall be deemed to have been duly called if it is so agreed:-
  - (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together representing at least 95 per cent. of the total voting rights at the meeting of all the Members.
52. The accidental omission to give notice of a meeting or a resolution intended to be moved at a meeting or (in case where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of the notice of a meeting or resolution intended to be moved at a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

53. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment choice or election of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, two Members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

54. A corporation being a member shall be deemed for the purpose of these Articles to be present in person if represented by proxy or in accordance with the provisions of the Ordinance.
55. If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such other day (not being less than fourteen nor more than twenty-eight days thereafter) and at such other time or places as the chairman of the meeting may determine and at such adjourned meeting one Member present in person or by proxy (whatever the number of shares held by him) shall be a quorum. The Company shall give not less than seven days' notice in writing of any meeting adjourned through want of a quorum and such notice shall state that one Member present in person or by proxy (whatever the number of shares held by him) shall be a quorum.
56. Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.
57. The Chairman (if any) of the Board or, in his absence, a Deputy Chairman (if any) shall preside as chairman at every general meeting. If there is no such Chairman or Deputy Chairman, or if at any meeting neither the Chairman nor a Deputy Chairman is present within five minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present shall choose one of their members to act, or if one director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll shall elect one of their members to be chairman.
58. The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for three months or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
59. Save as expressly provided by these Articles, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## VOTING

60. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is required by the rules of The Stock Exchange of Hong Kong Limited or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. Subject to the Ordinance, a poll may be demanded by:-
  - (a) the chairman of the meeting; or
  - (b) at least three Members present in person or by proxy and entitled to vote; or
  - (c) any Member or Members present in person or by proxy and representing in the aggregate at least five per cent. of the total voting rights of all Members having the right to attend and vote at the meeting.

Unless a poll is so demanded and the demand is 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 not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

61. If a poll is duly demanded it shall be taken in such manner as the chairman shall direct and he may appoint scrutineers (who need not be members). The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
62. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time (being not later than three months after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.
63. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it 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.
64. On a poll votes may be given either personally or by proxy.
65. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
66. In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote.
67. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
68. A Member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by any person authorised in such circumstances to do so on his behalf and such person may vote on a poll 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 at the Office (or at such other place as may be specified in accordance with these Articles for the delivery of instruments appointing a proxy) not later than the last time at which a valid instrument of proxy could be so delivered.
69. No Member shall, unless the Board otherwise determines, be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
70. If (i) any objection shall be raised to the qualification of any voter or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

- 70A. 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 vote cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.

### **PROXIES**

71. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
72. A proxy need not be a Member.
73. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the Office (or at such other place in Hong Kong as may be specified in the notice convening the meeting or in any notice of any adjournment or in either case, in any document sent therewith) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll to be taken more than forty-eight hours after it was demanded, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. In calculating the notice periods set out above, no account is to be taken of any part of a day that is a public holiday. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as 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.
74. Instruments of proxy shall be in any common form (provided that this does not preclude the use of the two-way form) or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
75. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice in writing of such determination was received by the Company at the Office (or such other place in Hong Kong as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) one hour at least before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

- 75A. If a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong) or its nominee(s) is a Member of the Company, it may authorise or appoint such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any general meeting, provided that, if more than one person is so authorised or appointed, the authorisation or the instrument appointing a proxy must specify the number and class of shares in respect of which each such person is so authorised or appointed. The person so authorised or appointed shall be deemed to have been duly authorised or appointed without the need of producing any documents of title, notarized authorisation and/or further evidence for substantiating the facts that such person is duly authorised and shall be entitled to exercise the same power (on behalf of the recognised clearing house or its nominee(s)) as that recognised clearing house or its nominee(s) could exercise if it were an individual Member.
- 75B. A Member may appoint more than one proxy to attend and vote at the same general meeting. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a Member which is a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands.

### **APPOINTMENT AND REMOVAL OF DIRECTORS**

76. Subject to the provisions of these Articles and the Ordinance, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.
77. Without prejudice to the power of the Company in general meeting in pursuance of any of the Articles to appoint any person to be a director and subject to the Ordinance, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with the Articles. Any Director so appointed by the Board shall hold office only until the next following general meeting and shall then be eligible for election but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.
78. The Company may by ordinary resolution remove any Director before the expiration of his period of office (without prejudice to any claim for damages under any contract) and may (subject to these Articles) by ordinary resolution appoint another person in his place. Any person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
79. No person other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless, no earlier than the day after the dispatch of the notice of such meeting and no later than seven days before the day appointed for the meeting, there has been given to the Secretary notice in writing by some Member (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

### **DISQUALIFICATION OF DIRECTORS**

80. Without prejudice to the provisions for retirement by rotation hereinafter contained, the office of a Director shall be vacated in any of the events following namely:-

- (A)
  - (a) if (not being an Executive Director whose contract precludes resignation) he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board;
  - b) if he becomes mentally incapacitated or a patient for any purpose of any statute relating to mental health and the Board resolves that his office is vacated;
  - (c) if, without leave, he is absent from meetings of the Board (whether or not an alternate Director appointed by him attends) for twelve consecutive months, and the Board resolves that his office is vacated;
  - (d) if he becomes bankrupt or compounds with his creditors;
  - (e) if he is prohibited by law from being a Director;
  - (f) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors (being two or more in number), but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
  - (g) if he ceases to be a Director by virtue of the Ordinance or is removed from office pursuant to these Articles.
- (B) No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director by reason only of his having attained any particular age.

#### **ROTATION OF DIRECTORS**

- 81. At every annual general meeting one-third of the Directors for the time being or, if their number is not a multiple of three, then the nearest number to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years.
- 82. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting and no director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of such notice but before the close of the meeting.
- 83. A retiring Director shall be eligible for re-election.
- 84. Subject to the provisions of these Articles, the Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto and in default the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.



## EXECUTIVE DIRECTORS

85. The Board may from time to time appoint one or more of its body to be a Managing Director, Joint Managing Director or Assistant Managing Director or to hold any other employment or executive office with the Company for such period (subject to the Ordinance) and upon such terms as the Board may determine and may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid will be without prejudice to any claim for damages that such Director may have against of the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination.
86. An Executive Director shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.
87. (A) Each Director shall have the power to appoint any person to be his alternate Director and may at his discretion remove such alternate Director. If such alternate Director is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate Director shall be effected by notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board, or in any other manner approved by the Board. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appoint or as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director.
- (B) Every person acting as an alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he was a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director.
- (C) Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- (D) An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to any other Article.

## **ADDITIONAL REMUNERATION AND EXPENSES**

88. Each Director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or any other meeting which as a Director he is entitled to attend and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides outside the jurisdiction in which he normally resides for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

## **DIRECTORS' INTEREST**

89. Subject to the Ordinance and to these Articles, and in particular Article 91 herein, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement be reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Article 90 herein.
90. (1) Subject to the Ordinance, if a Director or any of his associates or an entity connected with the Director is in any way, whether directly or indirectly, interested in a transaction, arrangement or contract or proposed transaction, arrangement or contract with the Company that is significant in relation to the Company's business and the Director's interest or his associate's interest or the interest of the entity connected with the Director is material, the Director shall declare the nature and extent of his interest or the interest of any of his associates or entities connected with him in accordance with sections 536 to 538 of the Ordinance and these Articles.
- (2) A declaration of interest by a Director under Article 90(1) in a transaction, arrangement or contract that has been entered into must be made as soon as reasonably practicable and a declaration of interest by a Director under Article 90(1) in a proposed transaction, arrangement or contract must be made before the Company enters into the transaction, arrangement or contract.
- (3) A declaration of interest by a Director must be:
- (i) made at a Directors' meeting;
  - (ii) made by a notice in writing and sent by the Director to the other Directors; or
  - (iii) made by a general notice by the Director.

- (4) A notice for the purposes of Article 90(3)(ii) must be sent:
    - (i) in hard copy form or, if the recipient has agreed to receive it in electronic form, in the electronic form so agreed; and
    - (ii) by hand or by post or, if the recipient has agreed to receive it by electronic means, by the electronic means so agreed.
  - (5) If a declaration to Directors under Article 90(1) is made by notice in writing:
    - (i) the making of the declaration is to be regarded as forming part of the proceedings at the next Directors' meeting after the notice is given; and
    - (ii) section 481 of the Ordinance applies as if the declaration had been made at that meeting.
  - (6) A general notice by a Director for the purposes of Article 90(3)(iii) is a notice to the effect that:
    - (i) the Director has an interest (as member, officer, employee or otherwise) in a body corporate or firm specified in the notice, and is to be regarded as interested in any transaction, arrangement or contract that may, after the effective date of the notice, be entered into by the Company with the specified body corporate or firm; or
    - (ii) the Director is connected with a person specified in the notice (other than a body corporate or firm), and is to be regarded as interested in any transaction, arrangement or contract that may, after the effective date of the notice, be entered into by the Company with the specified person.
  - (7) A general notice under Article 90(3)(iii) must state:
    - (i) the nature and extent of the Director's interest in the specified body corporate or firm referred to in Article 90(6)(i); or
    - (ii) the nature of the Director's connection with the specified person referred to in Article 90(6)(ii).
  - (8) A general notice must be given at a Directors' meeting, or in writing and sent to the Company.
  - (9) A general notice given at a Directors' meeting takes effect on the date of the Directors' meeting. A general notice given in writing and sent to the Company takes effect on the twenty-first day after the day on which it is sent to the Company.
91. (1) Save as otherwise provided by these Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any transaction, arrangement or contract or any other proposal in which he or any of his associates or entities connected with him has a material interest, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any of the following matters, namely:

- (i) the giving of any security or indemnity either:
    - (a) to the Director or his associate(s) or entity(ies) connected with him 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
    - (b) 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) or entity(ies) connected with him has/have 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 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) or entity(ies) connected with him 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:
    - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) or entity(ies) connected with him may benefit; or
    - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associates, entity(ies) connected with him and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s) or entity(ies) connected with him, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
  - (iv) any contract or arrangement in which the Director or his associate(s) or entity(ies) connected with him is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (2) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or any of his associates or entities connected with him (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned or his associates or entities connected with him as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting, such question shall be decided by a resolution of the Board (for which purpose such chairman shall not 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 associates or entities connected with him as known to such chairman has not been fairly disclosed to the Board.

- 91A. For the purposes of Articles 90 and 91, references to an entity connected with a Director shall be construed in accordance with section 486 of the Ordinance.

### **POWERS AND DUTIES OF THE BOARD**

92. The business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise which are not by the Ordinance of the Company or otherwise) which are not by the Ordinance or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Ordinance and of these Articles and to such regulations, being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
93. The Board may establish any 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 boards, may appoint any managers or agents (and in particular, but without limitation, may appoint any company, firm or person to be the Company's investment manager), and may in each case fix their remuneration. The Board may delegate to any such board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board, with power to sub-delegate, and may authorise the members of any such board or any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.
94. The Board may by power of attorney 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.
95. The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
96. The Company may exercise all the powers conferred by the Ordinance with regard to having official seals, and such powers shall be vested in the Board.
97. Subject to the provisions of the Ordinance, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such regulations as it may think fit respecting the keeping of any such register.

98. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
99. The Board shall cause minutes or records to be made in books provided for the purpose:-
- (a) of all appointment of officers made by the Board;
  - (b) of the names of the Directors present at each meeting of the Board or committee of the Board; and
  - (c) of all resolutions and proceedings at all meetings of the Company and of the holders of any class of shares in the Company and of the Board and of any committee of the Board.
100. The Board on behalf of the Company may exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any Director or former Director or the relations, connections or dependants of any Director or former Director provided that no pension, annuity or other allowance or benefit (except such as may be provided for by any other Article) shall be granted to a Director or former Director who has not been an Executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of a Director or former Director without the approval of an ordinary resolution of the Company. A Director or former Director shall not be accountable to the Company or the Members for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

#### **PROCEEDINGS OF THE BOARD**

101. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting.
102. Notice of a meeting of the Board shall be given to all directors and may be given in any manner, including in writing or by cable or telex or facsimile transmission or by telephone or otherwise orally. Any Director may waive notice of any meeting and any such waiver may be retroactive. Any earlier than notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from Hong Kong. A Director may waive notice of any meeting either prospectively or retrospectively.
103. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

104. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.
105. The Board may elect a Chairman and one or more Deputy Chairman of its meetings and determine the period for which they are respectively to hold such office. If no such Chairman or Deputy Chairman is elected, or if at any meeting neither the Chairman nor any Deputy Chairman is present within five minutes after the time appointed for holding the same, the Directors present may choose one of their members to be chairman of the meeting.
106. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
107. The Board may delegate any of its powers, authorities and discretions to any committee, consisting of such Directors of the Company and such other persons as it thinks fit, provided that the majority of the members of any such committee are Directors of the Company and that no meeting of any such committee shall be quorate for the purpose of exercising any of such powers authorities or discretions unless a majority of those present are Directors of the Company. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.
108. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.
109. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (provided that number is sufficient to constitute a quorum) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.
110. All acts done by the Board or by any committee or by any person acting as a Director or member of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

#### **SECRETARY**

111. The Secretary shall be appointed by the Board on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Board, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Board may also appoint from time to time on such terms as they may think fit one or more Assistant Secretaries.

## **SEALS**

112. (A) Subject to the Ordinance and the Listing Rules, the Directors shall provide for the safe custody of the Seal if there is such Seal. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board and (except as hereinafter provided) two Directors or one Director and the Secretary or such other person or persons as the Board may from time to time by resolution appoint for the purpose shall sign every instrument to which the Seal is so affixed.
- (B) Subject to the Ordinance and the Listing Rules, every certificate of shares, debentures or debenture stock of the Company may be issued under the Seal or a Securities Seal provided that, with the authority of a resolution of the Board, any such certificate may be issued under the Seal or a Securities Seal but without such signatures or with such signatures made or affixed by means of some mechanical method or system.
- (C) The Company may exercise the powers conferred by the Ordinance with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

## **DIVIDENDS**

113. Subject to the Ordinance and as hereinafter set out, the Company in general meeting may from time to time declare dividends to be paid to the shareholders according to their rights in the profits available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board. Surpluses arising from the revaluation of investments shall not be available for dividend.
114. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:-
- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for this purpose as paid-up on the share; and
- (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividends are paid.
115. The Board may from time to time pay to the shareholders such interim dividends as appear to the Board to be justified by the position of the Company; the Board may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such position, in the opinion of the Board, justifies such payment. If the share capital is divided into different classes, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. Provided the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
116. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
117. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.



118. (A) In respect of any dividend proposed to be paid or declared by the Board or by the Company in general meeting, the Board may propose and announce prior to or contemporaneously with the payment or declaration of such dividend:-
- (i) that such dividend by satisfied wholly or in part in the form of an allotment of shares credited as fully paid up provided that Members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:-
    - (a) the basis of any such allotment shall be determined by the Board;
    - (b) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
    - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
    - (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ('the non-elected shares') and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of any of the Company's reserve accounts or profit and loss account or amounts otherwise available for distribution as the Board may determine such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or
  - (ii) that Members entitled to such dividend be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:-
    - (a) the basis of any such allotment shall be determined by the Board;
    - (b) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
    - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;

- (d) the dividend (or that part of dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ('the elected shares') and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of any of the Company's reserve accounts or profit and loss account or amounts otherwise available for distribution as the Board may determine such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.
  - (B) Any allotment of shares pursuant to paragraph (A) of this Article shall be subject to members' approval pursuant to section 141 of the Ordinance. The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:-
    - (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
    - (ii) in any other distribution, bonus or right paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of its proposal to apply the provisions of sub-paragraph (i) and (ii) of paragraph (A) of this Article in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Article shall rank for participation in such distribution, bonus or rights.
  - (C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of the Article with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled or are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into, on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
119. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

## **UNCLAIMED DIVIDENDS**

120. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
121. Any general meeting declaring a dividend may be ordinary resolution or, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board.

## **RESERVES**

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

## **CAPITALISATION OF PROFITS**

123. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full the issue price of any shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution.
124. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

## **RECORD DATES**

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

## **ACCOUNTING RECORDS**

126. The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Ordinance.
127. The accounting records shall be kept at the Office or subject to the Ordinance, at such other place or places as the Board may think fit and shall always be open to inspection by the officers of the Company. No Member (other than an officer of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board.
128. A copy of the reporting documents for the financial year as are required by law to be laid before the Company in general meeting shall be sent to each person entitled thereto in accordance with the requirements of the Ordinance and at least 21 days before the date of the general meeting, and copies shall also be sent in appropriate numbers to The Stock Exchange of Hong Kong Limited in accordance with the terms of any listing agreement for the time being binding on the Company or with the continuing obligations binding on the Company by virtue of any listing. 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 Ordinance, the Listing Rules and any other applicable laws, rules and regulations. For the purpose of this Article 128, "reporting documents" and "summary financial report" shall have the meaning ascribed to them in the Ordinance.

## **AUDIT**

129. Auditors shall be appointed and their duties regulated in accordance with the Ordinance.

## **NOTICES**

130. Subject to the Ordinance, any notice from the Company to a Member shall be given in writing or by cable, telex or facsimile transmission message and any such notice and (where appropriate) any other document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address or at any other address supplied by him to the Company for the giving of notice to him or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the Member or may also be served by advertisement in both an English language daily newspaper and a Chinese language daily newspaper circulating in Hong Kong in accordance with the requirements of The Stock Exchange of Hong Kong Limited or may also be served by publishing it on a website. In the case of joint holders of a share all notices shall be given to that one of joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

131. All notices required to be given to members shall, with respect to any shares to which persons are jointly entitled, be given to whichever of such persons is named first in the Register of Members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
132. Subject to the Ordinance, any notice or other document:-
- (a) if served or delivered by post, shall be sent airmail where appropriate and shall be deemed to have been served or delivered on the second business day after the day on which the envelope containing the same is put into the post; and in proving such service or delivery it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post and a certificate in writing signed by or on behalf of the Secretary, the Registrars or other officer of the Company that the envelope containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
  - (b) if published on the Company's website, shall be deemed to be served on the day on which the notice or document is published on the Company's website; and
  - (c) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by or on behalf of the Secretary, the Registrars or other officer of the Company as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof.
133. Any notice or document delivered or sent by post to, or left at, the registered address of any member or any other address supplied by him to the Company for the giving of notice to him shall, if such member be then deceased, and whether or not the Company has notice of his death, be deemed to have been duly served on his legal personal representatives.
134. Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which, prior to his name and address being entered in the Register of Members as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share.

#### **DESTRUCTION OF DOCUMENTS**

135. The Company may destroy:-
- (a) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
  - (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate variation cancellation or notification was recorded by the Company;
  - (c) any instruction of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
  - (d) any other document on the basis of which any entry in the Register is made at any time after the expiry of six years from the date an entry in the Register was first made in respect of it;

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

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

#### **WINDING UP**

136. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other assets upon which there is any liability.

#### **INDEMNITY**

137. Every Director, Executive Director, manager, secretary, officer and auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Executive Director, manager, secretary, officer or auditor in defending any proceedings, whether civil or criminal, to the extent permitted by the Ordinance.

## SIGNATURES

138. For the purposes of these Articles, a cable or telex or facsimile transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares, from a Director of the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
<p>(Sd.) John Tsang Chun Pong John Tsang Chun Pong (曾振邦) Block 15 on 8th floor, Fontana Gardens, Causeway Bay. Solicitor</p>	<p>One</p>
<p>(Sd.) Ng Yuk Pui Ng Yuk Pui (吳煜培) 104, Wellington House, Hong Kong. Merchant</p>	<p>One</p>
<p>Total Number of Shares Taken.....</p>	<p>Two</p>