

NEW ARTICLES OF ASSOCIATION

*(As altered by Special Resolution passed on 13th September, 2006,*

*Special Resolution passed on 30th August, 2012*

*and Special Resolution passed on 2 September, 2014)*

OF

**GOLD PEAK INDUSTRIES (HOLDINGS) LIMITED**

金山工業（集團）有限公司

*(Name changed on 7 - 4 - 1995)*

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*Incorporated the 30th day of June, 1977.*

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The English text of these Articles of Association shall prevail over the Chinese text.

THE COMPANIES ORDINANCE (CHAPTER 622)

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Company Limited by Shares

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NEW ARTICLES OF ASSOCIATION

(As altered by Special Resolution passed on 13th September, 2006,  
Special Resolution passed on 30th August, 2012  
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OF

**GOLD PEAK INDUSTRIES (HOLDINGS) LIMITED**

金山工業(集團)有限公司

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**Interpretation**

1. The marginal notes to these Articles shall not affect the construction hereof, and in the interpretation and construction of these Articles unless there be something in the subject or context inconsistent therewith:-

"associate" shall have the meaning ascribed thereto in the Listing Rules;

"Auditors" means the persons for the time being performing the duties of that office;

"business day" means any day on which the Stock Exchange is open for the business of dealing in securities;

"Capital" means the share capital from time to time of the Company;

"the Chairman" means the Chairman presiding at any meeting of members or of the Board;

"clearing house" shall mean a recognised clearing house as defined under Schedule 1 to the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong) as amended from time to time;

"Companies Ordinance" or "the Ordinance" means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and any amendments thereto for the time being in force and includes every other ordinance substituted therefor;

"the Company" or "this Company" means GOLD PEAK INDUSTRIES (HOLDINGS) LIMITED  
金山工業(集團)有限公司;

"Connected Entity" has the meaning ascribed to it under sections 486 to 488 of the Ordinance;

"Directors" or "Board" means the Directors from time to time of the Company and includes any committee of the Board duly constituted for the purposes relevant in the context or (as the context may require) the majority of Directors present and voting at a meeting of Directors or any such committee at which a quorum is present;

"dividend" includes bonus;

"dollars" means dollars legally current in Hong Kong;

"electronic communication" means a communication sent by electronic transmission in any form through any medium;

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China;

"Listing Rules" means The Rules Governing the Listing of Securities on the Stock Exchange;

"month" means a calendar month;

"newspaper" means a newspaper published daily and circulating generally in Hong Kong and specified in the list of newspapers issued and published in the Gazette for the purposes of Section 203 of the Companies Ordinance by the Chief Secretary for Administration;

"the register" means the register of members to be kept pursuant to the provisions of the Companies Ordinance;

"relevant financial documents" means the documents required to be sent under section 403 of the Companies Ordinance;

"seal" means the common seal or any other official seal from time to time of the Company;

"Secretary" means the person, firm or corporation for the time being performing the duties of that office;

"share" means share in the capital of the Company and includes stock except where otherwise stated or where a distinction between stock and shares is expressed or implied;

"shareholders" or "members" means the duly registered holders from time to time of the shares in the capital of the Company;

"Stock Exchange" means the Stock Exchange of Hong Kong Limited;

"summary financial report" means "summary financial report" as defined in section 357(1) of the Companies Ordinance;

"these Articles" means the present Articles of Association and all supplementary, amended or substituted Articles for the time being in force;

"writing" or "printing" includes any method of representing or reproducing words in legible and non-transitory form including by way of electronic communication;

Words denoting the singular include the plural and vice versa.

Words importing the masculine gender include the feminine gender and vice versa.

Words importing persons include companies and corporations.

Subject as aforesaid, any words and expressions which are defined in the Ordinance in force at the date these Articles or any part thereof are adopted shall if not inconsistent with the subject or context bear the same meaning in these Articles.

References to a document being executed include references to its being executed (i) under hand or under seal or (ii) to the extent permitted by and in accordance with any applicable law, by electronic signature or any other method. References to a document include, to the extent permitted by and in accordance with applicable law, references to any information recorded in visible form whether having physical substance or not. References to an address include, in relation to electronic communication, any number or address used for the purposes of such communication.

References to a "day" mean a period of 24 hours running from midnight to midnight. References to times (including in the previous sentence) are to Hong Kong time.

#### **Table A and Model Articles**

2. No regulations contained in any schedule to any Ordinance or any subsidiary legislation concerning companies shall apply to the Company.

#### **The Company**

3. (i) \* The name of the Company is "GOLD PEAK INDUSTRIES (HOLDINGS) LIMITED 金山工業(集團)有限公司".
- (ii) The liability of the members of the Company is limited.
- (iii) There is no limit on the maximum number of shares of any class which the Company may issue.

\*Notes:

1. The name of the Company was changed to "GOLD PEAK INDUSTRIES (HOLDINGS) LIMITED 金山實業(集團)有限公司" by a Special Resolution passed on 7th April 1982.
2. The name of the Company was further changed to "GOLD PEAK INDUSTRIES (HOLDINGS) LIMITED 金山工業(集團)有限公司" by a Special Resolution passed on 13th March 1995.

#### **Share Capital and Modification of Rights**

- 4.(a) Without prejudice to any special rights previously conferred on the holders of existing shares, any share in the Company may be issued with such preferred, deferred, or other special rights or privileges, or such restrictions, whether in regard to dividend, voting, return of share capital, or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine), and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company is liable, to be redeemed on such terms and in such manner as the Company before the issue of its shares may by Special Resolution determine.

- (b) The Directors may issue warrants to subscribe for any class of shares or securities of the Company on such terms as they may from time to time determine. Where share warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the directors are satisfied beyond reasonable doubt that the original has been destroyed.

5. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of such class. To every such separate general meeting the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be 2 persons at least holding or representing by proxy one-third of the issued shares of such class and that any holder of shares of such class present in person or by proxy may demand a poll.

### **Shares and Increase of Capital**

6. The Company in general meeting may from time to time, whether all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution increase its share capital by the creation of new shares, such new capital to be of such amount as the resolution shall prescribe.

6A. The Company may exercise any powers conferred on the Company or permitted by or not prohibited by or not inconsistent with the Ordinance or any other applicable ordinance, statute, act or law from time to time to acquire shares in the Company or to give directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company and should the Company acquire its own shares neither the Company nor the Board shall be required to select the shares to be acquired rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such acquisition or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by the Stock Exchange or the Securities & Futures Commission from time to time.

7. Without prejudice to any special rights previously conferred on the holders of existing shares, any new shares shall be issued upon such terms and conditions and with such preferred, deferred, or other special rights or privileges, or such restrictions, whether in regard to dividend, voting, return of share capital, or otherwise, as the Company in the general meeting resolving upon the creation thereof shall determine or, in the absence of any such determination, as the Directors may determine.

8. The Company may by ordinary resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance to all the existing holders of any class of shares in proportions as nearly as may be to the number of shares of such class held by them respectively, or make any other provisions as to the issue and allotment of the new shares, but in default of any such determination, or so far as the same shall not extend, the new shares may be dealt with as if they formed part of the shares in the capital of the Company existing prior to the issue of the new shares.

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

10. Subject to the provisions of the Ordinance and of these Articles relating to new shares, the Board may allot, grant rights to subscribe for shares of the Company or to convert any securities into shares of the Company, or otherwise dispose of them to such persons, at such times, and on such terms and conditions as it shall in its absolute discretion think fit.

11. If any shares in the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Ordinance, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings, or the provision of plant.

12. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

### **Register of Members and Share Certificates**

13. Subject to the provisions of any share incentive scheme for employees, every person whose name is entered as a member in the register shall be entitled without payment to receive within two months after allotment or within ten business days after lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a Stock Exchange board lot, upon payment, in the case of a transfer, of such amount as may from time to time be permitted under the rules prescribed by the Stock Exchange, such number of certificates for shares in Stock Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

14. Every certificate for shares or debentures of representing any other form of security of the Company shall be issued under the seal or under the official seal kept by the Company and affixed with the authority of the Directors under the Ordinance and shall specify the shares to which it relates and the amount paid up thereon.

15. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon, and may otherwise be in such form as the Directors may from time to time prescribe.

16. If any share shall stand in the names of two or more persons, the person first named in the register shall as regards service of notices and subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share, be deemed the sole holder thereof.

17. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of a fee of such amount as may from time to time be permitted under the rules prescribed by the Stock Exchange and on such terms, (if any) as to evidence and indemnity and the payment of out-of-pocket-expenses of the Company of investigating evidence as the directors think fit.

### **Lien**

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

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

20. The net proceeds of such sale after the payment of the costs of such sale shall be received by the Company and applied in or towards payment or satisfaction of such part of the amount of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities or engagement not presently payable as excited upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Directors may authorise some person to transfer the shares comprised in any such transfer sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

### **Calls on Shares**

21. The Directors may from time to time make such calls as they may think fit upon the members in respect of any moneys unpaid on the shares held by them respectively and not by the conditions of allotments thereof made payable at fixed times. A call may be made payable either in one lump sum or by instalments. The Directors may make arrangements on the issue of shares to differentiate between the allottees or shareholders as to the amount of calls to be paid and in the times of payment. The provisions of these Articles with respect to calls may in any share incentive scheme for employees approved by the Company be varied with respect to any shares issued pursuant to such scheme.

22. Fourteen days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

23. A copy of the notice referred to in Article 22 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.

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

25. Notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members by notice to be inserted once in The Hong Kong Government Gazette and once at least in both an English newspaper and a Chinese newspaper.

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

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

28. The Directors may from time to time and at their absolute discretion extend the time fixed for any call, and may similarly extend such time as to all or any of the members, whom from residence outside Hong Kong or other cause the directors may deem entitled to any such extension, but no member shall be entitled to any such extension except as a matter of grace and favour.

29. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest for the same at such rate not exceeding twenty per cent per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may in its absolute discretion waive payment of such interest wholly or in part.

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

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

32. Any sum which by the terms of allotment of a share is made payable upon allotment, or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified.

33. The Directors may, if they think fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) as the Directors may decide provided that not until a call is made any payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the shares or the due portion of the shares upon which payment has been advanced by such member before it is called up. The Directors may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of their intention in that regard, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

### **Transfer of Shares**

34. All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Directors may accept and may be under hand only, or if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time. All instruments of transfer must be left at the registered office or at such other place as the Directors may appoint.

35. The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

36. The Board may, in its absolute discretion, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

37. The Directors may also decline to recognise any instrument of transfer unless:-

- (a) a fee of such amount as may from time to time be permitted under the rules prescribed by the Stock Exchange is paid to the Company in respect thereof;
- (b) the instrument of transfer is accompanied by certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (c) the instrument of transfer is in respect of only one class of share; and
- (d) the instrument of transfer is properly stamped.

38. No transfer shall be made to an infant or to a person of unsound mind or under any other legal disability.

39. Upon every transfer of shares, the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor, a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the instrument of transfer.

40. The registration of transfers may be suspended and the register closed at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of share, provided always that such registration shall not be suspended nor the register closed for more than thirty days in any year.

### **Transmission of Shares**

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

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

43. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing to his nominee a transfer of such share. 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 transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member.

44. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Directors may, if they think fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 82 being met, such a person may vote at meetings.

### **Forfeiture of Shares**

45. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.

46. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

47. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share, and not actually paid before the forfeiture, all other interests in the share, all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share between the person whose share it was prior to the forfeiture and the Company.

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

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



50. A statutory declaration in writing that the declarant is a Director or Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

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

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

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

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

55. Intentionally deleted.

56. Intentionally deleted.

57. Intentionally deleted.

58. Intentionally deleted.

#### **Alteration of Capital**

59. (a) The Company may from time to time by ordinary resolution: -

- (i) converting all or any of its share capital into shares of a larger or smaller amount than its existing shares provided that in the case of conversion of shares into a smaller number of shares, the resolution of the Company where any share is to convert may determine as between the holders of the shares resulting from such conversion, one or more of the shares may have any such preferred or other special rights over, or may have such deferred or qualified rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to new shares; and
- (ii) cancelling any shares which at the date of the passing of the resolution have not been taken or agreed to be taken up by any person, or which have been forfeited and reduce its share capital by the amount of the shares so cancelled;

(b) The Company may from time to time:

- (i) by ordinary resolution increase its share capital, capitalize its profits, or allot and issue bonus shares as referred to in section 170(2) of the Ordinance, provided that the Board must not exercise any power conferred on it to allot shares in the Company without the prior approval of the Company by ordinary resolution as the approval is required under section 140 of the Ordinance;
- (ii) by ordinary resolution redenominated its share capital by converting its share capital of any class of shares from one currency to another currency on more than one occasion or at a specified time or in specified circumstances; and

- (iii) by special resolution and subject to any confirmation or consent required by the Ordinance, reduce its issued share capital in any manner in accordance with the Ordinance.

### **Borrowing Powers**

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

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

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

63. Any debentures, debenture stock, bonds or other securities may be issued with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

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

65. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

### **General Meetings**

66. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next or such longer period as the Registrar of Companies may in any particular case authorise in writing. The annual general meeting shall be held at such time and place as the Directors shall appoint, and may be held at two or more places using any technology that enables the members who are not together at the same place to listen, speak and vote at the meeting.

67. Intentionally deleted.

68. The Directors may, whenever they think fit, convene a general meeting, and general meetings shall also be convened on requisition as provided by the Companies Ordinance, or, in default, may be convened by the requisitionist as so provided.

69. An annual general meeting shall be called by 21 days' notice in writing at the least, and a meeting of the Company other than an annual general meeting shall be called by 14 days' notice in writing at the least. 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, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall:

- (i) be in writing;
- (ii) specify the date and time of the meeting;
- (iii) specify the place of the meeting (and if the meeting is to be held in two or more places, the principal place of meeting);
- (iv) state the general nature of the business to be dealt with at the meeting;

- (v) in case of a notice calling an annual general meeting, state that the meeting is an annual general meeting;
- (vi) if a resolution (whether or not a special resolution) is intended to be moved at the meeting:
  - (a) include notice of the resolution; and
  - (b) include or be accompanied by a statement containing the information and explanation, if any, that is reasonably necessary to indicate the purpose of the resolution;
- (vii) if a special resolution is intended to be moved at the meeting, specify the intention and include the text of the special resolution; and
- (viii) contain a statement specifying a Member's right to appoint a proxy under section 596(1) and (3) of the Ordinance.

69A. If the Board considers that it is impractical or undesirable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone or move the general meeting to another date, time and/or place. The Board shall take reasonable steps to ensure that notice of the date, time and place of the rearranged meeting is given to any member trying to attend the meeting at the original time and place. Notice of the date, time and place of the rearranged meeting shall, if practicable, also be placed in at least one English language newspaper and one Chinese language newspaper in Hong Kong. Notice of the business to be transacted at such rearranged meeting shall not be required. If a meeting is rearranged in this way, the appointment of a proxy will be valid if it is received as required by these Articles not less than 48 hours before the time appointed for holding the rearranged meeting. The Board may also postpone or move the rearranged meeting under this Article.

70. (a) The accidental omission to give any such notice to, or the non-receipt of any such notice by any person entitled to receive such notice shall not invalidate any resolution passed or any proceeding at any such meeting.

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

### **Proceedings at General Meetings**

71. Intentionally deleted.

72. For all purposes the quorum for a general meeting shall be three members present in person or by proxy and entitled to vote. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting.

73. If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Directors, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members present in person and entitled to vote shall be a quorum and may transact the business for which the meeting was called.

74. The Chairman of the Directors shall take the chair at every meeting, or, if there be no such Chairman or, if at any general meeting such Chairman shall not be present within five minutes after the time appointed for holding such meeting, the members present and entitled to vote shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members present and entitled to vote shall choose one of their own member to be Chairman.

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

adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

76. A resolution put to the vote of a meeting shall be decided by way of a poll save that the Chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purpose of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its members; and (ii) relate to the Chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all members a reasonable opportunity to express their views. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:-

- (a) by the Chairman; or
- (b) by at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof the number or proportion of the votes recorded in favour or against such resolution. The demand for a poll may be withdrawn.

77. If a poll is demanded as aforesaid, it shall (subject as provided in Article 78) be taken in such manner (including the use of ballot or voting papers or tickets) and at such place, and time not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

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

79. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

80. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

### **Votes of Members**

81. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised under section 606 of the Ordinance, shall have one vote, and on a poll every member present in person or by proxy shall have one vote for every fully paid share of which he is the holder, but no amount paid or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share. On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

82. Any person entitled under Article 42 to be registered as a shareholder may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares; provided that forty-eight hours at least before the time of the holding of the meeting or adjourned meeting as the case may be at which the proposes to vote he shall satisfy the directors of his entitlement to such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

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

84. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in cases of mental disorders, may vote whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll as the case may be.

85. (a) Save as herein expressly provided, no person other than a member duly registered and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares and is entitled to attend and vote, shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum at any general meeting.

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

85A. Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

86. On a poll, votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

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

88. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office, or at such other place as is specified in the notice of meeting or in the instrument of proxy issued by the Company, (a) in the case of a general meeting or adjourned general meeting, at least 48 hours before the time for holding the meeting or adjourned meeting; and (b) in the case of a poll taken more than 48 hours after it was demanded, 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.

89. Every instrument of proxy, whether for a specified meeting or otherwise, shall as nearly as circumstances will permit be in the form specified in the Schedule to these Articles or in such other form or to such other effect as the Directors shall from time to time or at any time notwithstanding the form in the said Schedule approve.

90. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority to demand or join in demanding a poll and to vote on any resolution (or amendment of a resolution) put to the meeting for which it is given as the proxy thinks fit: and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

91. A vote given in accordance with the terms provided any form issued to a member for use by him for appointing a proxy to attend and vote at a general meeting at which any business is to be transacted, shall be such as to enable the member, according to his intention, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business of an instrument of proxy shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given provided that no intimation in writing of such death, unsoundness of mind, revocation or transfer as aforesaid shall have been received by the Company at the registered office, or at such other place as is referred to in Article 88 two hours prior to the commencement of the meeting or adjourned meeting or poll as the case may be at which the proxy is used.

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

92A. If a clearing house or a nominee of a clearing house is a member of the Company, it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorized. A person so authorised under the provisions of these Articles shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual member of the Company.

#### **Registered Office**

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

#### **Board of Directors**

94. The number of Directors shall not be less than four.

95. Without prejudice to the power of the Company in general meeting in accordance with any of the provisions of these Articles to appoint any person to be a Director, the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next general meeting of the Company (in the case of filling a casual vacancy) or until the next annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at the meeting.

96.(a) Any Director may at any time by notice in writing delivered to the registered office of the Company or at a meeting of the Directors appoint any person (including another Director) to be his alternate Director for such period of absence from Hong Kong or such period of unavailability due to illness or disability or for such meeting as may be specified therein and may in like manner, at any time determine such appointment. Such appointment unless previously approved by the Directors, shall have effect only upon and subject to being so approved.

(b) The appointment of an alternate Director shall be determined on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointer, ceases to be a Director.

(c) An alternate Director shall (except when absent from Hong Kong, for which purpose he shall be deemed absent from Hong Kong on any day if he has given to the Secretary notice of his intention to be absent from Hong Kong for any period including such day and has not revoked such notice) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointer as a Director, and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointer) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointer is for the time being absent from Hong Kong or temporarily unable to act through ill-health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his

appointer. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointer is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

(d) An alternate Director shall be entitled to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointer as such appointer may by notice in writing to the Company from time to time direct.

(e) A Director who has appointed a person (including another Director) to be his alternate Director shall not be vicariously liable for any tort committed by the alternate Director while acting in the capacity of alternate Director.

97. A Director need not hold any qualification shares but shall nevertheless be entitled to receive notice of and to attend and speak at all general meetings of the Company and at all separate meetings of all classes of shares of the Company.

98. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree or failing agreement equally except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during the period for which he has held office.

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

100. The Board may grant special remuneration to any Director who being called upon shall perform any special or extra services to the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.

101. Notwithstanding the foregoing Articles 98, 99 and 100, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide, such remuneration shall be in addition to his remuneration as a Director.

102. (1) A Director shall vacate his office: -

- (a) If he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors.
- (b) If he becomes of unsound mind.
- (c) If he absents himself from the meetings of the Board during a continuous period of six months without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead; and the Board passes a resolution that he has by reason of such absence vacated his office.
- (d) If he becomes prohibited from being a Director by reason of any provision of the Companies Ordinance.
- (e) If by notice in writing delivered to the Company at its registered office he resigns his office.

- (f) If he shall be removed from office by notice in writing served upon him signed by all his co-Directors.
- (g) If having been appointed to an office under Article 104 hereof he is dismissed or removed therefrom by the Board under Article 105.

(2) No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.

103. (1)(a) Subject to sub-paragraph (1)(b) of this Article and the Ordinance, no Director or intended Director shall be disqualified by his office from contracting, transacting or entering into any form of arrangement by himself or by his Connected Entity with the Company either as vendor purchaser or otherwise nor shall any such contract, transaction or arrangement or any contract, transaction or arrangement entered into by or on behalf of the Company with any person company or partnership of or in which any Director or his Connected Entity shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director or his Connected Entity so contracting, transacting or entering into arrangement or being such member or so interested be liable to account to the Company for any profit realised by any such contract, transaction or arrangement by reason only of such Director or his Connected Entity holding that office or the fiduciary relationship thereby established provided always that such Director or his Connected Entity shall forthwith disclose the nature of his interest in any contract, transaction or arrangement in which he or his Connected Entity is interested as required by and subject to the provisions of the Ordinance.

(b) If a Director is reasonably aware that he or his Connected Entity is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement, or a proposed contract, transaction or arrangement, with the Company that is significant in relation to the Company's business and the interest is material, he shall declare the nature and extent of his interest or his Connected Entity's interest in any one of the following manners:

- (i) at the meeting of the Board at which the question of entering into the contract, transaction or arrangement is first taken into consideration, if the Director knows his interest or his Connected Entity's interest then exists, or in any other case at the first meeting of the Board after he knows that he or his Connected Entity is or has become so interested;
- (ii) by notice in writing and sent by the Director to the other Directors, in which case the making of the declaration is to be regarded as forming part of the proceedings at the next Board meeting after the notice is given and the Company must cause such declaration of interest to be recorded in the minutes of that Board meeting;
- (iii) by giving a general notice to the Board by the Director to the effect that (a) he or his Connected Entity has an interest (as a member, officer, employee or otherwise) in a body corporate or firm specified in the notice and the Director is to be regarded as interested in any contract, transaction or arrangement that may, after the effective date of the notice, be entered into with the specified body corporate or firm or (b) he is to be regarded as interested in any contract, transaction or arrangement that may, after the effective date of the notice, be entered into with a person specified in the notice (other than a body corporate or firm) who is connected with him or his Connected Entity, shall be deemed to be a sufficient declaration of interest in relation to any such contract, transaction or arrangement. Within 15 days after the day on which the Company receives the general notice under this Article, the Company must send a copy of such notice to other Directors of the Company.

(c) Subject to sub-paragraphs (1)(d) and (1)(i) of this Article and provided such disclosure is made as aforesaid, a Director shall be entitled to vote in respect of any contract, transaction or arrangement in which he is interested and to be counted in quorum present at the meeting at which such contract, transaction or arrangement is considered.



(d) Save as otherwise provided by the Articles, a Director shall not vote on any resolution of the Board approving any contract, transaction or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting, 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) 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) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) Intentionally Deleted;
- (iv) any transaction, 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) 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 associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract, transaction or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (e) Intentionally Deleted.
- (f) Intentionally Deleted.

(g) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting 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 and/or his associate(s) as known to such chairman has not been fairly disclosed to the Board.

(h) Subject to section 423 of the Ordinance, the Company may by Ordinary Resolution ratify any transaction not duly authorised by reason of a contravention of this Article provided that no Director who is materially interested in such transaction together with any of his associate, shall vote upon such Ordinary Resolution in respect of any shares in the Company in which he is interested.

(i) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).

(j) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to such Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof).

(k) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and may be paid such extra remuneration therefor (whether by way of salary, commission, or otherwise) (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company or voting or providing for payment of remuneration to the directors of such other company) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

(2) A Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.

(3) Any Director may act in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional service as if he were not a Director: Provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

#### **Managing Director etc.**

104. The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 101.

105. Every Director appointed to an office under Article 104 hereof shall subject to the provisions of any contract between himself and the Company with regard to his employment in such office.

106. A Director appointed to an office under Article 104 hereof shall be subject to the same provisions as to removal as the other Directors of the Company and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he ceases to hold the office of Director for any cause.

107. The Directors may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Directors that they may think fit. But the exercise of all powers by such Directors shall be subject to such regulations and restrictions as the Directors may from time to time make and impose, and the said powers may at any time be withdrawn revoked or varied.

### **Powers of Directors**

108.(a) Subject to any exercise by the Directors of the powers conferred by Articles 107, 109, 110, 111, 123, 134 and 135 hereof, the management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities by these Articles expressly conferred upon them, may exercise all such acts and things as may be exercised or done by the Company and are not hereby or by the Ordinance expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Articles: Provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

(b) Without prejudice to the general powers conferred by these Articles it is hereby expressly declared that the Directors shall have the following powers: -

- (i) To give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed.
- (ii) To give to any Directors officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

### **Managers**

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

110. The appointment of such general manager, manager or managers, may be for such period as the Directors may decide, and the Directors may confer upon him or them all or any of the Powers of the Director as they may think fit.

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

### **Rotation of Directors**

112. Notwithstanding any other provisions in these Articles, every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years at the annual general meeting. The retiring director shall be eligible for re-election.

113. The Company at any general meeting at which any Directors retire in manner aforesaid may fill up the vacated offices by electing a like number of persons to be directors.

114. If at any general meeting at which an election of Directors ought to take place and the place of a retiring Director is not filled up, the retiring Director shall be deemed to have been re-elected and shall if willing continue in office until the next annual general meeting and so on from year to year until his place is filled up, unless it shall be expressly resolved at such meeting to reduce the number of Directors or not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to such meeting and lost.

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

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

117. Subject to compliance with the requirements of the Ordinance, the Company may by ordinary resolution remove any Director (including a managing or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director, and may elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed.

### **Proceedings of the Directors**

118. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum but notwithstanding that an alternate Director is an alternate for more than one Director he shall for quorum purposes count as only one director. A Director shall be deemed to be present in person at a meeting and will be entitled to vote and be counted in the quorum if he participates by telephone or any communication equipment or electronic means which allows all persons participating in the meeting to speak to and hear each other. Such meeting will be treated as taking place where most of the participants are or where the chairman of the meeting is if no more than one participant is in each place or if there are two or more places where most of the participants are.

119. A Director may and, on the request of a Director, the Secretary shall at any time summon a meeting of the Board. Notice thereof shall be given to each Director either in writing or by telephone or by telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine. Provided however that notice need not be given to any Director for the time being absent from Hong Kong.

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

121. The Directors may elect a Chairman of their meetings and determine the period (not being a period extending beyond that date of the annual general meeting at which such Chairman is due to retire by rotation under Article 112) for which he is to hold office but if no such Chairman is elected or if at any meeting the Chairman is not present or is unwilling so to act within five minutes after the time appointed for holding the same the Directors present may choose one of their member to be Chairman of the meeting.

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

123. The Directors may delegate any of their powers to committee consisting of such member or members of their body as the Directors think fit and they may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part and either as to person or purposes but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Directors.

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

125. The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors.

126. All acts bona fide done by any meeting of the Directors or by a committee of Directors or by any person acting as a Director shall notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that he had by virtue of Article 102 (1) ceased to be a Director be as valid as if every such person had been duly appointed and had not ceased to be a Director.

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

128. A resolution in writing signed by all the Directors in Hong Kong except such as are temporarily unable to act through ill-health or disability and all the alternate Directors in Hong Kong whose appointers are absent from Hong Kong or are temporarily unable to act as aforesaid shall (so long as they constitute a quorum as provided in Article 118) be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held and may consist of several documents certified in advance by the Secretary of the Company in like form each signed by one or more of the Directors or alternate Directors.

### **Secretary**

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

130. The secretary shall be an individual ordinarily residing in Hong Kong.

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

### **Management — Miscellaneous**

132.(a) The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Board for the purpose. Provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that certificates need not be signed by any person. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

(b) The Company may have an official seal for use abroad under the provisions of the Ordinance where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and they may impose restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

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

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

(b) The Company may, by writing under its common seal, empower any person, either generally or in respect of any specified matter, as its attorney, to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf in any place not situate within Hong Kong, and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the common seal of the Company.

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

136. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

### **Capitalisation of Reserves**

137.(a) The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of the dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members holding ordinary shares in proportion to the number of ordinary shares (whether or not fully paid) held by them respectively on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportions aforesaid or partly in the one way and partly in the other, and the Directors shall give effect to such resolution.

(b) Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issue of fully paid up shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise (including provision for the benefit of fractional entitlements to accrue to the Company rather than to the members concerned) as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto, into

an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such members.

137A. Intentionally deleted.

### **Dividends and Reserves**

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

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

(b) The Board may also pay half yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.

140.(A) No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest.

(B) For so long as any share issued under any share incentive scheme for employees remains subject to restrictions on dividends, voting and transfer imposed thereby, but without prejudice to the entitlement of the holder of such share to participate in any distribution on capitalization of reserves under Article 137, no dividend whether payable in cash or in specie or by way of allotment of fully paid shares under Article 141 hereof shall be declared or paid on such Share.

141.(A) Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Directors may further resolve:-

- (i) That such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:-
  - (a) the basis of any such allotment shall be determined by the Directors;
  - (b) the Directors, after determining the basis of allotment shall give not less than two weeks' notice in writing to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (c) the right of election may be exercised in whole or in part; and
  - (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 satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise

and apply out of any part of the undivided profits of the Company including profits carried and standing to the credit of any reserve or reserves or other special account as the Directors 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 the shareholders entitled to such dividend be entitled to elect to receive an allotment of shares credited its fully paid in lieu of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:-

- (a) the basis of any such allotment shall be determined by the Directors;
- (b) the Directors, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in whole or in part;
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account as the Directors 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) (i) The shares allotted pursuant to the provisions of paragraph (A) shall rank *pari passu* in all respects with the shares of the same class (if any) of shares then in issue save only as regards participation in the relevant dividend.

(ii) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) with full power to the Directors to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter into, on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(C) The Company may upon the recommendation of the Directors by special resolution resolve in respect of any particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(D) The Directors may on any occasion determine that an allotment of shares under paragraph (A) (i) of this Article or a right of election to receive an allotment of shares under paragraph (A) (ii) of this Article shall not be made or made available to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the allotment of shares or the circulation of an offer of such right of election would or might be unlawful, and in such event the provisions aforesaid shall be read construed subject to such determination provided that the Directors shall notify its determination to all such shareholders and dispose such shares to the benefits of the Company.



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

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

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

(b) The Directors may deduct from any dividend or bonus payable to any member all sums of moneys (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

145. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member be set off against the call.

146. Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Ordinance and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend, and such appointment shall be effective.

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

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

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

150. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Directors and shall revert to the Company.

### **Documents**

151. Without prejudice to the rights of the Company under Article 150 and the provisions of Article 152, the Company may cease sending such cheques for dividend entitlement or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. Notwithstanding the above the Company shall have the power to cease sending cheques for dividend entitlement or dividend warrants after the first occasion on which such cheque or warrant is returned undelivered.

152. The Company shall have the power to sell, in such manner as the Directors think fit, any shares of a member who is untraceable, but no such sale shall be made unless:-

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained unclaimed;
- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the member who is the holder of such shares or of 2 persons entitled to such shares by death, bankruptcy or operation of law; and
- (iii) the Company has caused an advertisement to be inserted in an English newspaper and a Chinese newspaper giving notice of its intention to sell such shares and has notified the Stock Exchange of such intention and a period of three months has elapsed since the date of such advertisement. For the purpose of the foregoing, "relevant period" means the period commencing twelve years before the date of publication of the advertisement referred to in paragraph (iii) of this Article and ending at the expiry of the period referred to in that paragraph.

To give effect to any such sale the Directors may authorise any person to transfer the said shares and the contract notes and 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.

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

154. (1) Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of Directors and any books, records documents and accounts, relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents or accounts are elsewhere than at the registered office of the Company the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract

from the minutes of a meeting, of the Company or of the Directors or any committee of Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

(2) (a) The Company shall be entitled to destroy the following documents at the following times:-

- (i) registered instruments of transfer: at any time after the expiration of six years from the date of registration thereof;
- (ii) allotment letters: at any time after the expiration of six years from the date of issue thereof;
- (iii) copies of powers of attorney, grants of probate and letters of administration: at any time after the expiration of six years after the account to which the relevant power of attorney, grant of probate or letters of administration relates has been closed;
- (iv) dividend mandates and notifications of change of address: at any time after the expiration of two years from the date of recording thereof;
- (v) cancelled share certificates: at any time after the expiration of one year from the date of the cancellation thereof;
- (vi) 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 on which an entry in the register was first made in respect thereof;

(b) It shall conclusively be presumed in favour of the Company:-

- (i) that every entry in the register purporting to be made on the basis of any such documents so destroyed was duly and properly made; and
- (ii) that every such document so destroyed was valid and effective and had been duly and properly registered, cancelled, or recorded in the books or records of the Company, as the case may be.

(c) (i) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

- (ii) Nothing herein contained 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 other circumstances which would not attach to the Company in the absence of the Article.
- (iii) Reference herein to the destruction of any document include references to the disposal thereof in any manner.

### **Accounts**

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

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

157. The Directors shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them shall be open to the inspection of the members not being directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Ordinance or authorised by the Directors or by the Company in general meeting.

158.(a) The Board shall from time to time in accordance with the provisions of the Companies Ordinance cause to be prepared and laid before the Company in general meeting the relevant financial documents.

(b) The Company shall, subject to paragraph (c) below, send to every entitled person a copy of the relevant financial documents or (subject to compliance with applicable law) of the summary financial report, in each case not less than twenty-one days before the date of the general meeting before which the relevant financial documents shall be laid.

(c) Where, in accordance with applicable law, any entitled person (in this paragraph a "Consenting Person") has agreed or is deemed to have agreed to treat the publication of any relevant financial documents and/or any summary financial report (as the case may be) on a computer network (including the Company's website) or the publication or distribution of any relevant financial documents and/or any summary financial report (as the case may be) in any other manner, including by way of any other form of electronic communication, as discharging the Company's obligation under paragraph (b) to send a copy of the relevant financial documents and/or the summary financial report (as the case may be) to such person, then the publication by the Company on a computer network (including the Company's website) of the relevant financial documents and/or the summary financial report (as the case may be) not less than twenty-one days before the date of the relevant general meeting or the publication or distribution by the Company of the relevant financial documents and/or the summary financial report (as the case may be) in such other manner for such period or on or before such date as is permitted under applicable law shall, in relation to that Consenting Person, be deemed to discharge the Company's obligations under paragraph (b).

### **Audit**

159. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Companies Ordinance.

160. Subject as otherwise provided by the Ordinance the remuneration of the Auditors shall be fixed by the Company in general meeting.

161. Every statement of accounts, audited by the Company's Auditors and presented by the Directors at a general meeting, shall after approval at such meeting be conclusive except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and statement of accounts amended in respect of the error shall be conclusive.

### **Notices**

162. Any notice or document to be given or issued by or on behalf of the Company to any entitled person under these Articles or any laws, rules, or regulations (including any "corporate communication" within the meaning ascribed thereto in the Listing Rules) shall be in writing and may, subject to and to the extent permitted by and in accordance with applicable law, be served on or sent or delivered to any member or other entitled person by the Company:

- (i) personally;
- (ii) by sending it through the post in a properly prepaid letter, envelope or wrapper addressed to a member at his registered address as appearing in the register (or in the case of any other entitled person, to such address as he may provide to the Company for that purpose);
- (iii) by delivering it to or leaving it at such address as aforesaid;
- (iv) by publishing it by way of advertisement in one or more newspapers;
- (v) by sending it as an electronic communication to the entitled person concerned at such address as he may provide to the Company in writing for that purpose;
- (vi) by publishing it on a computer network (including the Company's website); or
- (vii) by any other means authorized in writing by the entitled person concerned.

163. A member shall be entitled to have notices served on him at any address within Hong Kong. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address accordingly which for the purpose of service of notices shall be deemed to be his registered address. A member who has no registered address shall be deemed to have received any notice which shall have been displayed at the registered office and shall have remained there for the space of twenty four hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed.

164. Any notice or document (including any "corporate communication" within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company:

- (i) if sent by post, shall be deemed to have been served or delivered on the day following that on which the envelope or wrapper containing the same was put in the post, and in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post with the postage prepaid (airmail if posted from Hong Kong to an address outside Hong Kong);
- (ii) if not sent by post but left by the Company at the registered address of a member or at the address (other than an address for the purposes of electronic communications) notified to the Company in accordance with these Articles by an entitled person not being a member, shall be deemed to have been served or delivered on the day it was so left;
- (iii) if sent as an electronic communication, shall be deemed to have been served on the day following that on which it was sent and proof that the address provided by the entitled person concerned to the Company in writing for the purposes of electronic communications was used for sending the electronic communication containing the notice or document shall be conclusive evidence that the notice or document was served or delivered;
- (iv) if published on a computer network (including the Company's website), shall be deemed to have been served on the day on which the notice of such publication is served on or delivered to the entitled person concerned or where no notice of such publication is required by law to be served on or delivered to the entitled person concerned, the day on which the notice or document first appears on the computer network concerned; and
- (v) if served, sent or delivered by any other means authorised in writing by the entitled person concerned, shall be deemed to have been served, received, or delivered when the Company has carried out the action it has been authorised to take for that purpose.

165. A notice or document may be given by or on behalf of the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member in such manner as provided in Article 162 in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

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

167. Any notice or document delivered or sent to any member in such manner as provided in Article 162 shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other persons be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

168. (a) The signature to any notice or document by the Company may be written, printed or, to the extent permitted by and in accordance with applicable law, made electronically.

(b) To the extent permitted by and in accordance with applicable law, any notice or document, including but not limited to the documents referred to in Article 158 and any "corporate communication" within the meaning ascribed thereto in the Listing Rules, may be given by the Company in the English language only, in the Chinese language only or in both the English language and the Chinese language.

### **Information**

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

### **Winding Up**

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

171. In the event of a winding up of the Company in Hong Kong every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summons, notices, process, orders and judgment in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement in an English newspaper and a Chinese newspaper as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

### **Indemnity**

172. (a) Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss or damages which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.

(b) The Company may indemnify any Director or other officer of the Company, against any liability incurred by him:

- (i) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted; or
- (ii) in connection with any application under Sections 903 to 904 of the Companies Ordinance in which relief is granted to him by the court.

(c) The Company may purchase and maintain for any Director or officer of the Company:

- (i) insurance against any liability to the Company, a related company or any other part in respect of any negligence, default, breach of duty or breach of trust (save as fraud) of which he may be guilty in relation to the Company or a related company; and

- (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

(d) In this Article, "related company", in relation to the Company, means any company that is the Company's subsidiary or holding company or a subsidiary of the Company's holding company.

#### **Conflicts with Companies Ordinance**

- 173.
- (a) Notwithstanding anything contained in these Articles, if the Companies Ordinance prohibits an act being done, the act shall not be done.
  - (b) Nothing contained in these Articles prevents an act being done that the Companies Ordinance requires to be done.
  - (c) If any provision of these Articles is or becomes inconsistent with any provision of the Companies Ordinance, these Articles are deemed not to contain that provision to the extent of the inconsistency and to the extent it does not breach any provision of the Companies Ordinance.

Names, Addresses and Descriptions of Subscribers

(Sd.) Lo Chung Wing (羅仲榮)  
14 - D, Cornwall Street,  
4th Floor,  
Kowloon.  
Merchant

(Sd.) Jackson Lo (羅潤棠)  
150 Boundary Street,  
Flat A, 5th Floor,  
Kowloon.  
Merchant

Dated the 25th day of June, 1977.

WITNESS to the above signatures:

(Sd.) K. Y. Woo  
Solicitor  
Hong Kong.