

A new set of articles of association of Sun Hung Kai Properties Limited is to be adopted by the shareholders at the annual general meeting to be held on Thursday, 12 November 2015. The existing articles of association remain in full force and effect until the adoption of the new articles of association.

**AMENDED  
MEMORANDUM**

**AND**

**AMENDED ARTICLES OF ASSOCIATION**

(As adopted by Special Resolution passed on 9 December 2004  
and amended by Special Resolution passed on 6 December 2007  
and further amended by Special Resolution passed on 8 December 2011)

**OF**

**SUN HUNG KAI PROPERTIES LIMITED**

**(新鴻基地產發展有限公司)**

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**Incorporated the 14<sup>th</sup> day of July, 1972.**

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**HONG KONG**

THE COMPANIES ORDINANCE (CHAPTER 32)

SPECIAL RESOLUTION

OF

**SUN HUNG KAI PROPERTIES LIMITED**

**(新鴻基地產發展有限公司)**

PASSED ON THE 8TH DAY OF DECEMBER, 2011

At the Annual General Meeting of Sun Hung Kai Properties Limited (the "Company") duly convened and held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 8 December 2011 at 12:00 noon, the following resolution was passed as a special resolution:-

**"THAT** the articles of association of the Company be and are hereby amended as follows:

(a) a new definition of "Chairman of the Board" be added to Article 2 as follows:

"the Chairman of the Board" shall mean the Chairman of the Board, or where more than one Chairman have been appointed, the joint Chairmen.

(b) Article 73 be deleted in its entirety and replaced with the following:

"The Chairman of the Board (if any) shall take the chair at every general meeting. If there be no Chairman of the Board, or if at any general meeting no Chairman of the Board is present within fifteen minutes after the time appointed for holding such meeting, or the Chairman of the Board present declines to take the chair at such meeting, the Directors present shall choose one of their number as Chairman of such meeting, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman of such meeting chosen shall retire from the chair, then the members present shall choose one of their own number to be Chairman of such meeting. For the avoidance of doubt, only one person shall take the chair of such meeting at any one time."

(c) Article 74 be amended by adding the words "of any general meeting" immediately after the words "The Chairman" in the first sentence.

(d) Article 75 be amended as follows:

(i) in sub-paragraph (i), the word "Meeting" be deleted and replaced by the word "meeting"; and

(ii) in the last paragraph, the words "of the general meeting" be added immediately after the words ", a declaration by the Chairman".

- (e) Article 76 be amended as follows:
- (i) in the first sentence, the words "of the meeting" be added immediately after the words ", as the Chairman";
  - (ii) in the second sentence, the word "need" be deleted and replaced by the word "needs";  
and
  - (iii) in the last sentence, the words "of the meeting" be added immediately after the words ", with the consent of the Chairman".
- (f) Article 85(B) be amended by adding the words "of the meeting" immediately after the words "Any such objection made in due time shall be referred to the Chairman" in the last sentence.
- (g) Article 103(B)(ii) be amended by adding the words "of the meeting" immediately after the words "except in a case where the nature or extent of the interest of the Chairman" in the last sentence.
- (h) Article 121(A) be amended by deleting the full stop between the words "Companies" and "Ordinance".
- (i) the heading entitled "Chairman" immediately above Article 125 be deleted in its entirety and replaced with the heading entitled "Chairman of the Board".
- (j) Article 125 be deleted in its entirety and replaced with the following:
- (A) The Board may from time to time elect or otherwise appoint a Director to be Chairman of the Board or Vice Chairman of the Board and determine the period for which each of them is to hold office. The Chairman of the Board shall take the chair at meetings of the Board. If there is no Chairman of the Board elected or appointed, or if at any meeting of the Board no Chairman of the Board is present within fifteen minutes after the time appointed for holding such meeting, or if the Chairman of the Board is present but declines to take the chair, the Directors present shall choose one of their number to be Chairman of such meeting. For the avoidance of doubt, only one person shall take the chair of such meeting at any one time.
  - (B) More than one Director may at any one time be appointed to be Chairman of the Board or Vice Chairman of the Board, and whenever there is for the time being more than one Director so appointed, the Directors so appointed shall together be joint Chairmen of the Board or joint Vice Chairmen of the Board (as the case may be).

- (C) Where there are for the time being joint Chairmen of the Board or joint Vice Chairmen of the Board, each individual Director appointed to be Chairman of the Board or Vice Chairman of the Board shall be referred to as joint Chairman of the Board or joint Vice Chairman of the Board but shall be entitled to discharge separately all the functions of the position to which he is appointed, and references in these articles to "the Chairman of the Board" or "the Vice Chairman of the Board" (as the case may be) shall, unless the context requires otherwise, be to each of the Directors for the time being appointed to that position.
- (D) The Directors who are for the time being joint Chairmen of the Board may agree between themselves which of their number, if he is present, will take the chair at any meeting of the Board or any general meeting. Subject to that, if only one of the joint Chairmen of the Board is present or agrees to take the chair at the relevant meeting, he shall take the chair at that relevant meeting. If the joint Chairmen of the Board present at the relevant meeting are unable to agree between themselves which of them shall take the chair at such meeting, all of them shall be deemed to have declined to take the chair."
- (k) Article 127 be deleted in its entirety and replaced with the following:
- "A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by facsimile transmission or by email at the address or email 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 that notice needs not be given to any Director or alternate Director who is at the relevant time absent from Hong Kong. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective."
- (l) Article 128 be amended by adding the words "of the meeting" immediately after the words ", and in case of an equality of votes the Chairman".
- (m) Article 135 be amended by deleting the words "a facsimile signature of a Director or an alternate Director shall be treated as valid" in the last sentence and replacing with the words "a signature of a Director or an alternate Director contained in a document transmitted by facsimile or email shall be treated as valid"."

(Sd.) KWOK Ping-kwong, Thomas  
Chairman of the Meeting

THE COMPANIES ORDINANCE (CHAPTER 32)

SPECIAL RESOLUTION

OF

**SUN HUNG KAI PROPERTIES LIMITED**

**(新鴻基地產發展有限公司)**

PASSED ON THE 6TH DAY OF DECEMBER, 2007

At the Annual General Meeting of the Company held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on 6 December 2007 at 12:00 noon, the following resolution was passed as a special resolution:-

“**THAT** the articles of association of the Company be and are hereby amended as follows:

(a) a new definition of “Director” be added to Article 2 as follows:

“Director            “Director” shall mean any director from time to time of the Company;”

(b) Article 27 be amended by adding the following to the end of that article:

“, or by publication on the website of the Company in accordance with the Listing Rules or in such other manner as permitted under the Listing Rules.”

(c) Article 95 be amended by deleting the second sentence and replacing it with the following:

“Any Director so appointed shall hold office only until the next following general meeting of the Company (in case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the Board) and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.”

(d) Article 103(A)(ii) be amended by adding the following to the end of that article:

“or any transaction in which he or any of his associates is materially interested, save for those as specified under (B)(ii) below.”

(e) Article 103(D) be deleted in its entirety and replaced with the following:

“Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that it is in compliance with the Listing Rules and nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.”

- (f) Article 104(A) be amended by adding the following to the end of the first sentence:

“provided that each Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years or in such other manner of rotation as may be required by the Listing Rules or other codes, rules and regulations as may be prescribed by the applicable regulatory authority from time to time. ”

- (g) Article 108 be deleted in its entirety and replaced with the following:

“No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless there shall have been lodged with the Company notice in writing signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose that person for election as a Director and also notice in writing signed by that person of his willingness to be elected as a Director. Unless otherwise determined by the Directors and notified by the Company to the members, the period for lodgment of the said notices shall be a 7-day period commencing on the day after the dispatch of the notice of the meeting for such election of Director(s) and ending on the date falling 7 days after the dispatch of the said notice of the meeting. If the Directors should so determine and notify the members of a different period for lodgment of the said notices, such period shall in any event be a period of not less than 7 days, commencing on no earlier than the day after the dispatch of the said notice of the meeting and ending no later than 7 days prior to the date of such meeting.”

- (h) Article 110 be amended by deleting the word “annual” from the last sentence of that article.

- (i) Article 119 be deleted in its entirety and replaced with the following:

“A Director appointed to an office under Article 117 shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any case, but shall whilst holding that office be subject to retirement by rotation in accordance with Article 104.”

- (j) Article 121(B) be amended by deleting the first paragraph of that article and replacing it with the following:

“Without prejudice to the general powers conferred by these Articles and save that it is in compliance with the Listing Rules, it is hereby expressly declared that the Board shall have the following powers:”

- (k) Article 170 be amended by adding the following to the end of that article:

“, or by publication on the website of the Company in accordance with the Listing Rules or in such other manner as permitted under the Listing Rules.””

(Sd.) KWOK Ping-sheung, Walter  
Chairman

THE COMPANIES ORDINANCE (CHAPTER 32)

SPECIAL RESOLUTION

OF

**SUN HUNG KAI PROPERTIES LIMITED**

PASSED ON THE 9<sup>th</sup> DAY OF DECEMBER, 2004

At the Annual General Meeting of the Company held at 53<sup>rd</sup> Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on 9 December 2004 at 12:00 noon, the following resolution was passed as special resolution:-

- “8. **THAT** the regulations contained in the document marked “A” produced to the meeting and, for the purpose of identification, signed by the Chairman hereof, be and are hereby adopted as the articles of association of the Company to the exclusion of and in substitution for all the existing articles of association of the Company.”

(Sd.) KWOK Ping-sheung, Walter  
Chairman

No.28646

(COPY)

**CERTIFICATE OF INCORPORATION ON CHANGE OF NAME**

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WHEREAS **Sun Hung Kai (Holdings) Limited**  
(新鴻基地產發展有限公司) was incorporated in Hong Kong as a limited company under the Companies Ordinance on the Fourteenth day of July, 1972;

AND WHEREAS by special resolution of the Company and with the approval of His Excellency the Governor duly given on his behalf under delegated powers, it has changed its name;

NOW THEREFORE I hereby certify that the Company is a limited company incorporated under the name of **Sun Hung Kai Properties Limited** (新鴻基地產發展有限公司).

GIVEN under my hand this Sixteenth day of March, One Thousand Nine Hundred and Seventy-three.

(Sd.) SHAM Fai  
for Registrar of Companies,  
Hong Kong.



No.28646

(COPY)

**CERTIFICATE OF INCORPORATION**

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I HEREBY CERTIFIED that

**SUN HUNG KAI (HOLDINGS) LIMITED**

(新鴻基地產發展有限公司)

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

**GIVEN** under my hand this Fourteenth day of July, One Thousand Nine Hundred and Seventy-two.

(Sd.) SHAM Fai  
for Registrar of Companies,  
Hong Kong.

THE COMPANIES ORDINANCE

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Company Limited by Shares

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**AMENDED  
MEMORANDUM OF ASSOCIATION**

OF

**SUN HUNG KAI PROPERTIES LIMITED\***  
**(新鴻基地產發展有限公司)**

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1. The name of the Company is "SUN HUNG KAI PROPERTIES LIMITED (新鴻基地產發展有限公司)".
2. The Registered Office of the Company will be situate in the Colony of Hong Kong.
3. The objects for which the Company is established are:-
  - (1) To invest the capital and other moneys of the Company in the purchase or upon the security of shares, stocks, debentures, debenture stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and whatsoever constituted or carrying on business, and shares, stocks, debentures, debenture stock, bonds, mortgages, obligations and other securities issued or guaranteed by any Government, Sovereign Ruler, Commissioners, Trust, Authority or other body of whatever nature and wheresoever situated.
  - (2) To acquire by purchase, subscription or otherwise and to hold for investment or otherwise and to use, sell, assign, transfer, mortgage, pledge or otherwise deal with or dispose of stocks, bonds, or any other obligations or securities of any corporation or corporations; to merge or consolidate with any corporation in such manner as may be permitted by law; to aid in any manner any corporation whose stock, bonds or other obligations are held or in any manner guaranteed

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\* change of company name on 16<sup>th</sup> March 1973

by the Corporation and/or in which the Corporation is in any way interested; and to do any other acts or things for the preservation, protection, improvement or enhancement of the value of any such stock, bonds or other obligations, or to do any acts or things designed for any such purpose; and while owner of any such stock, bonds or other obligations to exercise all the rights, powers and privileges of ownership thereof, and to exercise any and all voting powers thereon; to guarantee the payment of dividends upon any stock, or the principal or interest or both of any bonds or other obligations and the performance of any contracts.

- (3) To carry on in any part of the world business as financiers, capitalists, concessionaires, commercial agents, commissioners, mortgage and bullion brokers and financial agents and advisers.
- (4) To carry on all or any of the business usually carried on by land investment, land development, land mortgage and real estate companies in all their several branches.
- (5) To develop, improve and utilize any land within the said Colony or elsewhere acquired by the Company, or in which the Company is interested, and lay out and prepare the same for building purposes, construct, alter, pull down, decorate, maintain, fit up and improve buildings, roads, and conveniences, and to plant, pave, drain, maintain, let on building lease or building agreement any such land, and advance money to, enter into contracts and arrangements of all kinds with builders and tenants of and others interested in any such land.
- (6) To purchase, take on lease, hire or otherwise acquire in the said Colony or elsewhere any real or personal property or any rights or interests therein, which the Company may think necessary or convenient for effectuating any of its objects, and in particular any lands, plantations, houses, factories, warehouses, plant, machinery, patents, concessions, trade marks, trade names, copyrights, licences, stocks, material or property of any description and to work, use, maintain and improve, sell, let, surrender, mortgage, charge, dispose of or otherwise deal with the same or any other property of the Company, including, in respect of any patent or patent rights belonging to the Company, the grant of licences or authorities to any person, corporation, or company to work the same.
- (7) To construct, build, execute, improve, alter, maintain, develop, work, manage, carry out, control and otherwise deal with engineering and construction works, and conveniences of all kinds including harbour works, air-ways, aerodromes or airfields, roads, docks, tramways, railways, branches or sidings, telegraphs, telephones, buildings, bridges, concrete or reinforced concrete structures, reservoirs, water-courses, canals, water-works, embankments, irrigations, reclamations, sewage, draining, dredging and conservancy works, piers, jetties, wharves, manufactories, warehouses, hotels, restaurants, electric works, water, steam, gas, oil and electric power works in general, shops and stores, hangars, garages, public utilities and all other works and conveniences of every kind and description both public or private and to contribute to, subsidise, or otherwise assist or take part in the construction, improvement, maintenance, development, working, management, planning, carrying out, or control thereof.

- (8) To finance and assist persons purchasing or taking leases from or otherwise having dealings with the Company.
- (9) To grant easements, profits a prendre or other rights in over or under any lands and to acquire such rights in over or under any adjoining lands.
- (10) To lend or advance money to builders and other persons or securities of all descriptions, whether real or personal, and to grant loans upon mortgage of any lands, buildings and premises, of whatever tenure and wherever situate, for the improvement thereof or otherwise.
- (11) To carry on the business of builders, architects and surveyors, brick and tile makers, house and estate agents.
- (12) To purchase or otherwise acquire and to carry on the manufacture of portable buildings for use as offices storage or any other purpose connected with the work of builders and contractors.
- (13) To carry on business as auctioneers, land and estate agents and managers, rent collectors, average adjusters, yacht agents and brokers, assessors, appraisers, surveyors, brokers and valuers in respect of all classes of property both real and personal; to take stock and prepare inventories, to purchase, sell or otherwise deal in real and personal property, to construct, own, manage and let auction rooms, to finance builders and to take part in the development and exploitation of any kind of property; to undertake agencies and generally to undertake any business, work or transaction usually undertaken by auctioneers, estate agents or valuers, or which might advantageously be carried on by them.
- (14) To undertake the custody of goods and carry on business as safe depository proprietors, insurance agents and brokers, electricians and wireless engineers, garage proprietors and carriers of passengers and goods, and to undertake any secretarial, accountancy, clerical or similar work.
- (15) To carry on the business of professional managers and advisers secretaries consultants and agents for and of the affairs whether business or otherwise and whether of corporations or individuals in any part of the world.
- (16) To make give undertake carry out and provide (either gratuitously or for reward) market surveys, technical business information, cost investigations, management advice, organization assistance, and financial advice, and to provide consultation, exploitation, lay-out, investigation, integration, design, and other services for persons and companies engaged or contemplating being engaged in any industry, mining, operations, trade, business or profession.
- (17) To undertake surveys for the purpose of assessing existing or projected business and industrial organizations of all kinds and to carry out under contract or otherwise surveys for the improvement or modification of management and merchandising and business methods.

- (18) To give advice on public relations and generally on all matters connected with industry, trade, business and financial matters.
- (19) To advise on and to provide services in connection with the planning, construction, development, management, operation and finance of any business scheme or operation whatsoever.
- (20) To undertake the office of and act as trustee, agent or attorney of or for any person or persons, company, corporation, government, state, colony, province, dominion, sovereign, or authority, supreme, municipal, local or otherwise, and generally to undertake, perform and discharge any trusts, or trust agency business, and any office of trust or confidence.
- (21) To act as adviser, director, general manager, manager, secretary of any person, firm or corporation and as registrar of any company.
- (22) To undertake the office of and act as trustees or nominees for the purpose of holding and dealing with any real or personal property or security of any kind for and on behalf of any person or persons, company, corporation, mortgagee or body; to act as trustee, nominee or agent generally for any purpose and either solely or jointly with another or others; to undertake the management of any business or undertaking or transaction, and generally to undertake perform and fulfil any trust or agency business of any kind and any office of trust or confidence.
- (23) To hold in trust as trustees or as nominees and to deal with, manage, and turn to account, any real or personal property of any kind, and in particular shares, stocks, debentures, debenture stock, securities, policies, book debts, claims and choses in action, lands, buildings, business concerns and undertakings, mortgages, charges, annuities, patents, licences, and any interest in real or personal property, and any claims against such property or against any person or company.
- (24) To promote, provide or arrange for air, sea and freight booking, sightseeing and tourism in general with or without connection with other concerns through agencies or otherwise.
- (25) To improve, export, barter, contract, buy, sell, deal in, and to engage in, conduct and carry on the business of importing, exporting, bartering, trading, contracting, buying, selling and dealing in goods, wares and merchandise of every class and description raw, manufactured or produced in any plant throughout the world.
- (26) To purchase and sell merchandise of every kind and nature for importation from and exportation throughout the world to and from and/or between any and/or all countries wherever situate including the purchase and sale of domestic merchandise in domestic markets and of foreign merchandise in foreign countries, such transactions to be for the account of the Company and/or others, and to constitute as one of the said purposes the doing of a general foreign and

domestic importing and exporting merchandise business and in particular, to carry on a general import and export business in any place throughout the world.

- (27) To establish, maintain, conduct and acquire or dispose of either as principal or agents, trading posts of all kinds and description throughout the world and in connection therewith to do all such acts and things and to acquire and/or dispose of such real and/or personal property as is usual or customary with a general trading post business.
- (28) To carry on the business of manufacturers of and dealers either wholesale or retail in goods, materials, substances and articles made or manufactured or moulded of wood, metal, textiles, fibres whether natural or artificial, stone or of any plastic or other manufactured or natural substance or material or of any combination thereof.
- (29) To act on its own behalf and on behalf of importers, exporters and manufacturers in connection with the inspection, surveying, testing, weighing and measuring of merchandise of all description.
- (30) To carry on all or any of the businesses of general contractors and engineering contractors (whether civil, mechanical, electrical, structural, chemical, aeronautical, marine or otherwise).
- (31) To purchase or otherwise acquire and to carry on the business or businesses of steamship owners, ship owners, stevedores, wharfingers, carriers, forwarding agents, storage keepers, warehousemen, ship builders, dry-dock keepers, marine engineers, engineers, ship keepers, boat builders, ship and boat repairers, ship and boat outfitters, ship brokers, ship agents, salvors, wreck removers, wreck raisers, drivers, auctioneers valuers and assessors.
- (32) To charter, sub-charter, take on charter or sub-charter, hire, purchase and work steamships and other vessels of any class, motor vehicles or aircraft and to establish and maintain lines or regular services of steamships or other vessels, and to enter into contracts for the carriage of mails, passengers, goods and cattle by any means, and either by its own vessels, railways, motor vehicles, aircraft and conveyances, or by other vessels, railways, motor vehicles, aircraft, and conveyances of others.
- (33) To purchase, dispose, sell, accept mortgage or finance the purchase of steamships and other vessels of any class as owners, agents, managers or trustees, or on the authority or on behalf of any third party.
- (34) To enter into, take over, negotiate or otherwise acquire, any contract or contracts for the construction, building, equipping, fitting out, storing, gearing or otherwise relating to any steamship, ship, carrier, boat, or other vessel whatsoever, and to enter into, take over, negotiate or otherwise acquire any other contract or contracts whatever which the Company may think necessary, desirable or convenient for the purposes of the Company or any of them, and to enter into, take over, negotiate, or otherwise acquire any such contract or

contracts at such prices and for such considerations, and upon such terms and conditions, and subject to such stipulations and agreements as the Company may determine, and at any time, and from time to time vary, modify, alter, or cancel any such contract.

- (35) To carry on business as agents, managers, factors or brokers for any other person or persons, firm or company in any part of the world and in particular but without in any way restricting the above powers to act as insurance, shipping, airline, transport and mercantile agents and managers.
- (36) To conduct and carry on a general financial and economic consultation business for capital investments, trade prices, exchange controls, business conditions, business organizations, tax structures and tax liabilities and trade practices; shipping, insurance, and business and industrial enterprises and opportunities and all such other services as may be necessary or incidental thereto as the Board of Directors may from time to time determine.
- (37) To acquire by licence, lease or in any other lawful manner, the exclusive or other right or licence to manufacture, distribute, sell and generally deal in appliances, forms, equipment, devices, tools, machinery and any and all kinds of articles of any character or description whether patented or otherwise; to sub-license or grant to any other corporation or any organization or person the right or licence to manufacture, distribute, use, sell and generally deal in any of the articles or things in which this corporation shall deal.
- (38) To acquire mines, mining rights, mineral lands, timber and forestry lands and concessions anywhere throughout the whole world and any interest therein and to explore, work, exercise, develop and turn the same to account.
- (39) To carry on in the Colony of Hong Kong or elsewhere the business of hotel, restaurant, cafe, tavern, beer-house, refreshment-room, billiard table and lodging house-keepers, shop-keepers, shop-owners, house-owners, publicans, licensed victuallers, wine, beer and spirit merchants, brewers, maltsters, distillers, importers, and manufacturers of and dealers in aerated, mineral and artificial waters, and other drinks, purveyors, caterers for public amusements, generally, farmers, dairymen, ice merchants, importers and brokers of food, live and dead stock, and colonial and foreign produce of all description, bakers and manufacturers of and dealers in bread, flour, biscuits and farinaceous compounds and materials of every description, confectioners, butchers, milk sellers, butter sellers, grocers, poulterers and green-grocers, hair-dressers, perfumers, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing, refreshment and newspaper rooms, libraries, grounds and places of amusement, recreation, sport, entertainment and instructions of all kinds, tobacco and cigar merchants, agents for railway and shipping companies and carriers, theatrical and opera box office proprietors, entrepreneurs and general agents and any other business which the Company may now or at any future time consider can be conveniently carried on in connection with its business.
- (40) To carry on the business of an Investment Company and to undertake and to

transact all kinds of trust and agency business.

- (41) To borrow or raise or secure the payment of money in such manner as the Company may think fit without limit as to amount and in particular but without limiting the foregoing to issue debentures or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised, or owing by mortgage, charge or lien upon all or any of the property or assets of the Company both present and future including its uncalled capital and also by similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.
- (42) To promote and assist, financially or otherwise, corporations, firms, syndicates, associations, individuals, and others, and to give any guarantee in connection therewith or otherwise for the payment of money or for the performance of any other undertaking or obligation.
- (43) To become a member of any partnership or a party to any lawful agreement for sharing profits or to any union of interests, agreement for reciprocal concessions, joint venture, or co-operation or mutual trade agreement with any person, association, partnership, co-partnership, firm or company that is carrying on, or engaging in or that is about to engage in any business which this company is authorized to carry on, or that is conducting or transacting any business capable of being conducted so as directly or indirectly to benefit this company.
- (44) To purchase or by any other lawful means acquire and protect, prolong and renew, throughout the world any patents, patent rights, copyrights, trade marks, processes, protections and connections which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (45) To the same extent as natural persons might or could do, to purchase or otherwise acquire and to hold, own, maintain, work, develop, sell, lease, exchange, hire, convey, mortgage or otherwise dispose of and deal in lands and leaseholds, and any interest, estate and rights in real property, and any personal or mixed property and any franchises, rights, licences or privileges necessary, convenient or appropriate for any of the purposes herein expressed.
- (46) To subscribe or contribute to, set up, establish, conduct and carry on research institutions and organizations, hospitals, schools, universities and places of learning, charities of all kinds, and descriptions, political parties and organizations for the benefit of the inhabitants or residents of any part of the world.
- (47) To enter into any arrangements for profit-sharing with any of the directors or employees of the Company or of any company in which the Company may for the time being hold a share or shares (subject to the consent and approval of such company). To grant sums by way of bonus or allowance to any such



directors or employees or their dependents or connections, and to establish or support, or aid in the establishment and support, of provident and gratuity funds, associations, institutions, schools or conveniences calculated to benefit directors or employees of the Company or its predecessors in business or any companies in which the Company owns a share or shares or the dependents or connections of such persons, to grant pensions and to make payments towards insurance.

- (48) To sell the business or undertaking of the Company or any part thereof, including any shares, stock, bonds, debentures, mortgages, or other obligations or securities, or any or either of them, patents, trade marks, trade names, copyrights, licences or authorities or any estate, rights, property, privileges or assets of any kind.
- (49) To accept payment for the business or undertaking of the Company or any part thereof, or for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in shares or bonds of any company, or corporation, with or without deferred or preferred rights in respect of dividends or repayment of capital or otherwise, or by means of a mortgage, or by debentures, debenture stock or mortgage debentures or bonds of any company or partly in one mode and partly in another and generally on such terms as the Company may determine.
- (50) To procure the Company to be registered or recognized in any country or place outside the Colony of Hong Kong.
- (51) To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, debentures and other negotiable or transferable instruments.
- (52) To obtain any Order of the Governor of Hong Kong, or of Her Majesty in Council or any Act or Ordinance of any Colonial Parliament, or of any Legislative Assembly or Council or any Provisional or other Order of any proper authority in the United Kingdom or elsewhere, for enabling the Company to carry any of its objects into effect, or for dissolving the Company and re-incorporating its members as a new Company, for any of the objects specified in this Memorandum, or for effecting any modification in the Company's constitution.
- (53) To distribute any of the property of the Company amongst the Members in specie or otherwise, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (54) To do all or any of the above things in any part of the world, and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise and either alone or in conjunction with others.
- (55) To do all such things as are incidental or conducive to the above objects or any of them.

And it is hereby declared the word "Company" in this clause except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Hong Kong or elsewhere, and further the intention is that the objects specified in each paragraph of this clause, shall, except where otherwise expressed in such paragraph, be independent main objects and be in nowise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

4. The liability of the Members is limited.
5. The share capital of the Company is HK\$1,450,000,000 divided into 2,900,000,000 shares of HK\$0.50 each\*.

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\* the share capital of the Company has been reorganised and increased from time to time, and as at 15<sup>th</sup> November 1996 stood at HK\$1,450,000,000 divided into 2,900,000,000 shares of HK\$0.50 each

WE, the several persons whose names, addresses and descriptions are hereto subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names:-

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
<p>Mr. KWOK TAK SENG 887 King's Road, Ground Floor, Hong Kong. Company Director.</p>	<p>One</p>
<p>Mr. FUNG KING HEY A9 Estoril Court, 4th Floor, 15 Garden Road, Hong Kong. Company Director.</p>	<p>One</p>
<p>Mr. LEE SHAU KEE Grenville House, Flat F, 11th Floor, Magazine Gap Road, Hong Kong. Company Director.</p>	<p>One</p>
<p>Total Number of Shares Taken .....</p>	<p>Three</p>

Dated the 11th day of July, 1972.

WITNESS to the above signatures:

(Sd.) C. Y. K. LEE  
Solicitor,  
Hong Kong.

THE COMPANIES ORDINANCE (CHAPTER 32)

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Company Limited by Shares

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**AMENDED ARTICLES OF ASSOCIATION**

(As adopted by Special Resolution passed on 9 December 2004  
and amended by Special Resolution passed on 6 December 2007  
and further amended by Special Resolution passed on 8 December 2011)

OF

**SUN HUNG KAI PROPERTIES LIMITED**

(新鴻基地產發展有限公司)

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**Table A**

- Other regulations excluded.
1. The regulations contained in Table A in the First Schedule to the Companies Ordinance shall not apply to the Company.

**Interpretation**

- Interpretation.
2. The marginal notes to these Articles shall not be deemed to be part of these Articles and shall not affect their interpretation and in the interpretation of these Articles, unless there be something in the subject or context inconsistent therewith:-

associate(s) "associate(s)" shall have the meaning as defined in the Listing Rules;

Clearing House "Clearing House" shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

the Company this Company "the Company" or "this Company" shall mean SUN HUNG KAI PROPERTIES LIMITED;

Companies Ordinance the Ordinance	"the Companies Ordinance" or "the Ordinance" shall mean the Companies Ordinance (Chapter 32 of the laws of Hong Kong) and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therewith or substituted therefore and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new Ordinance;
these Articles these presents	"these Articles" or "these presents" shall mean these Articles of Association in their present form and all supplementary, amended or substituted articles for the time being in force;
the Listing Rules	"the Listing Rules" shall mean "Rules Governing the Listing of Securities" published by the Stock Exchange as amended from time to time;
the Stock Exchange	"the Stock Exchange" shall mean The Stock Exchange of Hong Kong Limited;
capital	"capital" shall mean the share capital from time to time of the Company;
share	"share" shall mean share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;
shareholders members	"shareholders" or "members" shall mean the duly registered holders from time to time of the shares in the capital of the Company;
the register	"the register" shall mean the register of members and includes any branch register to be kept pursuant to the provisions of the Companies Ordinance;
Director	"Director" shall mean any director from time to time of the Company;
Board	"the Board" shall mean the Directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of the Directors;
Secretary	"Secretary" shall mean the person or corporation for the time being performing the duties of that office;

Auditors	"Auditors" shall mean the persons for the time being performing the duties of that office;
Chairman	"the Chairman" shall mean the Chairman presiding at any meeting of members or of the Board;
Chairman of the Board	"the Chairman of the Board" shall mean the Chairman of the Board, or where more than one Chairman have been appointed, the joint Chairmen;
call	"call" shall include any instalment of a call;
seal	"seal" shall mean the common seal from time to time of the Company and includes, unless the context otherwise requires, any official seal that the Company may have as permitted by these Articles and the Ordinance;
dividend	"dividend" shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalization issues, if not inconsistent with the subject or context;
dollars	"dollars" shall mean dollars in the lawful currency of Hong Kong;
month	"month" shall mean a calendar month;
writing printing	"writing" or "printing" shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form;
subsidiary legislations, etc	references to any ordinance or rules of stock exchange shall include such ordinance and rules of stock exchange and any subsidiary legislations, bye-laws, rules, regulations, practice notes, codes, guidelines, or guidance notes made pursuant to or issued or published from time to time under or by the authority of such ordinance or rules of stock exchange;
singular and plural	words denoting the singular shall include the plural and words denoting the plural shall include the singular;
gender	words importing any gender shall include every gender; and
persons companies	words importing persons shall include partnerships, firms, companies and corporations.
Words in Ordinance to	Subject as aforesaid, any words or expressions defined in the Ordinance (except any statutory modification

bear same meaning in Articles.

thereof not in force when these Articles become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Articles, save that "company" shall where the context permits include any company incorporated in Hong Kong or elsewhere.

References to any Articles by number are to the particular Article of these Articles.

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

- Issue of shares.     3.     Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine) and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company or the holder thereof is liable, to be redeemed.
- Warrants.           4.     The Board may, subject to the approval by the members of the Company in general meetings where appropriate, issue warrants to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.
- How rights of shares may be modified.     5.     (A)    If at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be not less than two persons holding or representing by proxy one-third in nominal value of the issued shares of that class, and at an adjourned meeting one person holding shares of that class or his proxy, and that any holder of shares of the class present in person or by proxy may demand a poll.

- (B) The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.
- (C) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

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

Company not to finance purchase of own shares.

- 6. The Company may exercise any powers conferred or permitted by the Ordinance or any other ordinance from time to time to purchase or otherwise, acquire its own shares and warrants (including any redeemable shares) or to give, directly or indirectly, by means of a loan or guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company and should the Company purchase or otherwise, acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise, acquired ratably or in any other particular manner as between the holders of shares or warrants of the same class or as between them and the holders of the same class or as between them and the holders of shares or warrants of any other class in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by The Stock Exchange of Hong Kong Limited or The Securities and Futures Commission from time to time in force.

Power to increase capital.

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

On what conditions new shares may be issued.

- 8. Any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Companies Ordinance and of these Articles, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends



and in the distribution of assets of the Company and with a special or without any right of voting.

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| When to be offered to existing members.               | 9.  | The Company may by ordinary resolution, before the issue of any new shares, make any provisions as to the issue and allotment of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.  |
| New shares to form part of original capital.          | 10. | 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.   |
| Shares at the disposal of the Board.                  | 11. | Subject to the provisions of the Companies Ordinance (and in particular Section 57B thereof) and of these Articles relating to new shares, all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as the Board shall in its absolute discretion think fit, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Companies Ordinance.                            |
| Company may pay commission.                           | 12. | The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies Ordinance shall be observed and complied with, and in each case the commission shall not exceed ten per cent. of the price at which the shares are issued.  |
| Power to charge interest to capital.                  | 13. | If any shares of 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 that share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Companies 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. |
| Company not to recognise trusts in respect of shares. | 14. | Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and, except as aforesaid, the Company shall not be bound by   |

or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any share except an absolute right to the entirety thereof of the registered holder.

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

- Share register. 15. (A) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Companies Ordinance.
- (B) Subject to the provisions of the Companies Ordinance, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Hong Kong as the Board thinks fit.
- Share certificates. 16. Every person whose name is entered as a holder of any shares in the register shall be entitled to receive within such time as may from time to time be prescribed by the Companies Ordinance or the Listing Rules upon payment of such sum as may be permitted under the Listing Rules, certificates each for one Stock Exchange board lot or multiples thereof and one for the balance (if any) of the shares in question or, if he shall so request, one certificate for all those shares of any one class held by him 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.
- Share Certificates to be sealed. 17. Every certificate for shares or debentures or representing any other form of security of the Company shall be issued under the seal of the Company, which for this purpose may be any official seal as permitted by Section 73A of the Ordinance.
- Every certificate to specify number and class of shares. 18. 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 Board may from time to time prescribe. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with Section 57A of the Ordinance and the Listing Rules. A share certificate shall relate to only one class of shares.
19. (A) The Company shall not be bound to register more than four persons as joint holders of any share.
- Joint holders. (B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected

with the Company, except the transfer of the share.

- Replacement of share certificates. 20. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, as may from time to time be permitted under the Listing Rules and on such terms and conditions, if any, as to publication of notice, evidence and indemnity, as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

### **Lien**

- Company's lien. 21. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; 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 member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempt wholly or partially from the provisions of this Article.
- Lien extends to dividends and bonuses.

- Sale of shares subject to lien. 22. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled by reason of such holder's death, bankruptcy or winding-up or otherwise by operation of law or court order to the shares.

- Application of proceeds of such sale. 23. The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as

the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### **Calls on Shares**

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| Calls.   | 24. | The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premiums) and not by the conditions of allotment thereof made payable at fixed times.   |
| Instalments.   |     | A call may be made payable either in one sum or by instalments.  |
| Notice of call.  | 25. | 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.  |
| Copy of notice to be sent to members.                        | 26. | A copy of the notice referred to in Article 25 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.   |
| Notice of call may be advertised.                            | 27. | In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members by notice to be published as a paid advertisement in English in at least one-leading English language daily newspaper circulating generally in Hong Kong and in Chinese in at least one leading Chinese language daily newspaper circulating generally in Hong Kong, being in each case a newspaper specified in the list of newspapers issued and published in The Hong Kong Government Gazette for the purposes of section 71A of the Companies Ordinance, or by publication on the website of the Company in accordance with the Listing Rules or in such other manner as permitted under the Listing Rules. |
| Every member liable to pay call at appointed time and place. | 28. | Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint. The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, any of the members shall not invalidate the call.   |
| When call deemed to have been made.                          | 29. | A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.  |

- Liability of joint holders. 30. 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.
- Board may extend time fixed for call. 31. The Board may from time to time at their discretion extend the time fixed for any call, and may extend such time as regards all or any of the members, whom from residence outside Hong Kong or other cause the Board 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.
- Interest on unpaid calls. 32. If the sum payable in respect of any call or instalment be 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 waive payment of such interest wholly or in part.
- Suspension of privileges while call unpaid. 33. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
- Evidence in action for call. 34. 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 is 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 Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- Sums payable on allotment deemed a call. 35. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium, shall for all purposes of these Articles be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Directors may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment.

Payment of calls in advance. 36. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty per cent. per annum as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

### **Transfer of Shares**

Form of transfer. 37. All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept and may be under hand only or, if the transferor or transferee is a Clearing House (or its nominee), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time and shall be executed by or on behalf of the transferor and by or on behalf of the transferee. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint.

Execution of transfer. 38. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. 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.

Directors may refuse to register a transfer. 39. The Board may, in its absolute discretion and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

Requirements as to transfer. 40. The Board may also decline to recognise any instrument of transfer unless:-

- (i) a fee as may from time to time be permitted under the Listing Rules is paid to the Company in respect thereof;
- (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;

- (iii) the instrument of transfer is in respect of only one class of share;
  - (iv) the shares concerned are free of any lien in favour of the Company; and
  - (v) the instrument of transfer is properly stamped.
- No transfer to a minor etc. 41. No transfer shall be made to a minor or to a person of unsound mind or under other legal disability.
- Notice of refusal. 42. If the Board shall refuse to register a transfer any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.
- Certificate to be given up on transfer. 43. 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 with a fee not exceeding such maximum amount as may from time to time be prescribed by the Listing Rules 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 with a fee not exceeding such maximum amount as may from time to time be prescribed by the Listing Rules. The Company shall also retain the transfer.
- When transfer books and register may be closed. 44. The registration of transfers may be suspended and the register closed at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than thirty days in any year or, with the approval of the Company in general meeting, sixty days in any year.

### **Transmission of Shares**

- Death of registered holder or of joint holder of shares. 45. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
- Registration of personal representatives and trustees in bankruptcy. 46. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member or otherwise by operation of law or by court order may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as

holder of the share or to have some person nominated by him registered as the transferee thereof.

Notice of election to be registered.  
Registration of nominee.

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

Retention of dividends, etc., until transfer or transmission of Shares of a deceased or bankrupt member.

48. A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the holder or otherwise by operation of law or by court order shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 82 being met, such a person may vote at meetings.

### **Forfeiture of Shares**

If call or instalment not paid notice may be given.

49. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 33, 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.

Form of notice.

50. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being either the registered office of the Company, or some other place at which calls of the Company are usually made payable. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If notice not complied with, shares may be forfeited.

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



respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender.

Forfeited shares to become property of Company. 52. Any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.

Arrears to be paid notwithstanding forfeiture. 53. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

Evidence of forfeiture. 54. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall 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.

Notice after forfeiture. 55. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such

notice or make any such entry.

- Power to redeem forfeited shares. 56. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon and the expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
- Forfeiture not to prejudice Company's right to call or instalment. 57. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
- Forfeiture for non-payment of any sum due on shares. 58. 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, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
- Certificate of forfeited share to be delivered to the Company. 59. In the event of a forfeiture of shares the member shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect.

### **Stock**

- Power to convert into stock. 60. The Company may by ordinary resolution convert any fully paid up shares into stock, and may from time to time by like resolution reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class into stock any shares of that class which subsequently become fully paid up and rank pari passu in all other respects with such shares shall, by virtue of this Article and such resolution, be converted into stock transferable in the same units as the shares already converted.
- Transfer of stock. 61. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Board may from time to time, if it thinks fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.
- Rights of stockholders. 62. The holders of stock shall, according to the amount of the stock held

by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

Interpretation. 63. Such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

### **Alteration of Capital**

Consolidation and division of capital and sub-division and cancellation of shares. 64. (A) The Company may from time to time by ordinary resolution: -

- (i) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; on any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of the shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
- (ii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- (iii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so canceled;
- (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of

Association, subject nevertheless to the provisions of the Companies Ordinance, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; and

- (v) make provision for the issue and allotment of shares which do not carry any voting rights.

Reduction of capital.

- (B) The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner authorised and subject to any conditions prescribed by law.

### **General Meetings**

When annual general meeting to be held.

- 65. 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 notice calling it; and not more than fifteen months or such longer period as the Registrar may in any particular case authorise in writing shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and place as the Board shall appoint.

Extraordinary general meetings.

- 66. All general meetings other than annual general meetings shall be called extraordinary general meetings.

Convening of extraordinary general meetings.

- 67. The Board may whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on requisition, as provided by the Companies Ordinance, or, in default, may be convened by the requisitionists.

Notice of meetings.

- 68. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided

that subject to the provisions of the Companies Ordinance, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:-

- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.

Omission to give notice. 69.

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

### **Proceedings at General Meetings**

Special business. 70.  
Business of annual general meeting.

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

Quorum. 71.

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

Dissolution and adjournment of meeting for want of quorum. 72.

If within fifteen minutes 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 Board, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the member or members present in person

shall be a quorum and may transact the business for which the meeting was called.

Chairman of general meeting.

73. The Chairman of the Board (if any) shall take the chair at every general meeting. If there be no Chairman of the Board, or if at any general meeting no Chairman of the Board is present within fifteen minutes after the time appointed for holding such meeting, or the Chairman of the Board present declines to take the chair at such meeting, the Directors present shall choose one of their number as Chairman of such meeting, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman of such meeting chosen shall retire from the chair, then the members present shall choose one of their own number to be Chairman of such meeting. For the avoidance of doubt, only one person shall take the chair of such meeting at any one time.

Power to adjourn general meeting, business of adjourned meeting.

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

What is to be evidence of the passing of a resolution where poll not demanded.

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

- (i) by the Chairman of the meeting; or
- (ii) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by a member or members present in person (or, in the case of a

member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or

(v) as required by the applicable Listing Rules.

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

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| Poll.   | 76. | If a poll is demanded as aforesaid, it shall (subject as provided in Article 77) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman of the meeting directs. No notice needs be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman of the meeting, at any time before the close of the meeting or the taking of the poll, whichever is the earlier. |
| When poll is to be taken without adjournment.         | 77. | 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.  |
| Chairman to have casting vote.                        | 78. | 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.   |
| Business may proceed notwithstanding demand for poll. | 79. | 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.   |
| Written resolution.                                   | 80. | A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by or on   |

behalf of one or more members.

### **Votes of Members**

- Votes of members.
81. Subject to Article 92A and 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 115 of the Companies Ordinance shall have one vote, and on a poll every member present in person, or (being a corporation) by duly authorised representative, or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share). 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.
- Votes in respect of deceased and bankrupt members.
82. Any person entitled under Article 46 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- Joint holders.
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 if more than one of such joint holders be present at any meeting personally or by proxy, that 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.
- Votes of member of unsound mind.
84. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, 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. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, before the last time at which a valid instrument of proxy could be so delivered. If any member is a minor he may vote by his guardian or one of his guardians



who may give their votes personally or by proxy.

- Qualification for voting. 85. (A) Save as expressly provided in these Articles, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting.
- (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 of the meeting, whose decision shall be final and conclusive.
- (C) Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.
- Proxies. 86. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
- Instrument appointing proxy to be in writing. 87. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- Appointment of proxy must be deposited. 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 of the Company or at such other place as is specified in the notice of meeting or in the instrument of proxy issued by the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a

member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

- Form of proxy. 89. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve.
- Authority under instrument appointing proxy. 90. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit Provided that any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting 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 proposed at such meeting; 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.
- When vote by proxy valid though authority revoked. 91. A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or at such other place as is referred to in Article 88, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.
- Corporation acting by representatives at meetings. 92. Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such persons as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. References in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative.
- Representatives of a Clearing House. 92A. Without prejudice to the generality of Article 92, if a Clearing House (or its nominee) is a member of the Company, it (or, as the case may be, its nominee) may authorise such person or persons as it thinks fit to act as its proxy and proxies or representatives 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 proxy form or authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised under the provisions of this Article 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 and, on a show of hands, each such person shall be entitled to a separate vote.

### **Registered Office**

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

### **Board of Directors**

Constitution of Board. 94. The number of Directors shall not be less than two. The Board shall cause to be kept a register of the Directors and Secretaries, and there shall be entered therein the particulars required by the Companies Ordinance.

Board may fill vacancies. 95. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company (in case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the Board) and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Alternate Directors. 96. (A) A Director may at any time, by notice in writing signed by him delivered to the registered office of the Company or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved.

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

(C) An alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not

personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

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

No qualification shares for Directors. 97. A Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and of any class of members of the Company.

Directors' remuneration. 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 such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.

Directors' expenses. 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 or in the discharge of their duties as Directors.

Special remuneration.

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

Remuneration of Managing Directors, etc.

101. Notwithstanding 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 Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of these modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

When office of Director to be vacated.

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

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ii) if he becomes a lunatic or of unsound mind;
- (iii) 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;
- (iv) if he becomes prohibited from being a Director by reason of any order made under any provision of any law, including but not limited to the Companies Ordinance, or he has been publicly reprimanded by the Stock Exchange or discharged of his responsibilities as a director of a listed company under the Listing Rules;
- (v) if by notice in writing delivered to the Company at its registered office he resigns his office;
- (vi) if he shall be removed from office by notice in writing

served upon him signed by all his co-Directors; or

(vii) if he shall be removed from office by an ordinary resolution of the Company under Article 110.

(B) 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.

Directors may contract with Company.

103. (A) (i) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

(ii) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he or any other director is appointed to hold any office or place of profit under the Company or at which the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof or any transaction in which he or any of his associates is materially interested, save for those as specified under (B)(ii) below.

(B) (i) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director or any of his associate(s) shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or whose associate(s) so contracting or himself or his associate(s) being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall disclose the nature of his interest or that of his associate(s) in any contract or arrangement in which he or his associate(s) is interested at the meeting of the Board at

which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest or that of his associate(s) then exists, or in any other case at the first meeting of the Board after he knows that he or his associate(s) is/are or has/have become so interested.

(ii) A Director shall not vote or be counted in the quorum on any resolution of the Board approving any contract, arrangement or proposal in which he or any of his associate(s) is materially interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to:-

(a) any contract, arrangement or proposal for giving the Director or his associate(s) any security or indemnity in respect of money lent by him or his associate(s) to 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; and/or

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

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

(d) any contract, arrangement or proposal in relation to or concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that

company, provided that the Director and any of his associates are not in aggregate beneficially interested in five per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting right; and/or

- (e) any contract, arrangement or proposal in relation to or concerning the benefit of employees of the Company or its subsidiaries including:
  - (1) 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
  - (2) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to Directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not give in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to whom such scheme or fund relates; and/or
- (f) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;

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 any of 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 Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of 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 the Chairman of the meeting or any of his associate(s) as known to such Chairman has not been fairly disclosed to the Board.

- (iii) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by it as directors of such other company in such manner as in all respects it thinks fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or be about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.
- (iv) A general notice to the Board by a Director that he or any of his associate(s) is a member of a specified firm or corporation and is to be regarded as interested in any contract or arrangement which may be made with that firm or corporation after the date of such notice or that he or any of his associate(s) is to be regarded as interested in any contract or arrangement which may be made with a specified person who is connected with him after the date of such notice shall be deemed to be a

sufficient declaration of interest in relation to any contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.

- (C) A Director of the Company may be or become a Director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.
- (D) Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that it is in compliance with the Listing Rules and nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

#### **Rotation of Directors**

Rotation and retirement of Directors.

104. (A) At each annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office provided that each Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years or in such other manner of rotation as may be required by the Listing Rules or other codes, rules and regulations as may be prescribed by the applicable regulatory authority from time to time. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.

Meeting to fill up vacancies.

- (B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.

Retiring Directors to remain in office till successors appointed.

105. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:-

- (i) it shall be determined at such meeting to reduce the number of

Directors; or

- (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
- (iii) in any such case the resolution for re-election of a Director is put to the Meeting and lost.

Power of general meeting to increase or reduce number of Directors. 106. The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.

Appointment of Directors. 107. The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.

Notice to be given when person proposed for election. 108. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless there shall have been lodged with the Company notice in writing signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose that person for election as a Director and also notice in writing signed by that person of his willingness to be elected as a Director. Unless otherwise determined by the Directors and notified by the Company to the members, the period for lodgment of the said notices shall be a 7-day period commencing on the day after the dispatch of the notice of the meeting for such election of Director(s) and ending on the date falling 7 days after the dispatch of the said notice of the meeting. If the Directors should so determine and notify the members of a different period for lodgment of the said notices, such period shall in any event be a period of not less than 7 days, commencing on no earlier than the day after the dispatch of the said notice of the meeting and ending no later than 7 days prior to the date of such meeting.

Register of Directors and notification of changes to Registrar. 109. The Company shall keep in accordance with the Ordinance a register containing the names and addresses and occupations of its Directors and shall from time to time notify to the Registrar of Companies any change that takes place in such Directors as required by the Companies Ordinance.

Power to remove Director by ordinary resolution. 110. The Company may by ordinary resolution remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Special notice (as defined in the Companies Ordinance) is required of a

resolution to remove a Director or to appoint somebody in place of a Director so removed at the general meeting at which he is removed in accordance with the Companies Ordinance. Any person so elected and appointed to fill the vacancy of a removed Director shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

### **Borrowing Powers**

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| Power to borrow.                           | 111. | The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.   |
| Conditions on which money may be borrowed. | 112. | The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. |
| Assignment.                                | 113. | 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.   |
| Special privileges.                        | 114. | Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.  |
| Register of charges to be kept.            | 115. | (A) The Board shall cause a proper register to be kept, in accordance with the provisions of the Companies Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Companies Ordinance in regard to the registration of mortgages and charges therein specified and otherwise.                           |
| Register of debentures or debenture stock. |      | (B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures in accordance with the provisions of the Companies Ordinance.   |
| Mortgage of uncalled capital.              | 116. | Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members   |

or otherwise, to obtain priority over such prior charge.

### **Managing Directors, etc.**

- Power to appoint Managing Directors, etc. 117. 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 business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 101.
- Removal of Managing Director, etc. 118. Every Director appointed to an office under Article 117 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company be liable to be dismissed or removed therefrom by the Board.
- Cessation of appointment. 119. A Director appointed to an office under Article 117 shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any case, but shall whilst holding that office be subject to retirement by rotation in accordance with Article 104.
- Powers may be delegated. 120. The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

### **Management**

- General Powers of Company vested in Board. 121. (A) Subject to any exercise by the Board of the powers conferred by Articles 122 to 124, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Companies Ordinance expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

(B) Without prejudice to the general powers conferred by these Articles and save that it is in compliance with the Listing Rules, it is hereby expressly declared that the Board 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; and
- (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**

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| Appointment and remuneration of managers. | 122. | The Board may from time to time appoint a general manager, manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participate in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company. |
| Tenure of office and powers.              | 123. | The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as it may think fit.   |
| Terms and conditions of appointment.      | 124. | The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in its 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.   |

### **Chairman of the Board**

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| Chairman of the Board. | 125. | (A) The Board may from time to time elect or otherwise appoint a Director to be Chairman of the Board or Vice Chairman of the Board and determine the period for which each of them is to hold office. The Chairman of the Board shall take the chair at meetings of the Board. If there is no Chairman of the Board elected or appointed, or if at any meeting of the Board no Chairman of the Board is present within fifteen minutes after the time appointed for |
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holding such meeting, or if the Chairman of the Board is present but declines to take the chair, the Directors present shall choose one of their number to be Chairman of such meeting. For the avoidance of doubt, only one person shall take the chair of such meeting at any one time.

- (B) More than one Director may at any one time be appointed to be Chairman of the Board or Vice Chairman of the Board, and whenever there is for the time being more than one Director so appointed, the Directors so appointed shall together be joint Chairmen of the Board or joint Vice Chairmen of the Board (as the case may be).
- (C) Where there are for the time being joint Chairmen of the Board or joint Vice Chairmen of the Board, each individual Director appointed to be Chairman of the Board or Vice Chairman of the Board shall be referred to as joint Chairman of the Board or joint Vice Chairman of the Board but shall be entitled to discharge separately all the functions of the position to which he is appointed, and references in these Articles to “the Chairman of the Board” or “the Vice Chairman of the Board” (as the case may be) shall, unless the context requires otherwise, be to each of the Directors for the time being appointed to that position.
- (D) The Directors who are for the time being joint Chairmen of the Board may agree between themselves which of their number, if he is present, will take the chair at any meeting of the Board or any general meeting. Subject to that, if only one of the joint Chairmen of the Board is present or agrees to take the chair at the relevant meeting, he shall take the chair at that relevant meeting. If the joint Chairmen of the Board present at the relevant meeting are unable to agree between themselves which of them shall take the chair at such meeting, all of them shall be deemed to have declined to take the chair.

### **Proceedings of the Directors**

Meetings of the Board, quorum, etc.

- 126. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. The Board or any committee of the Board may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

- Convening of Board meeting. 127. A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by facsimile transmission or by email at the address or email 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 that notice needs not be given to any Director or alternate Director who is at the relevant time absent from Hong Kong. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective.
- How questions to be decided. 128. 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 of the meeting shall have a second or casting vote.
- Powers of meeting. 129. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.
- Power to appoint committee and to delegate. 130. The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons, as the 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 persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.
- Acts of committee to have same effect as acts of Board. 131. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
- Proceedings of committee. 132. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Article 130.
- When acts of Board or committee to be valid notwithstanding defects. 133. All acts bona fide done by any meeting of the Board or by any such committee or by any person acting as a Director shall, notwithstanding that it shall be after-wards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.



Directors' powers when vacancies exist.

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

Directors' resolutions.

135. A resolution in writing signed by all the Directors except such as are absent from Hong Kong or temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as they constitute a quorum as provided in Article 126) be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose, a signature of a Director or an alternate Director contained in a document transmitted by facsimile or email shall be treated as valid.

### **Minutes**

136. (A) The Board shall cause minutes to be made of: -
- (i) all appointments of officers made by the Board;
  - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 130; and
  - (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

### **Secretary**

Appointment of Secretary.

137. 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 Companies 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, by or to any officer of the Company authorised generally or specially in that behalf by the Board. If the Secretary appointed is a corporation or other body, it may act and sign

by the hand of any one or more of its directors or officers duly authorised.

- Residence. 138. The Secretary shall ordinarily reside in Hong Kong.
- Same person not to act in two capacities at once. 139. A provision of the Companies Ordinance or of these Articles requiring or authorising a thing to be done by or to a Director and the 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.

### **General Management and Use of the Seal**

- Custody of seal. 140. (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 or by some other person appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signature may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.
- Official seal for use abroad. (B) The Company may have an official seal for use for sealing certificates for shares or other securities issued by the Company as permitted by Section 73A of the Ordinance (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other documents to which such official seal is affixed and such certificates or other documents shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid) and an official seal for use abroad under the provisions of the Companies Ordinance where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and it may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

- Cheques and banking arrangements. 141. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.
- Power to appoint attorney. 142. (A) The Board may from time to time and at any time, by power of attorney under the seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- Execution of deeds by attorney. (B) The Company may, by writing under its seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the seal of the Company.
- Local boards. 143. The Board may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration, and may delegate to any committee, local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
- Power to establish pension funds. 144. 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**

Power to capitalise.

145. (A) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on 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 or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other; provided that for the purpose of this Article, any amount standing to the credit of share premium account or a capital redemption reserve fund may only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid up shares.

Effect of resolution to capitalise.

(B) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which

may arise in regard to a capitalisation issue as it thinks fit, and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in lieu of fractional certificates or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties. The provisions of the Ordinance in relation to the filing of contracts for allotment shall be observed and, the Board may appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.

Effect of  
capitalisation on  
warrants.

146. (A) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:-

- (i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the "Subscription Right Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such additional shares as and when the same are allotted;
- (ii) the Subscription Right Reserve shall not be used for any purpose other than that specified above until all other reserves of the Company (other than share premium account and capital redemption reserve fund) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;
- (iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal

amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:

- (a) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
- (b) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par,

and immediately upon such exercise so much of the sum standing to the credit of the Subscription Right Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted and credited as fully paid to the exercising warrant holder; and

- (iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account and capital redemption reserve fund) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such

additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

- (B) Shares allotted pursuant to the provisions of this Article shall rank pari passu in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned.
- (C) Notwithstanding anything contained in this Article no fraction of any share shall be allotted on exercise of the subscription rights and so that whether any (and if so what) fraction of a share arises shall be determined according to the terms and conditions of the warrants.
- (D) The provisions of this Article as to the establishment and maintenance of the Subscription Right Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating, the provisions for the benefit of any warrant holder or class of warrant holders under this Article without the sanction of a special resolution of such warrant holders or class of warrant holders.
- (E) A certificate or report by the Auditors of the Company as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

### **Dividends and Reserves**

- Power to declare dividends. 147. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

- Board's power to pay interim dividends. 148. (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 position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.
- (B) The Board may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.
- Dividends not to be paid out of capital. 149. No dividend shall be payable except out of the profits of the Company available for distribution in accordance with the Companies Ordinance. No dividend shall carry interest.
- Dividend in specie. 150. Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Companies Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.
- Scrip dividends. 151. (A) Wherever the Board or the Company in general meeting have resolved that a dividend be paid or declared on the share



capital of the Company, the Board may further resolve:-

- either (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, 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 Board;
  - (b) the Board, after determining the basis of allotment, shall give not less than 10 days' notice in writing to the share-holders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; 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 lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, share premium account the capital redemption reserve fund (if there be any such reserve)) as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying 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) the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply:-
- (a) the basis of any such allotment shall be determined by the Board;
  - (b) the Board, after determining the basis of allotment, shall give not less than 10 days' notice in writing to the share-holders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
  - (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying 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) The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:-

- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of relevant dividend

unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Article shall rank for participation in such distribution, bonus or rights.

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

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

(E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where

in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

Record date for rights of election.

(F) The Board may on any occasion determine that rights of election under paragraph (A) of this Article shall not be made available to shareholders who are registered in the register of shareholders, or in respect of shares the transfer of which is registered, after a date fixed by the Board and in such event the provisions aforesaid shall be read and construed subject to such determination.

Reserves.

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

Dividends to be paid in proportion to paid up capital.

153. 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.

Retention of dividends etc.

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

Deduction of debts.

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

Dividend and call together.

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

the dividend may, if so arranged between the Company and the member, be set off against the call.

- Effect of transfer. 156. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.
- Receipt for dividends by joint holders of share. 157. 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.
- Payment by post. 158. Unless otherwise directed by the Board, 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 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.
- Unclaimed dividend. 159. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.
- Record date may be specified in resolution. 160. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the members.

#### **Distribution of Realised Capital Profits**

- Distribution of realised capital profits. 161. The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered

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

### **Annual Returns**

Annual returns. 162. The Board shall make the requisite annual returns in accordance with the Companies Ordinance.

### **Accounts**

Accounts to be kept. 163. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Ordinance or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

Where accounts to be kept. 164. The books of account shall be kept at the registered office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

Inspection by members. 165. The Board shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Companies Ordinance or authorised by the Board or by the Company in general meeting.

Annual profit and loss account and balance sheet. 166. (A) The Board shall from time to time in accordance with the provisions of the Companies Ordinance account and cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Companies Ordinance.

Annual report of Directors and balance sheet to (B) Every balance sheet of the Company shall be signed pursuant to the provisions of the Companies Ordinance, and a copy of

be sent to members.

every balance sheet (including every document required by law to be annexed thereto) and profit and loss account which is to be laid before the Company in general meeting, together with a copy of the Directors' report and a copy of the Auditors' report, shall not less than twenty-one days before the date of the meeting, be sent to every member of, and every holder of debentures of, the Company and every person registered under Article 46 and every other person entitled to receive notices of general meetings of the Company, provided that this Article shall be subject to Article 166(D) and shall not require a copy of those documents to be sent to any person of whose address the Company is not aware, to more than one of the joint holders of any shares or debentures or to any person to whom the Company has duly sent a copy of a summary financial report (as defined in the Companies Ordinance) in accordance with the provisions of the Companies Ordinance and Article 166(C).

Summary financial reports.

(C) Subject to Article 166(D), a copy of a summary financial report in the form and containing the contents as required by the Companies Ordinance shall be sent by the Company in accordance with the provisions of the Companies Ordinance to a person who has been offered and agreed, in accordance with the provisions of the Companies Ordinance, to be sent a copy of such summary financial report.

Publication of summary financial reports on computer networks.

(D) Where a person has, in accordance with the provisions of the Companies Ordinance where applicable, consented to treat the publication or the making available of the relevant financial documents and/or the summary financial report (each as defined in the Companies Ordinance) on a computer network or by such other means as discharging the Company's obligation under the Companies Ordinance and Listing Rules to send a copy of the relevant financial documents and/or the summary financial report (each as defined in the Companies Ordinance), then the publication or the making available by the Company, in accordance with the provisions of the Companies Ordinance and Listing Rules, where applicable, on such computer network or by such other means of the relevant financial documents or the summary financial report (each as defined in the Companies Ordinance) shall, in relation to each consenting person, be deemed to discharge the Company's obligations under this Article 166.

### **Audit**

Auditors.

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

Remuneration of Auditors.

168. Subject as otherwise provided by the Companies Ordinance the

remuneration of the Auditors shall be fixed by the Company in general meeting Provided always that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board.

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

### Notices

- Service of notices.
170. Subject to compliance with the Companies Ordinance and Listing Rules, any notice, document or communication to be given or issued shall be in writing, in any one or more languages to the members, and may be served by the Company on any member either personally or by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register or by delivering or leaving it at such registered address as aforesaid or otherwise made available using electronic or other means to such member or (in the case of a notice) by advertisement in English in at least one leading English language daily newspaper circulating generally in Hong Kong and in Chinese in at least one leading Chinese language daily newspaper circulating generally in Hong Kong, being in each case a newspaper specified in the list of newspapers issued and published in The Hong Kong Government Gazette for the purposes of section 71A of the Companies Ordinance, or by publication on the website of the Company in accordance with the Listing Rules or in such other manner as permitted under the Listing Rules.

- Electronic communication
171. For the purpose of these Articles, where a notice, document or communication is sent by electronic means, service of such notice, document or communication shall be deemed to be effected upon it being sent (within the meaning prescribed under section 19 of the Electronic Transactions Ordinance (Cap. 553 of the Laws of Hong Kong), as amended from time to time) by the Company.

- When notice by post deemed to be served.
172. Any notice sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in any other case on the fifth day after the day of mailing. In proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office



shall be conclusive evidence thereof.

- Service of notice to persons entitled on death, mental disorder or bankruptcy of a member. 173. Subject to compliance of the Companies Ordinance and Listing Rules, a notice, document or communication may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred, or make available using electronic or other means to such person claiming to be so entitled or, where impracticable, in such manner in which the same might have been made available if the death, mental disorder or bankruptcy has not occurred.
- Transferee to be bound by prior notices. 174. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.
- Notice valid though member deceased or bankrupt. 175. Subject to compliance of the Companies Ordinance and Listing Rules, any notice, document or communication delivered or sent by post to, or left at the registered address of any member or made available using electronic or other means to such member, in pursuance of these Articles, shall notwithstanding that such member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice, document or communication on his personal representatives and all persons (if any) jointly interested with him in any such shares.
- How notice to be signed. 176. The signature to any notice to be given by the Company may be written or printed.

### **Information**

- Member not entitled to information 177. No member (not being a Director) shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interests of the members of the Company to communicate to the public.

## Winding Up

178. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively, but all subject to the rights of any shares which may be issued on special terms or conditions.
179. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies Ordinance, divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability.
- Service of  
process.
180. In the event of a winding-up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement in such English language daily newspaper circulating in Hong Kong as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as 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

- Indemnity.            181. (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 (including any such liability as is mentioned in Section 165(2) of the Companies Ordinance) 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, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.
- (B) Subject to the provisions of and so far as may be permitted by the Companies Ordinance, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.
- (C) Subject to the provisions of and so far as may be permitted by the Companies Ordinance, the Company may purchase and maintain for any officer of the Company:
- (i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for 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.

In this Article 181(C), “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.