

## COMPANY INFORMATION SHEET

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Company name (stock code): AsiaInfo Technologies Limited (1675)  
Stock short name: ASIAINFO TECH

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

Unless the context requires otherwise, capitalized terms used herein shall have the meanings given to them in the Company’s prospectus (“**Prospectus**”) dated December 6, 2018 and, if any, references to sections of the Prospectus shall be construed accordingly.

### Responsibility statement

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

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

### Summary Content

<u>Document type</u>	<u>Upload date</u>
<b>A. Summary of waiver</b>	
Latest version .....	December 18, 2018
<b>B. Summary of foreign laws and regulations</b>	
Latest version .....	December 18, 2018
<b>C. Summary of our Memorandum and Articles of Association</b>	
Latest version .....	December 18, 2018
<b>D. Memorandum and Articles of Association</b>	
Latest version .....	December 18, 2018

Date of this information sheet: December 18, 2018.

## **A. SUMMARY OF WAIVER**

The following material waiver has been applied for and granted by the Stock Exchange:

### **MANAGEMENT PRESENCE IN HONG KONG**

Pursuant to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of the executive Directors must be ordinarily resident in Hong Kong. Since we have our headquarters and principal operations in mainland China, the executive Directors have been and are expected to continue to be primarily based in mainland China.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we will put in place the following measures in order to ensure that regular communication is maintained between the Stock Exchange and us:

1. we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives are Mr. GAO Nianshu and Ms. YU Wing Sze;
2. each of the authorized representatives will have all necessary means to contact all the Directors promptly at all times, as and when the Stock Exchange wishes to contact the Directors on any matters;
3. all the Directors who are not ordinarily resident in Hong Kong have or can apply for valid travel documents to visit Hong Kong for business purposes and would be able to meet with the Stock Exchange upon reasonable notice;
4. our Company will retain a Hong Kong legal advisor to advise on matters relating to the application of the Listing Rules and other applicable Hong Kong laws and regulations after Listing;
5. Anglo Chinese Corporate Finance, Limited, our compliance advisor, will act as an additional channel of communication with the Stock Exchange; and
6. each Director will provide his or her mobile phone number, office phone number, e-mail address and fax number to the Stock Exchange.

Please see the section headed “Directors and Parties Involved in the Global Offering” in the Prospectus for further details about other channels of communication with the Stock Exchange.

### **WAIVER IN RELATION TO CONTINUING CONNECTED TRANSACTIONS**

We have entered into, and are expected to continue, certain transactions which would constitute continuing connected transactions under the Listing Rules upon Listing. Accordingly, we have applied to the Stock Exchange for and the Stock Exchange has granted, a waiver from strict compliance with the announcement requirements set out in Chapter 14A of the Listing Rules for such continuing connected transactions. Further details of such continuing connected transactions are set out in “Connected Transactions” section of

the Prospectus.

## **WAIVER IN RELATION TO JOINT COMPANY SECRETARIES**

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary of our Company must be an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of a company secretary. The Stock Exchange considers the following academic or professional qualifications to be acceptable:

- a member of the Hong Kong Institute of Chartered Secretaries;
- a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Cap. 159 of the Laws of Hong Kong)); and
- a certified public accountant (as defined in the Professional Accountants Ordinance (Cap. 50 of the Laws of Hong Kong)).

Note 2 to Rule 3.28 of the Listing Rules sets out the factors that the Stock Exchange considers when assessing an individual's "relevant experience":

- length of employment with the issuer and other issuers and his/her respective roles;
- familiarity with the Listing Rules and other relevant law and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- relevant training taken and/or to be taking in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- professional qualifications in other jurisdictions.

We have appointed Ms. HE Qiongxiu as one of our joint company secretaries. Ms. HE Qiongxiu has a thorough understanding of the operation of the Board and our Company. Nonetheless, Ms. HE Qiongxiu lacks the qualification stipulated in Rule 3.28 of the Listing Rules and may not be able solely to perform the duties of company secretary. Therefore, we have appointed Ms. YU Wing Sze as our other joint company secretary to provide assistance to Ms. HE Qiongxiu for an initial period of three years from the Listing Date.

Ms. YU Wing Sze will work closely with Ms. HE Qiongxiu to jointly discharge the duties and responsibilities as company secretary and assist Ms. HE Qiongxiu to acquire the relevant experience as required under Rule 3.28 of the Listing Rules. In addition, Ms. HE Qiongxiu will attend relevant professional trainings each year for no less than 15 hours to enhance and improve her knowledge of and familiarity with the Listing Rules and other relevant law, rules and regulations.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules, which will be valid for an initial period of three years, provided that Ms. YU Wing Sze is engaged as a joint company secretary and provides assistance to Ms. HE Qiongxiu during the three-year period. Prior to the expiry of the initial three-year period, an evaluation will be carried out to determine whether the qualifications and experience of Ms. HE Qiongxiu can satisfy the requirements set out in Rule 3.28 of the Listing Rules. In the event that Ms. HE Qiongxiu has obtained relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules at the end

of the said initial three-year period, the above joint company secretaries arrangement would no longer be necessary.

## **WAIVER AND EXEMPTION IN RELATION TO THE PRE-IPO SHARE OPTION SCHEME**

Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Prospectus is required to include, among other things, details of the number, description and amount of any of our Shares which any person has, or is entitled to be given, an option to subscribe for, together with certain particulars of each option, namely the period during which it is exercisable, the price to be paid for Shares subscribed for under it, the consideration (if any) given or to be given for it or for the right to it and the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures, must be specified in the prospectus. Paragraph 27 of Appendix 1A to the Listing Rules requires a listing applicant to disclose, inter alia, particulars of any capital of any member of our Group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement, provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to employees under a share option scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees. We note that under paragraph 27 of Appendix 1A to the Listing Rules, where options have been granted to employees under a share scheme, it is not necessary to disclose the names and addresses of the grantees of the options. Rule 17.02(1)(b) of the Listing Rules requires that full details of all outstanding options and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the exercise of such outstanding options be disclosed in the Prospectus.

As at the Latest Practicable Date, we have granted options, which remain to be outstanding and unexercised, to 2,064 persons (the “**Grantees**” and each a “**Grantee**”) to subscribe for 15,049,232 Shares (being 120,393,856 Shares after taking into account the Share Subdivision, representing 19.17% of the issued Shares immediately following completion of the Share Subdivision but before completion of the Global Offering) pursuant to the Pre-IPO Share Option Scheme on the terms set out in “Statutory and General Information—D. Pre-IPO Share Option Scheme” in Appendix IV to the Prospectus including one Grantee who is a Director, five Grantees who are members of the senior management of our Group, one Grantee who is a connected person of our Group and 10 individuals each of whom holds share options representing rights to subscribe for more than 800,000 Shares (after taking into account the Share Subdivision) (collectively the “**Disclosed Option Grantees**” and each a “**Disclosed Option Grantee**”) and 2,047 Grantees who are employees, ex-employees, consultants and ex-consultants of our Group having the right to subscribe for 11,683,293 Shares (being 93,466,344 Shares after taking into account the Share Subdivision, representing 14.88% of the issued Shares immediately following completion of the Share Subdivision but before completion of the Global Offering) under the Pre-IPO Share Option Scheme. Save as disclosed in “Statutory and General Information—D. Pre-IPO Share Option Scheme” in Appendix IV to the Prospectus, no holders of the outstanding share

options granted under the Pre-IPO Share Option Scheme is a Director or senior management or connected person of our Group or an employee, ex-employee, consultant and ex-consultant of our Group having the right to subscribe for 474,832 Shares (being 3,798,656 Shares after taking into account the Share Subdivision, representing 0.60% of the issued Shares immediately following completion of the Share Subdivision but before completion of the Global Offering) or more under the Pre-IPO Share Option Scheme. As of the Latest Practicable Date, the total number of share options granted and remain outstanding is not more than 120,393,856 (assuming completion of the Share Subdivision), representing approximately 16.87% of the total number of Shares immediately after completion of the Global Offering and excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the outstanding share options under the Pre-IPO Share Option Scheme and the vesting of the outstanding RSAs under the Pre-IPO RSA Scheme.

We have applied for (i) a waiver from the Stock Exchange from strict compliance with the disclosure requirements under Rule 17.02(1)(b) and paragraph 27 of Appendix 1A to the Listing Rules; and (ii) an exemption from the SFC from strict compliance with the disclosure requirements of paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the ground that disclosure of the names and addresses of the 2,047 Grantees of the outstanding share options under the Pre-IPO Share Option Scheme other than the Disclosed Option Grantees (such Grantees to be collectively referred to as the “**Other Grantees**” and each an “**Other Grantee**”) (the total number of Shares subject to the outstanding share options granted to such Other Grantees being 11,683,293 (93,466,344 Shares after taking into account the Share Subdivision, representing 14.88% of the issued Shares immediately following completion of the Share Subdivision but before completion of the Global Offering)), as well as the number of Shares in respect of which options have been conditionally granted to each Other Grantee would be unduly burdensome for us due to the following reasons:

- given that 2,047 Other Grantees are involved, strict compliance with the applicable disclosure requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance on an individual basis in the Prospectus will be costly and unduly burdensome on our Company in light of a significant increase in cost and timing for information compilation, prospectus preparation and printing;
- as of the Latest Practicable Date, among all Grantees, 17 Grantees were Disclosed Option Grantees and the remaining 2,047 Other Grantees are only employees, consultants, ex- employees or ex-consultants of our Group, and strict compliance with the share option related disclosure requirements under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance to disclose the names, addresses, and entitlements on an individual basis in the Prospectus will therefore require over 100 pages of additional disclosure that does not provide any material information to the investing public;
- given the nature of the business of the Company, it is extremely important for the Company to recruit and retain talents and the success of the Company’s long-term development plan will very much depend on the loyalty and contribution of the Grantees;
- non-compliance with the above disclosure requirements would not prevent the

Company from providing its potential investors with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of the Company; and

- material information relating to the options under the Pre-IPO Share Option Scheme will be disclosed in the Prospectus, including the total number of Shares subject to the Pre-IPO Share Option Scheme, the exercise price per Share, the potential dilution effect on the shareholding and impact on earnings per Share upon full allotment and issuance under the Pre-IPO Share Option Scheme. The Directors consider that the information that is reasonably necessary for potential investors to make an informed assessment of the Company in their investment decision making process has been included in the Prospectus.

In light of the above, our Directors are of the view that the grant of the waiver and exemption sought under this application will not prejudice the interests of the investing public.

The Stock Exchange has granted the waiver to us subject to the following conditions:

- a) the grant of a certificate of exemption from strict compliance with the relevant Companies (Winding Up and Miscellaneous Provisions) Ordinance requirements by the SFC;
- b) on individual basis, full details of all the options granted by our Company under the Pre-IPO Share Option Scheme to the Directors, senior management and connected persons of our Group and individuals each of whom holds share options representing rights to subscribe for more than 800,000 Shares (after taking into account the Share Subdivision), including all the particulars required under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix 1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, be disclosed in the Prospectus;
- c) in respect of the options granted by our Company to the Other Grantees, the following details be fully disclosed in the Prospectus:
  - i. the aggregate number of the Other Grantees;
  - ii. the number of Shares subject to such options;
  - iii. the consideration paid for the grant of such options;
  - iv. the exercise period of the options; and
  - v. the exercise price for the options;
- d) the dilution effect and impact on earnings per Share upon full exercise of the options granted under the Pre-IPO Share Option Scheme be disclosed in the Prospectus;
- e) the aggregate number of Shares subject to the outstanding options granted by our Company under the Pre-IPO Share Option Scheme and the percentage of our Company's issued shares of which such number represents be disclosed in the



Prospectus;

- f) a summary of the Pre-IPO Share Option Scheme be disclosed in the Prospectus;
- g) the list of all the Grantees (including the Other Grantees), containing all details as required under Rule 17.02(1)(b), paragraph 27 of Appendix 1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance be made available for public inspection; and
- h) the particulars of the waiver will be disclosed in the Prospectus and the prospectus will be issued on or before December 6, 2018.

The SFC has issued a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the basis that such exemption will not prejudice the interest of the investing public, subject to the following conditions:

- a) on individual basis, full details of all the options granted by our Company under the Pre-IPO Share Option Scheme to each of the Directors, senior management or connected persons of our Group and individuals each of whom holds share options representing rights to subscribe for more than 800,000 Shares (after taking into account the Share Subdivision) are disclosed in the Prospectus, such details to include all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- b) in respect of the options granted by our Company under the Pre-IPO Share Option Scheme to the Other Grantees, the following details are disclosed in the Prospectus:
  - i. the aggregate number of Other Grantees;
  - ii. the number of Shares subject to such options;
  - iii. the consideration paid for the grant of such options;
  - iv. the exercise period of the option; and
  - v. the exercise price for the options;
- c) a list of all the Grantees (including the persons referred to in sub-paragraph (a) above) who have been granted options to subscribe for Shares under the Pre-IPO Share Option Scheme, containing all the details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance be made available for public inspection in accordance with “Documents Delivered to the Registrar of Companies and Available for Inspection—2. Documents Available for Inspection” in Appendix V to the Prospectus; and
- d) the particulars of the exemption will be disclosed in the Prospectus and the

prospectus will be issued on or before December 6, 2018.



## **B. SUMMARY OF FOREIGN LAWS AND REGULATIONS**

The Company is incorporated in the British Virgin Islands subject to the BVI Business Companies Act 2004 (as amended) (the “**BVI Companies Act**”) and, therefore, operates subject to British Virgin Islands law. Set out below is a summary of certain provisions of British Virgin Islands company law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of British Virgin Islands company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar:

### **The BVI Business Companies Act**

The Company is incorporated in the British Virgin Islands subject to the BVI Companies Act and, therefore, operates subject to British Virgin Islands law. Set out below is a summary of certain provisions of British Virgin Islands company law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of British Virgin Islands company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar:

#### *(a) Share Capital*

Under the BVI Companies Act there is no concept of authorised share capital. Companies registered under the BVI Companies Act may be authorised to issue a specific number of shares or the company’s memorandum of association may provide that the company is authorised to issue an unlimited number of shares. The BVI Companies Act also provides that, subject to the company’s memorandum and articles of association, shares may be issued with or without a par value and in any currency. The BVI Companies Act also permits the company to issue fractional shares.

Shares issued by the company will be the personal property of the shareholders and confer on the holder of a share:

- (i) the right to one vote at a meeting of the members of the company or on any resolution of the members of the company;
- (ii) the right to an equal share in any dividend paid in accordance with the BVI Companies Act; and
- (iii) the right to an equal share in the distribution of the surplus assets of the company.

Subject to any limitations or provisions to the contrary in the company’s memorandum or articles of association, unissued shares and treasury shares of the company are at the disposal of the directors who may, without limiting or affecting any rights previously conferred on the holders of any existing shares or class or series of shares, offer, allot or otherwise dispose of shares to such persons, at such times and upon such terms as the company may by resolution of directors determine.

Similarly, subject to the company's memorandum and articles of association, options to acquire shares in the company may be granted at any time, to any person and for such consideration as the directors may determine.

Subject to the company's memorandum and articles of association, a company may issue shares which are partly paid or nil-paid. Shares may also be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how), services rendered or the provision of future services.

Subject to the company's memorandum and articles of association, a company may issue shares with or without voting rights or with different voting rights; common, preferred, limited or redeemable shares; options, warrants or similar rights to acquire any securities of the company; and securities convertible into or exchangeable for other securities or property of a company.

Subject to its memorandum and articles of association, a company may issue more than one class of shares. A statement of the classes of shares that the company is authorised to issue and, if the company is authorised to issue two or more classes of shares, the rights, privileges, restrictions and conditions attaching to each class of shares must be included in the company's memorandum of association. Subject to its memorandum and articles, a company may issue a class of shares in one or more series.

*(b) Financial assistance to purchase shares of a company or its holding company*

Subject to the BVI Companies Act, any other enactment and the company's memorandum and articles of association, a company has, irrespective of corporate benefit full capacity to carry on or undertake any business or activity, do any act or enter into any transaction including, among other things, the giving of financial assistance to any person in connection with the acquisition of its own shares.

*(c) Purchase of shares and warrants by a company and its subsidiaries*

A company may purchase, redeem or otherwise acquire its own shares in accordance with either the procedures set out in Sections 60, 61 and 62 of the BVI Companies Act or such other provisions for the purchase, redemption or acquisition of its own shares as may be specified in its memorandum and articles. Sections 60, 61 and 62 do not apply to a company to the extent that they are negated, modified or inconsistent with provisions for the purchase, redemption or acquisition of its own shares specified in the company's memorandum and articles. The Articles expressly provide that such provisions shall not apply to the Company.

Subject to its memorandum or articles of association, a company may purchase, redeem or otherwise acquire its own shares. The acquired shares may be cancelled or held as treasury shares. However, no such acquisition will be permitted unless the directors determine that immediately after the acquisition (i) the value of the company's assets will exceed its liabilities and (ii) the company

will be able to pay its debts as they fall due. A determination by the directors is, however, not required:

- (a) where shares are purchased, redeemed; or otherwise acquired pursuant to a right of a member to have his shares redeemed or to have his shares exchanged for money or other property of the company;
- (b) by virtue of the provisions of the BVI Companies Act in relation to the rights of dissenters under a redemption of minority shareholders, merger, consolidation, a disposition of assets, a compulsory redemption or an arrangement; or
- (c) pursuant to an order of the BVI court.

A company may hold shares that have been purchased, redeemed or otherwise acquired as treasury shares if (a) the memorandum or articles of the company do not prohibit it from holding treasury shares; (b) the directors resolve that shares to be purchased, redeemed or otherwise acquired shall be held as treasury shares; and (c) the number of shares purchased, redeemed or otherwise acquired, when aggregated with shares of the same class already held by the company as treasury shares, does not exceed 50% of the shares of that class previously issued by the company, excluding shares that have been cancelled.

All the rights and obligations attaching to a treasury share are suspended and shall not be exercised by or against the company while it holds the share as a treasury share. Treasury shares may be transferred by the company and the provisions of the BVI Companies Act, the memorandum and articles that apply to the issue of shares apply to the transfer of treasury shares.

Under BVI law, a subsidiary may hold shares in its holding company.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under BVI law that a company's memorandum or articles contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association.

*(d) Protection of Minorities*

The BVI Companies Act contains various mechanism to protect minority shareholders, including:

- (i) **Restraining or Compliance Orders:** if a company or a director of a company engages in, proposes to engage in or has engaged in, conduct that contravenes the BVI Companies Act or the company's memorandum and articles of association, the court may, on the application of a member or a director of the company, make an order directing the company or its director to comply with, or restraining the company or director from engaging in conduct that contravenes,

the BVI Companies Act or the company's memorandum and articles of association;

(ii) **Derivative Actions:** the court may, on the application of a member of a company, grant leave to that member to:

(aa) bring proceedings in the name and on behalf of that company;  
or

(bb) intervene in proceedings to which the company is a party for the purpose of continuing, defending or discontinuing the proceedings on behalf of the company; and

(iii) **Unfair Prejudice Remedies:** a member of a company who considers that the affairs of the company have been, are being or are likely to be, conducted in a manner that is, or any acts of the company have been, or are, likely to be oppressive, unfairly discriminatory, or unfairly prejudicial to him, may apply to the court for an order and, if the court considers that it is just and equitable to do so, it may make such order as it thinks fit, including, without limitation, one or more of the following orders:

(aa) in the case of a shareholder, requiring the company or any other person to acquire the shareholder's shares;

(bb) requiring the company or any other person to pay compensation to the member;

(cc) regulating the future conduct of the company's affairs;

(dd) amending the memorandum or articles of association of the company;

(ee) appointing a receiver of the company;

(ff) appointing a liquidator of the company under section 159(1) of the Insolvency Act;

(gg) directing the rectification of the records of the company; and

(hh) setting aside any decision made or action taken by the company or its directors in breach of the BVI Companies Act or the company's memorandum and articles of association.

(iv) **Representative Actions:** a member is able to bring an action against the company for a breach of a duty owed by the company to member in his capacity as a member. Where a member brings such an action and other members have the same (or substantially the same) action against the company, the court may appoint the first member to represent all or some of the members having the same interest and may make an order:

- (aa) as to the control and conduct of the proceedings;
- (bb) as to the costs of the proceedings; and
- (cc) directing the distribution of any amount ordered to be paid by a defendant in the proceedings among the members represented.

The BVI Companies Act provides that any member of a company is entitled to payment of the fair value of his shares upon dissenting from any of the following:

- (i) a merger;
- (ii) a consolidation;
- (iii) any sale, transfer, lease, exchange or other disposition of more than 50% of the assets or business of the company if not made in the usual or regular course of the business carried on by the company but not including:
  - (aa) a disposition pursuant to an order of the court having jurisdiction in the matter;
  - (bb) a disposition for money on terms requiring all or substantially all net proceeds to be distributed to the members in accordance with their respective interests within one (1) year after the date of disposition; or
  - (cc) a transfer pursuant to the power of the directors to transfer assets for the protection thereof;
- (iv) a redemption of 10% or less of the issued shares of the company required by the holders of 90% or more of the shares of the company pursuant to the terms of the BVI Companies Act; and
- (v) an arrangement, if permitted by the court.

Generally any other claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the BVI or their individual rights as shareholders as established by the company's memorandum and articles of association.

(e) *Dividends and distributions*

A company may declare and make a distribution (which term includes a dividend), provided that the directors are satisfied that immediately after the payment of the dividend, (i) the value of the company's assets will exceed its liabilities and (ii) the company will be able to pay its debts as they fall due.

A distribution may be a direct or indirect transfer of an asset (other than the company's own shares) or the incurring of a debt for the benefit of a member.

*(f) Management*

Subject to its memorandum and articles of association, the business and affairs of a company shall be managed by, or under the direction or supervision of, the directors of the company and the directors shall have all the powers necessary for managing, and for directing and supervising, the business and affairs of the company. The number of directors of a company may be fixed by, or in the manner provided in, the articles of association of a company.

The BVI Companies Act provides that, subject to any limitations or provisions to the contrary in its memorandum and articles of association, any sale, transfer, lease, exchange or other disposition, other than a mortgage, charge or other encumbrance of the enforcement thereof, of more than 50% of the assets of a company, if not made in the usual or regular course of business carried on by the company, must be approved by a resolution of members. The Articles expressly provide that notwithstanding the foregoing requirement of the BVI Companies Act, the directors may dispose of assets of the Company without the disposition being authorised by the members at a general meeting.

The BVI Companies Act contains no other specific restrictions on the power of directors to dispose of assets of a company.

The BVI Companies Act contains a statutory code of directors' duties. Each director of a company, in performing his functions, must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

*(g) Amendment of Constitutional Document*

The members of a company may, by resolution, amend the memorandum or articles of association of the company. The memorandum of a company may include a provision:

- (i) that specified provisions of the memorandum or articles of association may not be amended;
- (ii) that a resolution passed by a specified majority of members, greater than 50%, is required to amend the memorandum or articles of association or specified provisions of the memorandum or articles of association; and
- (iii) that the memorandum or articles of association, or specified provisions of the memorandum or articles of association, may be amended only if certain specified conditions are met.

The memorandum of association of a company may authorise the directors, by resolution, to amend the memorandum or articles of association of the company.

Where a resolution is passed to amend the memorandum or articles of association of a company, the company must file for registration:

- (i) a notice of amendment in the approved form; or
- (ii) a restated memorandum or articles incorporating the amendment made.

An amendment to the memorandum or articles of association has effect from the date that the notice of amendment, or restated memorandum or articles of association incorporating the amendment, is registered by the BVI Registrar of Corporate Affairs or from such other date as may be ordered by the court.

*(h) Accounting requirements*

A company must keep such accounts and records as are sufficient to show and explain the company's transactions and which will, at any time, enable the financial position of the company to be determined with reasonable accuracy. There is generally no obligation to have financial statement audited, unless the company is operating as a certain type of fund regulated by the Mutual Funds Act, 1996.

*(i) Exchange control*

There are no exchange control regulations or currency restrictions in the BVI.

*(j) Loans to and transactions with directors*

There is no express provision in the BVI Companies Act prohibiting the making of loans by a company to any of its directors.

A director of a company shall, immediately after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the company, disclose the interest to the board of the company. If a director fails to make such a disclosure, he is liable, upon summary conviction, to a fine of US\$10,000.

A director of a company is not required to disclose the interest if:

- (i) the transaction or proposed transaction is between the director and the company; and
- (ii) the transaction or proposed transaction is or is to be entered into in the ordinary course of the company's business and on usual terms and conditions.

A disclosure to the board to the effect that a director is a member, director, officer or trustee of another named company or other person and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that company or person, is a sufficient disclosure of interest in relation to that transaction. It should be noted, however, that a



disclosure is not made to the board unless it is made or brought to the attention of every director on the board.

*(k) Taxation in the BVI*

A company incorporated under the BVI Companies Act is exempt from all provisions of the Income Tax Act (as amended) of the BVI (including with respect to all dividends, interests, rents, royalties, compensation and other amounts payable by the company to persons who are not persons resident in the BVI).

Capital gains realised with respect to any shares, debt obligations or other securities of a company by persons who are not persons resident in the BVI are also exempt from all provisions of the Income Tax Act of the BVI.

No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in the BVI with respect to any shares, debt obligations or other securities of the company, save for interest payable to or for the benefit of an individual resident in the European Union.

*(l) Stamp duty on transfer*

No stamp duty is payable in the BVI on a transfer of shares in a BVI company.

*(m) Inspection of corporate records*

Members of the general public, on a payment of a nominal fee, can inspect the public records of a company available at the office of the BVI Registrar of Corporate Affairs which will include, *inter alia*, the company's certificate of incorporation, its memorandum and articles of association (with any amendments) and the records of license fees paid to date.

A director may, on giving reasonable notice, inspect (and make copies of) the documents and records of a company without charge and at a reasonable time specified by the director.

A member of a company may, on giving written notice to a company, inspect the company's memorandum and articles of association, the register of members, the register of directors and the minutes of meetings and resolutions of members and of those classes of members of which he is a member.

Subject to any provision to the contrary in the company's memorandum and articles of association, the directors may, if they are satisfied that it would be contrary to the company's interests to allow a member to inspect any document, or part of a document, refuse to permit the member to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records. The directors shall, as soon as reasonably practicable, notify a member of any exercise of such powers. Where a company fails or refuses to permit a member to inspect a document or permits a member

to inspect a document subject to limitations, that member may apply to the BVI court for an order that he should be permitted to inspect the document or to inspect the document without limitation.

A company shall keep minutes of all meetings of directors, members, committees of directors and committees of members and copies of all resolutions consented to by directors, members, committees of directors and committees of members. The books, records and minutes required by the BVI Companies Act shall be kept at the office of the BVI registered agent of the company or at such other place as the directors determine.

A company is required to keep a register of members containing, *inter alia*, the names and addresses of the persons who hold registered shares in the company, the number of each class and series of registered shares held by each shareholder, the date on which the name of each member was entered in the register of members and the date on which any person ceased to be a member. The register of members may be in any form as the directors may approve but, if it is in magnetic, electronic or other data storage form, the company must be able to produce legible evidence of its contents and a copy of the share register commencing from the date of registration of the company shall be kept at the registered office of the company. The entry of the name of a person in the register of members as a holder of a share in a company is *prima facie* evidence that legal title in the shares vests in that person. Where a company keeps a copy of the register of members at its registered office, it shall within 15 days of any change in the register, notify the BVI registered agent of the company, in writing, of the change, and provide the BVI registered agent of the company with a written record of the physical address of the place or places at which the original register of members is kept.

A company is required to keep a register of directors containing, *inter alia*, the names and addresses of the persons who are directors and the date on which each person whose name is entered on the register was appointed and ceased to be a director. The register of directors may be in such form as the directors approve, but if it is in magnetic, electronic or other data storage form, the company must be able to produce legible evidence of its contents. A copy of the register of directors must be kept at the registered office and the register is *prima facie* evidence of any matters directed or authorised by the BVI Companies Act to be contained therein. A company shall file for registration by the BVI Registrar of Corporate Affairs a copy of its register of directors and it shall, within 30 days of any changes occurring, file the changes in the register by filing a copy of the register containing the changes.

(n) *Winding up*

The court has authority under the Insolvency Act 2003 of the BVI to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

A company may enter into voluntary liquidation under the BVI Companies Act if it has no liabilities or is able to pay its debts as they fall due and the value of its assets equals or exceeds its liabilities. Where it is proposed to appoint a voluntary liquidator, the directors of the company must:

- (i) make a declaration of solvency in the approved form stating that, in their opinion, the company is and will continue to be able to discharge, pay or provide for its debts as they fall due; and the value of its assets equals or exceeds its liabilities; and
- (ii) approve a liquidation plan specifying:
  - (aa) the reasons for the liquidation of the company;
  - (bb) their estimate of the time required to liquidate the company;
  - (cc) whether the liquidator is authorised to carry on the business of the company if he determines that to do so would be necessary or in the best interests of the creditors or members of the company;
  - (dd) the name and address of each individual to be appointed as liquidator and the remuneration proposed to be paid to each liquidator; and
  - (ee) whether the liquidator is required to send to all members a statement of account prepared or caused to be prepared by the liquidator in respect of his actions or transactions.

Subject to certain exceptions in the BVI Companies Act, a declaration of solvency is insufficient for the purposes of voluntary liquidation unless:

- (aa) it is made on a date no more than four weeks earlier than the date of the resolution to appoint a voluntary liquidator; and
- (bb) it has attached to it a statement of the company's assets and liabilities as at the latest practical date before the making of the declaration.

To be effective, a liquidation plan must be approved by the directors no more than six weeks prior to the date of the resolution to appoint a voluntary liquidator.

A director making a declaration of solvency without having reasonable grounds for the opinion that the company is and will continue to be able to discharge, pay or provide for its debts in full as they fall due, commits an offence and is liable on summary conviction to a fine of US\$10,000.

Subject to the provisions of the BVI Companies Act, a voluntary liquidator or two or more joint voluntary liquidators may be appointed in respect of a company:

- (i) by a resolution of the directors; or
- (ii) by a resolution of the members.

(o) *Reconstructions*

There are statutory provisions which facilitate arrangements which involve a plan of arrangement being approved by a resolution of directors of the company and application being made to the court for approval of the proposed arrangement. Upon approval by the court, the directors of the company are required to approve the plan of arrangement as approved by the court whether or not the court has directed any amendments to be made thereto and give notice to the persons whom the court requires notice to be given or submit the plan of arrangement to those person for such approval, if any, as the court order required.

(p) *Compulsory acquisition*

Subject to any limitations in the memorandum or articles of association of a company, members holding 90% of the votes of the outstanding shares entitled to vote on a merger or consolidation may give a written instruction to a company directing the company to redeem the shares held by the remaining members. Upon receipt of the written instruction, the company is required to redeem the shares and give written notice to each member whose shares are to be redeemed stating the redemption price and the manner in which the redemption is to be effected.

(q) *Indemnification*

BVI law does not limit the extent to which a company's articles of association may provide for indemnification of directors, officers and any other person, except to the extent any such provision may be held by the court to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime.) provided that the indemnified person acted honestly and in good faith and in what he believed to be in the best interests of the company and, in the case of criminal proceedings, the person had no reasonable cause to believe that his conduct was unlawful.

## **C. SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Company was incorporated in the British Virgin Islands under the International Business Companies Act, 1984, and was automatically re-registered under the BVI Companies Act on January 1, 2007. The Memorandum of Association (the “**Memorandum**”) and the Articles of Association (the “**Articles**”) comprise its constitution.

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of the Company and of certain aspects of the British Virgin Islands company law.

The Company was incorporated in the BVI under the International Business Companies Act (Cap. 291) on July 15, 2003 and was automatically re-registered under the BVI Business Companies Act on January 1, 2007. The Company’s constitutional documents consist of the Memorandum and the Articles.

### **A. Memorandum of Association**

The Memorandum was filed on November 26, 2018.

#### **1. Classes of shares**

The Company is authorized to issue a maximum of 800,000,000,000 shares of a single class with a par value of HK\$0.0000000125.

#### **2. Capacity and power**

The objects for which the Company is established are unrestricted. The Company shall have full capacity and power to carry out any object not prohibited by the BVI Business Companies Act or any other law of the British Virgin Islands.

#### **3. Liability of members**

Pursuant to the Memorandum, the liability of each member is limited to: (a) the amount from time to time unpaid on such member’s shares;

(b) any liability expressly provided for in the Memorandum or the Articles; and

(c) any liability to repay a distribution pursuant to section 58(1) of the BVI Business Companies Act.

There is no provision in the Memorandum or the Articles which provides for the increase of a member’s liability to the Company.

#### **4. Rights of shares**

Under the Memorandum, each share confers on the holder:

- (a) the right to one (1) vote on any resolution of members or special resolution of members;
- (b) the right to an equal share in any dividend paid by the Company; and
- (c) the right to an equal share in the distribution of the surplus assets of the Company.

## **5. Alteration of Memorandum**

The Company may by a special resolution of members alter its Memorandum with respect to any objects, powers or other matters specified therein.

The Memorandum is available for inspection at the address specified in Appendix V in the section headed “Documents Delivered to the Registrar of Companies and Available for Inspection”.

## **B. Articles of Association**

The Articles were filed on November 26, 2018. A summary of certain provisions of the Articles is set out below.

### **1. Shares**

#### *(a) Variation of rights of existing shares or classes of shares*

If at any time the authorized shares of the Company are divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the BVI Business Companies Act, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths (3/4) in nominal value of the issued shares of that class or with the sanction of a special resolution of members passed at a separate meeting of the holders of the shares of that class. In each such separate meeting all the provisions of the Articles relating to general meetings shall mutatis mutandis apply, provided that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorized representative) at the date of the relevant meeting not less than one-third (1/3) in nominal value of the issued shares of that class.

The special rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

#### *(b) Alteration to the number of shares the Company is authorized to issue*

The Company may, from time to time, whether or not all the shares for the time being authorized shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by resolution of members, increase the maximum number of shares the Company is authorized to issue.

The Company may from time to time by resolution of members cancel any shares which

at the date of the passing of the resolution of members have not been taken or agreed to be taken by any person, and diminish the maximum number of shares the Company is authorized to issue by the number of shares so canceled subject to the provisions of the BVI Business Companies Act.

*(c) Transfer of shares*

Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Directors may approve which is consistent with the standard form of transfer as prescribed by the Stock Exchange.

The instrument of transfer shall be executed by or on behalf of the transferor and, unless the Directors otherwise determine, the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof. All instruments of transfer must be left at the registered office of the Company or at such other place as the Directors may appoint and all such instruments of transfer shall be retained by the Company.

Our Directors may refuse to register any transfer of any share which is not fully paid up or on which the Company has a lien. Our Directors may also decline to register any transfer of any shares unless: (i) a fee of such maximum as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Directors may from time to time require) has been paid to the Company; (ii) the instrument of transfer is lodged with the Company accompanied by the certificate of the shares to which it relates (which shall upon registration of the transfer be canceled), and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); (iii) the instrument of transfer is in respect of only one (1) class of shares; (iv) in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four (4); (v) the shares concerned are free from any lien in favor of the Company; and (vi) if applicable, the instrument of transfer is properly stamped.

If the Directors refuse to register a transfer of any share, they shall, within two (2) 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.

The registration of transfers may, on no less than ten (10) Business Days' notice (or on six (6) business days' notice in the case of a rights issue) being given by announcement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles or by advertisement published in the newspapers, be suspended and the register of members of the Company closed at such times for such periods as the Directors may from time to time determine, provided that the registration of transfers shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members of the Company may by resolution of members determine provided that



such period shall not be extended beyond 60 days in any year).

*(d) Power of the Company to purchase its own shares*

The Company is empowered by the BVI Business Companies Act and the Articles to purchase its own shares subject to certain restrictions and the Directors may only exercise this power on behalf of the Company subject to the authority of its members by resolution of members as to the manner in which they do so and to any applicable requirements imposed from time to time by the Stock Exchange and the Securities and Futures Commission of Hong Kong. Shares which have been repurchased will be treated as canceled upon the repurchase.

*(e) Power of any subsidiary of the Company to own shares in the Company*

There are no provisions in the Articles relating to the ownership of shares in the Company by a subsidiary.

*(f) Calls on shares and forfeiture of shares*

Our Directors may, from time to time, make such calls as they think fit upon the members of the Company in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premiums or otherwise) and not by the conditions of allotment thereof made payable at a fixed time and each member of the Company shall (subject to the Company serving upon him at least 14 days' notice specifying the time and place of payment and to whom such payment shall be made) pay to the person at the time and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

A call may be made payable either in one sum or by installments and shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls and installments due in respect of such share or other monies due in respect thereof.

If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 20% per annum, as the Directors may determine, but the Directors may waive payment of such interest in whole or in part.

If any call or installment of a call remains unpaid on any share after the day appointed for payment thereof, the Directors may at any time during such time as any part thereof remains unpaid serve a notice on the holder of such shares requiring payment of so much of the call or installment as is unpaid, together with any interest which may be accrued and which may still accrue up to the date of actual payment.

The notice shall name a further day (not earlier than the expiration of 14 days from the

date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or installment is unpaid will be liable to be forfeited.

If the requirements of such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or installments and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture. A forfeited share shall be deemed to be the property of the Company and may be re-allotted, sold or otherwise disposed of.

A person whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, as at the date of forfeiture were payable by him to the Company in respect of the shares, together with (if the Directors shall in their discretion so require) interest thereon at such rate not exceeding 20% per annum as the Directors may prescribe from the date of forfeiture until payment, and the Directors may enforce payment thereof without being under any obligation to make any deduction or allowance for the value of the shares forfeited, as at the date of forfeiture.

## **2. Directors**

### *(a) Appointment, retirement and removal*

At any time or from time to time, the Directors shall have power to appoint any person as a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed to fill a casual vacancy shall hold office only until the next following general meeting of the Company, any Director so appointed as an addition to the board of directors shall hold office only until the next general meeting of the Company, and in each case such Director shall then be eligible for re-election at the relevant meeting.

The Company may by resolution of members remove any Director (including a managing director or other executive director) before the expiration of his period of office notwithstanding anything to the contrary in the Articles or in any agreement between the Company and such Director (but without prejudice to any claim for compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment of office as a result of the termination of this appointment as Director). The Company may by resolution of members appoint another person in his stead. Any Director so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed. The Company may also by resolution of members elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director appointed to fill a casual vacancy shall hold office only until the next following general meeting of the Company, any Director appointed as an addition to the board shall hold office only until the next following general meeting of the

Company and in each case such Director 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 the relevant meeting. No person shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless, during the period, which shall be at least seven (7) days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven (7) days prior to the date of such meeting, there has been given to the Secretary of the Company notice in writing by a member of the Company (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

A Director is not required to hold any shares in the Company by way of qualification nor is there any specified age limit for Directors.

The office of a Director shall be vacated if:

- (i) he resigns his office by notice in writing to the Company at its registered office or its principal place of business in Hong Kong;
- (ii) an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Directors resolve that his office be vacated;
- (iii) without leave, he is absent from meetings of the Directors (unless an alternate Director appointed by him attends) for 12 consecutive months, and the Directors resolve that his office be vacated;
- (iv) he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (v) he ceases to be or is prohibited from being a Director by law or by virtue of any provision in the Articles;
- (vi) he is removed from office by notice in writing served upon him signed by not less than three-fourths ( $3/4$ ) in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) for the time being then in office; or
- (vii) he shall be removed from office by a resolution of members under the Articles.

At every annual general meeting of the Company one-third ( $1/3$ ) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to, but not less than, one-third ( $1/3$ ), shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

*(b) Power to allot and issue shares and warrants*

Subject to the provisions of the BVI Business Companies Act and the Memorandum and the Articles, the unissued shares in the Company (whether forming part of its original or any increased authorized shares) shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Directors shall determine.

Subject to the provisions of the Articles and to any direction that may be given by resolution of members and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in relation to dividend, voting, return applicable to shares or otherwise, and to such persons at such times and for such consideration as the Directors may determine. Subject to the BVI Business Companies Act and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution of members, be issued on terms that it is, or at the option of the Company or the holder thereof, liable to be redeemed.

*(c) Power to dispose of the assets of the Company or any subsidiary*

The management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities expressly conferred upon them by the Articles, 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 by the Articles or the BVI Business Companies Act expressly directed or required to be exercised or done by resolution of members, subject nevertheless to the provisions of the BVI Business Companies Act and of the Articles and to any regulation from time to time made by resolution of members not being inconsistent with such provisions or the Articles, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

*(d) Borrowing powers*

Our Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled amounts owing on the shares in the Company or any part thereof.

*(e) Remuneration*

Our Directors shall be entitled to receive, by way of remuneration for their services, such sum as shall from time to time be determined by resolution of members or by the Directors, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided among the Directors in such proportions and in such manner as they 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. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

Our Directors shall also be entitled to be paid all expenses reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of traveling to and from board meetings, committee meetings or general meetings or otherwise incurred while engaged on the business of the Company or in the discharge of their duties as Directors.

Our Directors may grant special remuneration to any Director who shall perform any special or extra services 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 agreed.

The remuneration of an executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission or participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to such remuneration as the recipient may be entitled to receive as a Director.

*(f) Compensation or payment for loss of office*

Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director or past Director is contractually or statutorily entitled) must first be approved by resolution of members.

*(g) Loans and provision of security for loans to Directors*

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective close associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective close associates, or, if any one or more Directors hold(s) (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

*(h) Financial assistance to purchase shares*

Subject to all applicable laws, the Company may give, directly or indirectly, by

means of a loan, a guarantee, a gift, an indemnity, 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 or any company which is its holding company.

*(i) Disclosure of interest in contracts with the Company or any of its subsidiaries*

No Director or proposed 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 shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to account to the Company for any profit so realized 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, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the board of Directors at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may be made by the Company.

A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Directors in respect of any contract or arrangement or any other proposal in which the Director or any of his close associates (or, if required by the Listing Rules, his other associates) has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

- (i) the giving to such Director or any of his close associates of any security or indemnity in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) the giving 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 any of his close associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any proposal concerning any other company in which the Director or his close associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his close associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his close associates are not in aggregate beneficially interested in 5% 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 close associates is derived) or of the voting rights;



- (iv) any proposal concerning an offer of shares, 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 any of his close associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (v) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including the adoption, modification or operation of either:
  - (i) any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his close associates may benefit; or
  - (ii) any of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his close associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (vi) any contract or arrangement in which the Director or any of his close associates 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.

### **3. Proceedings of the Board**

Our Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit in any part of the world and may determine the quorum necessary for the transaction of business. Regular meetings of the Board shall be held at least four (4) times a year. Questions arising at any meeting of the Directors shall be determined by a majority of votes, and in case of an equality of votes, the chairman of such meeting shall have a second or casting vote. Notwithstanding anything to the contrary in the Articles, the following matters shall be passed by not less than two-thirds (2/3) (including two-thirds (2/3)) of the Directors:

- i. the appointment and dismissal of the chief executive officer of the Company;
- ii. the distribution of dividends; and
- iii. the approval of the Company's strategic planning, material investment and financing decisions, material asset restructuring and affiliated transactions as required by the Listing Rules.

### **4. Alterations to the constitutional documents and the Company's name**

No alteration or amendment to the Memorandum or the Articles may be made except by special resolution of members, except the members may from time to time amend the Memorandum or the Articles to increase the maximum number of shares the Company is authorized to issue by resolution of members.



A change of name of the Company shall constitute an amendment of the Memorandum and the Articles, and may only be changed with the sanction of a special resolution of members.

## **5. Meetings of members**

### *(a) Special resolution and resolution of members*

A “special resolution of members” is defined in the Articles as a resolution passed by a majority of not less than three-fourths (3/4) of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of any member being a corporation, by its duly authorized representative(s) or, where proxies are allowed, by proxy(ies) at a general meeting of which notice specifying the intention to propose the resolution as a special resolution of members has been duly given and includes a special resolution of members approved in writing signed by all of the members of the Company entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of such members, and the effective date of the special resolution of members so adopted shall be the date on which the instrument or the last of such instruments (if more than one) is executed.

A “resolution of members” is defined in the Articles to mean a resolution passed by a simple majority of the votes of the members of the Company as, being entitled to do so, vote in person or, in the case of any member being a corporation, by its duly authorized representative(s) or, where proxies are allowed, by proxy(ies) at a general meeting held in accordance with the Articles and includes a resolution of members approved in writing signed by all the members of the Company aforesaid.

### *(b) Voting rights*

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one (1) vote for each share registered in his name in the register of members of the Company.

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.

In the case of joint registered holders of any share, any one (1) 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 (1) of such joint holders be present at any meeting personally or by proxy, the person so present being the more or most senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

A member of the Company in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorized in such circumstances to do so and such person may vote by proxy.

Save as expressly provided in the Articles or as otherwise determined by the Directors, no person other than a member of the Company duly registered and who shall have paid all sums 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 of the Company), or to be counted in a quorum, either personally or by proxy at any general meeting.

At any general meeting a resolution put to the vote of the meeting shall be decided on a poll, provided that the chairman of the general meeting may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

If a recognized clearing house (or its nominee(s)) is a member of the Company it may authorize such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one (1) person is so authorized, the authorization shall specify the number and class of shares in respect of which each such person is so authorized. A person authorized pursuant to the Articles shall be entitled to exercise the same rights and powers on behalf of the recognized clearing house (or its nominee(s)) which he represents as that recognized clearing house (or its nominee(s)) could exercise as if it were an individual member of the Company holding the number and class of shares specified in such authorization, including, where a show of hands is allowed, the right to vote individually on a show of hands.

*(c) Annual general meetings*

The Company shall hold a general meeting as its annual general meeting each year, within a period of not more than 15 months after the holding of the last preceding annual general meeting (or such longer period as the Stock Exchange may authorize). The annual general meeting shall be specified as such in the notices calling it.

*(d) Notice of meetings and business to be conducted*

The board of Directors may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any member(s) deposited at the principal place of business of the Company in Hong Kong or, in the event the Company ceases to have such a principal place of business, the registered office specifying the objects of the meeting and signed by the requisitioner(s), provided that such requisitioner(s) held as at the date of deposit of the requisition not less than one-tenth (1/10) of the number of issued shares in the Company which carries the right of voting at general meetings of the Company.

An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirements under the Listing Rules, 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 time, place, agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution of members shall specify the intention to propose the resolution as a special resolution of members. Notice of every general meeting shall be given to the auditors and all members of the Company (other than those who, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company).

Notwithstanding that a meeting of the Company is called by shorter notice than that mentioned above, it shall be deemed to have been duly called if it is so agreed: (i) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat or by their proxies; and (ii) in the case of any other meeting, by a majority in number of the members entitled to attend and vote thereat or by their proxies, being a majority together holding not less than 95% in nominal value of the shares having that right.

*(e) Quorum for meetings and separate class meetings*

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting.

Two (2) members of the Company present in person or by proxy shall be a quorum provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy.

A corporation being a member of the Company shall be deemed for the purpose of the Articles to be present in person if represented by its duly authorized representative being the person appointed by resolution of the directors or other governing body of such corporation or by power of attorney to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

The quorum for a separate general meeting of the holders of a separate class of shares of the Company is described in paragraph 1.1(a) above.

*(f) Proxies*

Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote on his behalf and a proxy so appointed shall have the same right as the member to speak at the meeting. A proxy need not be a member of the Company.

Instruments of proxy shall be in common form or such other form that complies with the Listing Rules as the Directors may from time to time approve, provided that it shall enable a member to instruct his proxy to vote in favor of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates. The instrument of proxy shall be deemed to confer authority on the proxy to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates provided that the meeting was originally held within 12 months from such date.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorized in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.

The instrument appointing a proxy and (if required by the Directors) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member of the Company 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.

## **6. Accounts and audit**

Our Directors shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the BVI Business Companies Act.

Our Directors shall from time to time determine whether, 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 members of the Company (other than officers of the Company) and no such member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the BVI Business Companies Act or any other relevant law or regulation or as authorized by the Directors or by the resolution of members.

Our Directors shall cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of

the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up and a Director's report with respect to the profit and loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditor's report on such accounts and such other reports and accounts as may be required by law. Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting, be sent in the manner in which notices may be served by the Company as provided in the Articles to every member of the Company and every holder of debentures of the Company provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The remuneration of the auditors shall be fixed by the Company at the annual general meeting at which they are appointed provided that in respect of any particular year the Company may by resolution of members delegate the fixing of such remuneration to the Directors.

## **7. Dividends and other methods of Distribution**

Subject to the BVI Business Companies Act and Articles, the Directors may, by a resolution passed by not less than two-thirds (2/3) of the Directors, declare a dividend in any currency at a time, and of an amount, and to any members they think fit, if they are satisfied, on reasonable grounds, that immediately after the payment of the dividend, the value of the Company's assets will exceed its liabilities and the Company is able to pay its debts as they fall due.

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

Our Directors may from time to time pay to the members of the Company such interim dividends as appear to the Directors to be justified by the profits of the Company. Our Directors may also pay half-yearly or at other intervals to be selected by them at a fixed rate if they are of the opinion that the profits available for distribution justify the payment.

Our Directors may retain any dividends or other monies 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. Our Directors may also deduct from any dividend or other monies payable to any member of the Company all

sums of money (if any) presently payable by him to the Company on account of calls, installments or otherwise.

No dividend shall carry interest against the Company.

Whenever the Directors or the Company by resolution of members have resolved that a dividend be paid or declared on the shares in the Company, the Directors may further resolve: (a) 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 are to be of the same class as the class already held by the allottee, provided that the members of the Company entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the members 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 are to be of the same class as the class already held by the allottee. The Company may upon the recommendation of the Directors by resolution of members resolve in respect of any one particular dividend of the Company that notwithstanding the foregoing a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members of the Company to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to a holder of shares may be paid by check or warrant sent through the post addressed to the registered address of the member of the Company entitled, or in the case of joint holders, to the registered address of the person whose name stands first in the register of members of the Company 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 check or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register of members of the Company in respect of such shares, and shall be sent at his or their risk. The payment of any such check or warrant by the bank on which it is drawn 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. The Company may cease sending such checks for dividend entitlements or dividend warrants by post if such checks or warrants have been left uncashed on two (2) consecutive occasions. However, the Company may exercise its power to cease sending checks for dividend entitlements or dividend warrants after the first occasion on which such a check or warrant is returned undelivered. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable or property distributable in respect of the shares held by such joint holders.

All dividends or bonuses unclaimed for six (6) years from the date of declaration of such dividend may be forfeited by the Directors and shall revert to the Company.

Our Directors, with the sanction of a resolution of members, may direct that any



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 any other company, and where any difficulty arises in relation to such distribution the Directors may settle it as they think expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets and may determine that cash payments shall be made to any members of the Company upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

## **8. Inspection of register of members**

The register of members of the Company shall be kept in such manner as to show at all times the members of the Company for the time being and the shares respectively held by them. The register may, on no less than ten (10) business days' notice (or on six (6) Business Days' notice in the case of a rights issue) being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles or by advertisement published in the newspapers, be closed at such times and for such periods as the Directors may from time to time determine either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members of the Company may by resolution of members determine provided that such period shall not be extended beyond 60 days in any year).

Any register of members of the Company held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Directors may impose) be open to inspection by any member of the Company without charge and by any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the Listing Rules as the Directors may determine for each inspection.

## **9. Rights of the minorities in relation to fraud or oppression**

There is no provision in the Articles concerning the rights of minority shareholders in relation to fraud or oppression.

## **10. Procedure on liquidation**

The Company may, by special resolution of members, approve a liquidation plan and appoint a voluntary liquidator for the voluntary winding up of the Company in accordance with the BVI Business Companies Act.

If the Company shall be wound up, and the assets available for distribution among the



members of the Company as such shall be insufficient to repay the whole of the amounts paid up on the issued shares in the Company, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members of the Company in proportion to the amounts paid up on the issued shares in the Company, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. If in a winding up the assets available for distribution among the members of the Company shall be more than sufficient to repay the whole of the amounts paid up on the issued shares in the Company at the commencement of the winding up, the excess shall be distributed among the members of the Company in proportion to the amounts paid up on the issued shares in the Company at the commencement of the winding up on the shares held by them respectively. The foregoing applies without prejudice to the rights of the holders of shares issued upon special terms and conditions.

If the Company shall be wound up, the liquidator may with the sanction of a special resolution of members and any other sanction required by the BVI Business Companies Act, divide among the members of the Company in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members of the Company. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members of the Company as the liquidator, with the like sanction and subject to the BVI Business Companies Act, shall think fit, provided that no member of the Company shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

## **11. Untraceable members**

The Company shall be entitled to sell any shares of a member of the Company or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if and provided that: (a) all checks or warrants, not being less than three (3) in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years; (b) the Company has not during that time or before the expiry of the three (3) month period referred to in paragraph (d) below received any indication of the whereabouts or existence of the member of the Company; (c) during the 12 year period, at least three (3) dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member of the Company; and (d) upon expiry of the 12 year period, the Company has caused an advertisement to be published in the newspapers or subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles, giving notice of its intention to sell such shares, and a period of three (3) months has elapsed since such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company, and upon receipt by the Company of such net proceeds it shall become indebted to the former member of the Company for an amount equal to such net proceed.

**D. MEMORANDUM AND ARTICLES OF ASSOCIATION**

**TERRITORY OF THE BRITISH VIRGIN ISLANDS  
BVI BUSINESS COMPANIES ACT (AS AMENDED)**

**ASIAINFO TECHNOLOGIES LIMITED  
亚信科技控股有限公司**

A Company Limited By Shares

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**AMENDED AND RESTATED  
MEMORANDUM AND ARTICLES OF ASSOCIATION**

Incorporated this 15<sup>th</sup> day of July 2003  
Automatically re-registered under the BVI Business Companies Act  
(as amended) on 1<sup>st</sup> day of January 2007  
Disapplied Part IV of Schedule 2 of the BVI Business Companies Act  
(as amended) on 16<sup>th</sup> day of April 2018

(as adopted by a resolution of members passed on 15 November 2018 and  
filed on 26 November 2018)

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**TERRITORY OF THE BRITISH VIRGIN ISLANDS  
BVI BUSINESS COMPANIES ACT (AS AMENDED)**

**AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION**

**OF**

**ASIAINFO TECHNOLOGIES LIMITED  
亚信科技控股有限公司**

A Company Limited By Shares

(as adopted by a resolution of members passed on 15 November 2018 and filed on 26 November 2018)

**1 NAME**

- 1.1 The name of the Company is AsialInfo Technologies Limited 亚信科技控股有限公司.
- 1.2 The members may from time to time change the Company's name by Special Resolution of Members. The Directors shall give notice of such resolution to the registered agent of the Company, and shall instruct the registered agent to file an application for change of name with the Registrar. Any such change will take effect from the date on which the certificate of change of name is issued by the Registrar.
- 1.3 A change of name of the Company shall constitute an amendment of this Memorandum and the Articles. In the event a Special Resolution of Members is passed to change the name of the Company, the provisions in respect of amendments to this Memorandum and the Articles shall apply.

## **2 STATUS AND LIABILITY OF MEMBERS**

- 2.1 The Company is a company limited by shares.
- 2.2 The Company was incorporated on the 15th day of July, 2003 pursuant to the International Business Companies Act 1984 and immediately prior to its automatic re-registration under the BVI Business Companies Act 2004, it was governed by the International Business Companies Act.
- 2.3 The liability of each member is limited to:
- (a) the amount from time to time unpaid on such member's shares;
  - (b) any liability expressly provided for in this Memorandum or the Articles; and
  - (c) any liability to repay a distribution pursuant to section 58(1) of the Act.

## **3 REGISTERED OFFICE AND REGISTERED AGENT**

- 3.1 The first registered office of the Company was situated at Akara Bldg, 24 De Castro Street, Wickhams Cay I, Road Town, Road Town, Tortola, British Virgin Islands.
- 3.2 The first registered agent of the Company was Mossack Fonseca & Co (BVI) Ltd., P.O. Box 3136, Road Town, Tortola, British Virgin Islands.
- 3.3 At the date of adoption of this Memorandum of Association, the current registered office of the Company was situated at the office of Harneys Corporate Services Limited which is situated at Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands.
- 3.4 At the date of adoption of this Memorandum of Association, the current registered agent of the Company was Harneys Corporate Services Limited of Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, VG 1110, British Virgin Islands.
- 3.5 The Directors or members may from time to time change the Company's registered office by Resolution of Directors or Resolution of Members, provided that the Company's registered office shall at all times be the office of its registered agent in the British Virgin Islands. The Directors shall give notice of such resolution to the registered agent of the Company, and shall instruct the registered agent to file a notice of change of registered office with the Registrar. Any such change will take effect from the date of the registration of such notice by the Registrar.
- 3.6 The Directors or members may from time to time change the Company's registered agent by Resolution of Directors or Resolution of Members. The Directors shall give notice of such resolution to the existing registered agent of the Company, and shall instruct the existing registered agent to file a notice of change of registered agent with the Registrar. Any such change will take effect from the date of the registration of such notice by the Registrar.

- 3.7 If the existing registered agent of the Company does not file such notice upon the instruction of the Directors, the Directors shall procure that a notice of change of registered agent be filed with the Registrar pursuant to section 92(4)(b) of the Act by a legal practitioner in the British Virgin Islands acting on behalf of the Company. Any such change of registered agent will take effect from the date of the registration of such notice by the Registrar.

#### **4 CAPACITY AND POWERS**

- 4.1 Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a), full rights, powers and privileges.

- 4.2 For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

#### **5 NUMBER AND CLASSES OF SHARES**

- 5.1 The Company is authorised to issue a maximum of 800,000,000,000 Shares of a single class with a par value of HK\$0.0000000125.

#### **6 RIGHTS OF SHARES**

- 6.1 Each Share in the Company confers upon the Shareholder:

(a) the right to one (1) vote on any Resolution of Members or Special Resolution of Members;

(b) the right to an equal share in any dividend paid by the Company; and

(c) the right to an equal share in the distribution of the surplus assets of the Company.

- 6.2 If at any time the Company is authorised to issue shares of more than one (1) class, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied only with the consent in writing of the holders of not less than three-fourths (3/4) of the total voting rights of holders of shares of that class or with the sanction of a Special Resolution of Members passed at a separate meeting of the holders of shares of that class. In each such separate meeting, all the provisions of the Articles relating to general meetings shall *mutatis mutandis* apply, provided that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorised representative) as at the date of the relevant meeting not less than one-third (1/3) of the total voting rights of holders of shares of that class.

- 6.3 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

## **7 REGISTERED SHARES**

The Company shall issue registered Shares only. The Company is not authorised to issue bearer Shares, convert registered Shares to bearer Shares or exchange registered Shares for bearer Shares.

## **8 AMENDMENT OF THE MEMORANDUM AND THE ARTICLES**

- 8.1 Subject to the provisions of the Act, the Company may from time to time amend this Memorandum or the Articles by Special Resolution of Members, except the members may from time to time amend the Memorandum or the Articles to increase the maximum number of shares the Company is authorised to issue by Resolution of Members. The Directors shall give notice of such resolution to the registered agent of the Company, and shall instruct the registered agent to file with the Registrar a notice of the amendment to this Memorandum or the Articles, or a restated memorandum and articles of association incorporating the amendment(s) made. Any such amendment to this Memorandum or the Articles will take effect from the date of the registration of such notice of amendment or such restated memorandum and articles of association incorporating the amendment(s) made by the Registrar.

- 8.2 **The Directors shall not have the power to amend this Memorandum or the Articles.**

- 8.3 **A change of registered office or registered agent shall not constitute an amendment of this Memorandum or the Articles.**

- 8.4 **An amendment to this Memorandum or the Articles which would have the effect of varying the rights of the holders of a class of shares may only be made in accordance with the provisions of this Memorandum and the Articles relating to the variation of class rights.**

## **9 DEFINITIONS AND INTERPRETATION**

**Capitalised terms used and not defined in this Memorandum shall bear the same meaning as those given in the Articles of Association of the Company.**

We, HARNEYS CORPORATE SERVICES LIMITED of Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, VG 1110, British Virgin Islands for the purpose of disapplying Part IV of Schedule 2 of the Act hereby sign this Amended and Restated Memorandum of Association this 16 th day of April, 2018:

Registered Agent

(signed)

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Gilda Richardson

Authorised Signatory

HARNEYS CORPORATE SERVICES LIMITED



**TERRITORY OF THE BRITISH VIRGIN ISLANDS  
BVI BUSINESS COMPANIES ACT (AS AMENDED)**

**AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF**

**ASIAINFO TECHNOLOGIES LIMITED  
亚信科技控股有限公司**

A Company Limited By Shares

(as adopted by a resolution of members passed on 15 November 2018 and filed on 26 November 2018)

**1 DEFINITIONS AND INTERPRETATION**

1.1 Any marginal notes, titles or lead in references to these Articles of Association and the index of the Memorandum and Articles of Association shall not form part of the Memorandum or Articles of Association and shall not affect their interpretation. In interpreting these Articles of Association, if not inconsistent with the context, the following words and expressions shall have the following meaning:

**Act** shall mean the BVI Business Companies Act 2004, as amended from time to time, and includes the BVI Business Companies Regulations 2012 and any other regulations made under the Act.

**Address** shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Articles.

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

**appointor** shall mean in relation to an alternate Director, the Director who appointed the alternate to act as his alternate.

**associate** shall have the meaning given to it in the Listing Rules.

<b><i>Auditors</i></b>	shall mean the persons appointed by the Company from time to time to perform the duties of auditors of the Company.
<b><i>Board</i></b>	means the board of Directors of the Company as constituted from time to time or as the context may require the majority of Directors present and voting at a meeting of the Directors at which a quorum is present.
<b><i>business day</i></b>	shall have the meaning as defined in the Listing Rules.
<b><i>call</i></b>	shall include any instalment of a call.
<b><i>Chairman</i></b>	shall mean the Chairman presiding at any meeting of members or of the Board.
<b><i>close associate</i></b>	shall have the meaning given to it in the Listing Rules.
<b><i>Companies Ordinance</i></b>	means the Companies Ordinance, Cap. 622 of the Laws of Hong Kong as amended from time to time.
<b><i>Company</i></b>	shall mean AsiaInfo Technologies Limited 亞信科技控股有限公司.
<b><i>Company's Website</i></b>	shall mean the website of the Company, the address or domain name of which has been notified to members.
<b><i>Director</i></b>	shall mean such person or persons as shall be appointed to the Board from time to time.
<b><i>electronic</i></b>	shall have the meaning given to it in the Electronic Transactions Act.
<b><i>electronic means</i></b>	shall include sending or otherwise making available to the intended recipients of the communication in electronic format.
<b><i>Electronic Signature</i></b>	shall mean an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication.

<b><i>Electronic Transactions Act</i></b>	shall mean the Electronic Transactions Act, 2001 of the British Virgin Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.
<b><i>HK\$</i></b>	shall mean Hong Kong dollars, the lawful currency for the time being of Hong Kong.
<b><i>holding company</i></b>	shall have the meaning ascribed to it by Section 13 of the Companies Ordinance.
<b><i>Hong Kong</i></b>	shall mean the Hong Kong Special Administrative Region of the People's Republic of China.
<b><i>Listing Rules</i></b>	shall mean the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange (as amended from time to time).
<b><i>members</i></b>	shall mean the persons who are duly registered as the holders from time to time of shares in the register including persons who are jointly so registered.
<b><i>Memorandum</i></b>	shall mean the memorandum of association of the Company.
<b><i>month</i></b>	shall mean a calendar month.
<b><i>person</i></b>	includes individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons.
<b><i>principal register</i></b>	shall mean the register of members of the Company maintained at such place within or outside the British Virgin Islands as the Board shall determine from time to time.
<b><i>published in the newspapers</i></b>	shall mean published as a paid advertisement in English in at least one (1) English language newspaper and in Chinese in at least one (1) Chinese language newspaper, being in each case a newspaper published daily and circulating generally in Hong Kong in accordance with the Listing Rules.

<b><i>published on the Stock Exchange's website</i></b>	shall mean published in English and Chinese on the Stock Exchange's website in accordance with the Listing Rules.
<b><i>recognised clearing house</i></b>	shall have the meaning ascribed thereto in Part I of Schedule 1 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.
<b><i>register</i></b>	shall mean the principal register and any branch registers.
<b><i>Registrar</i></b>	shall mean the Registrar of Corporate Affairs appointed under the Act.
<b><i>Resolution of Directors</i></b>	shall mean either: <ul style="list-style-type: none"> <li>(a) a resolution passed by a simple majority of the votes of the Directors at a duly convened and constituted meeting of the Directors or of a committee of the Directors in accordance with the provisions of the Articles; or</li> <li>(b) a written resolution signed by all the Directors or by all members of a committee of the Directors, as the case may be, in accordance with the provisions of the Articles.</li> </ul>
<b><i>Resolution of Members</i></b>	shall mean either: <ul style="list-style-type: none"> <li>(a) a resolution passed by a simple majority of the votes of such members as, being entitled to do so, vote in person or, in the case of any member being a corporation, by its duly authorised representative(s) or, where proxies are allowed, by proxy(ies) at a duly convened and constituted general meeting of the Company in accordance with the provisions of the Articles; or</li> <li>(b) a written resolution signed by all the members in accordance with the provisions of the Articles.</li> </ul>

<b><i>rights issue</i></b>	shall mean an offer by way of rights to existing holders of securities of the Company which enables those holders to subscribe for securities in proportion to their existing holdings.
<b><i>seal</i></b>	shall include the common seal of the Company, the securities seal or any duplicate seal adopted by the Company pursuant to Article 20.2.
<b><i>Secretary</i></b>	shall mean the person appointed as company secretary by the Board from time to time.
<b><i>share</i></b>	shall mean a share issued or to be issued by the Company.
<b><i>Shareholder</i></b>	shall mean a person whose name is entered in the register of members of the Company as the holder of one or more Shares.
<b><i>Special Resolution of Members</i></b>	shall mean either: <ul style="list-style-type: none"> <li>(a) a resolution passed by a majority of not less than three-fourths (3/4) of the votes of such members as, being entitled to do so, vote in person or, in the case of any member being a corporation, by its duly authorised representative(s) or, where proxies are allowed, by proxy(ies) at a duly convened and constituted general meeting of the Company in accordance with the Articles; or</li> <li>(b) a written resolution signed by all the members in accordance with the provisions of the Articles.</li> </ul>
<b><i>Stock Exchange</i></b>	shall mean The Stock Exchange of Hong Kong Limited.
<b><i>subsidiary</i></b>	shall have the meaning ascribed to it by Section 15 of the Companies Ordinance, but interpreting the term <b><i>subsidiary</i></b> in accordance with the definition of “subsidiary” under the Listing Rules.
<b><i>transfer office</i></b>	shall mean the place where the principal register is located for the time being.

- 1.2 Any words or expressions defined in the Act bear the same meaning in the Memorandum and these Articles unless the context otherwise requires or they are otherwise defined in these Articles.
- 1.3 Words importing either gender shall include the other gender and the neuter; words importing persons and the neuter shall include companies and corporations and vice versa; and words denoting the singular shall include the plural and words denoting the plural shall include the singular.
- 1.4 **Writing** or **printing** shall include all forms of writing, printing and all modes of representing or reproducing words in visible form, including in the form of an electronic record which satisfies the requirements of the Electronic Transactions Act.
- 1.5 Any requirement as to the execution, signature or sealing under the Articles, including the execution of the Memorandum and these Articles, can be satisfied in the form of an electronic signature or an electronic seal as provided for in the Electronic Transactions Act.
- 1.6 Section 8(2) of the Electronic Transactions Act shall not apply.
- 1.7 The following sections of the Act shall not apply to the Company:
- (a) section 46 (*Pre-emptive rights*);
  - (b) section 60 (*Process for acquisition of own shares*);
  - (c) section 61 (*Offer to one or more shareholders*);
  - (d) section 62 (*Shares redeemed otherwise than at the option of company*);  
and
  - (e) section 175 (*Disposition of assets*).

## **2 AUTHORISED SHARES AND MODIFICATION OF RIGHTS**

- 2.1 The Company is authorised to issue a maximum of 800,000,000,000 shares of one class of HK\$0.0000000125 par value each.
- 2.2 Subject to the provisions of these Articles and to any direction that may be given by Resolution of Members and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in relation to dividend, voting, return applicable to shares or otherwise, and to such persons at such times and for such consideration as the Board may determine. Subject to the Act and to any special rights conferred on any members or attaching to any class of shares, any share may, with the



sanction of a Special Resolution of Members, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No share shall be issued to bearer.

- 2.3 Subject to the Listing Rules, the Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine. No warrants shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member. Where warrants are issued to bearer, no new warrant shall be issued to replace one (1) 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.
- 2.4 If at any time the authorised shares of the Company are divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Act, be varied or abrogated with the consent in writing of the holders of not less than three-fourths (3/4) in nominal value of the issued shares of that class or with the sanction of a Special Resolution of Members passed at a separate meeting of the holders of shares of that class. In each such separate meeting all the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, provided that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorised representative) as at the date of the relevant meeting not less than one-third (1/3) in nominal value of the issued shares of that class.
- 2.5 The special rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 2.6 Subject to the Act, or any other law or so far as not prohibited by any law or the Listing Rules and subject to any rights conferred on the holders of any class of shares, the Company shall have the power to purchase or otherwise acquire any of its own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorised by a Resolution of Members, and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorised or not prohibited by law, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, 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 or any company which

is its holding company. If the Company purchases or otherwise acquires 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 rateably or in any other manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends conferred by any class of shares, provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with any relevant code, rules or regulations issued by the Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.

- 2.7 The Board may accept the surrender for no consideration of any fully paid share.
- 2.8 The Company 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 Resolution of Members, increase the maximum number of shares the Company is authorised to issue, by amendment to the Memorandum in accordance with the provisions of the Memorandum and these Articles.
- 2.9 The Company may from time to time by Resolution of Members cancel any shares which at the date of the passing of the Resolution of Members have not been taken or agreed to be taken by any person, and diminish the maximum number of shares the Company is authorised to issue by the number of the shares so cancelled subject to the provisions of the Act.
- 2.10 Subject to the provisions of the Act and the Memorandum, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner as the Board may deem fit.
- 2.11 Where the Company purchases or redeems any of its shares, purchases or redemption not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.
- 2.12 The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share. Shares that the Company purchases, redeems or otherwise acquires shall be cancelled, and no share shall be held as treasury share by the Company.
- 2.13 The holder of the shares being purchased, surrendered or redeemed shall be bound to deliver up to the Company at its principal place of business in Hong Kong or such other place as the Board shall specify the certificate(s) thereof,

if any, for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.

- 2.14 Subject to the provisions of the Act, the Memorandum and these Articles relating to new shares, the unissued shares in the Company (whether forming part of its original or any increased authorised shares) 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 and for such consideration, and upon such terms, as the Board shall determine.
- 2.15 The Company may, unless prohibited by law, 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, provided that the conditions and requirements of the Act shall be observed and complied with, and in each case the commission shall not exceed 10% of the price at which the shares are issued.
- 2.16 Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (notwithstanding having notice thereof) any equitable, contingent, future or partial interest in any shares or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 2.17 Subject to the Memorandum and these Articles, the Company may by Resolution of Members:
- (a) divide its shares, including issued shares, into a larger number of shares; or
  - (b) combine its shares, including issued shares, into a smaller number of shares,
- and a division or combination of shares, including issued shares, of a class shall be for a larger or smaller number, as the case may be, of shares in the same class.
- 2.18 The Company may by an amendment to the Memorandum divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attached thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions as may be determined by the Company, provided that where the Company issues shares which do not carry voting rights, the words **non-voting** shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of

shares, other than those with the most favourable voting rights, must include the words ***restricted voting*** or ***limited voting***.

### **3 REGISTER OF MEMBERS AND SHARE CERTIFICATES**

- 3.1 The Board shall cause to be kept at such place within or outside the British Virgin Islands as it deems fit a principal register of the members and there shall be entered therein the particulars of the members and the shares issued to each of them and other particulars required under the Act.
- 3.2 If the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the British Virgin Islands as the Board thinks fit. The principal register and the branch register(s) shall together be treated as the register for the purposes of these Articles.
- 3.3 The Board may, in its absolute discretion, at any time transfer any share on the principal register to any branch register or any share on any branch register to the principal register or any other branch register.
- 3.4 Notwithstanding anything to the contrary in these Articles, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the shares respectively held by them, in all respects in accordance with the Act.
- 3.5 Except when a register is closed and, if applicable, subject to the additional provisions of Article 3.7, the principal register and any branch register shall during business hours be kept open to the inspection of any member without charge.
- 3.6 The reference to business hours in Article 3.5 is subject to such reasonable restrictions as the Company by Resolution of Members may impose, provided that not less than two (2) hours on each business day is to be allowed for inspection.
- 3.7 The register may, on no less than ten (10) business days' notice (or on six (6) business days' notice in the case of a rights issue) being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by Resolution of Members determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof

which is closed by virtue of these Articles with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed. In the event that there is an alteration of book closure dates, the Company shall give at least five (5) business days' notice in accordance with the procedures set out in this Article.

- 3.8 Any register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Board may impose) be open to inspection by a member without charge and any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the Listing Rules as the Board may determine for each inspection. Any member may require a copy of the register, or any part thereof, on payment of HK\$0.25 (or such lesser sum as the Company may prescribe), for every 100 words or fractional part thereof required to be copied. The Company shall cause any copy so required by any person to be sent to that person within a period of ten (10) days commencing on the date following the day on which the request is received by the Company.
- 3.9 In lieu of, or apart from, closing the register pursuant to other provisions in these Articles, the Board may fix in advance a date as the record date for any such determination of members entitled to receive notice of, or to vote at any general meeting of the members or any adjournment thereof, or for the purpose of determining the members entitled to receive payment of any dividend or distribution, or in order to make a determination of members for any other purpose.
- 3.10 Every person whose name is entered as a member in the register shall be entitled to receive, within any relevant time limit as prescribed in the Act or as the Stock Exchange may from time to time determine, whichever is shorter, and subject to payment of any fees which may be payable pursuant to Article 6.8, after allotment or lodgment of transfer, or within such other period as the conditions of issue shall provide, one (1) certificate for all his shares of each class or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming an exchange board lot, such number of certificates for shares in exchange board lots or multiples thereof as he shall request and one (1) for the balance (if any) of the shares in question, provided that, (a) 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 (1) of several joint holders shall be sufficient delivery to all such holders; and (b) any request for more than one (1) certificate shall be subject to payment to the Company for every certificate after the first of such reasonable out-of-pocket expenses as the Board may determine from time to time. All certificates for shares shall be delivered personally or sent through the post addressed to the member entitled thereto at his registered address as appearing in the register.

- 3.11 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 shall only be affixed with the authority of the Board.
- 3.12 Every share certificate shall specify the number and class of shares in respect of which it is issued and the amount paid thereon or the fact that they are fully paid, as the case may be, and may otherwise be in such form as the Board may from time to time prescribe.
- 3.13 The Company shall not be bound to register more than four (4) persons as joint holders of any share. If any share shall stand in the names of two (2) 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.
- 3.14 If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding such amount as may from time to time be permitted under the Listing Rules (or such lesser sum as the Board may from time to time require) and on such terms and conditions, if any, as to publication of notices, evidence and indemnity, as the Board thinks fit and where it is defaced or worn out, after delivery up of the old certificate to the Company for cancellation.

#### **4 LIEN**

- 4.1 The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; 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 solely or jointly with others) 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 such person is a member or not.
- 4.2 The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Board may resolve that any share shall for a specified period be exempt wholly or partially from the provisions of this Article.
- 4.3 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 a 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 14 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, of which the Company has notice, entitled to the shares by reason of such holder's death, mental disorder or bankruptcy.

- 4.4 The net proceeds of such sale by the Company 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. Any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the shares sold) be paid to the holder immediately before such sale of the shares. For giving effect to any such sale, the Board may authorise any 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.

## **5 CALLS ON SHARES**

- 5.1 The Board may from time to time make such calls as it thinks 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 or otherwise) and not by the conditions of allotment thereof made payable at a fixed time. A call may be made payable either in one (1) sum or by instalments. A call may be revoked or postponed as the Board may determine.
- 5.2 At least 14 days' notice of any call shall be given to each member specifying the time and place of payment and to whom such payment shall be made.
- 5.3 A copy of the notice referred to in Article 5.2 shall be sent in the manner in which notices may be sent to members by the Company as herein provided.
- 5.4 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 specify. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.
- 5.5 In addition to the giving of notice in accordance with Article 5.3, 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 affected by notice published on the Stock Exchange's website, or, subject to the Listing

Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers.

- 5.6 A call shall be deemed to have been made at the time when the Resolution of Directors authorising such call was passed.
- 5.7 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.
- 5.8 The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as to all or any of the members, whom by reason of residence outside Hong Kong or other cause the Board considers it reasonable to grant an extension to, but no member shall be entitled to any such extension as a matter of grace or favour.
- 5.9 If the sum or any instalment payable in respect of any call is unpaid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall determine from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest in whole or in part.
- 5.10 No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally or by proxy, or be counted in a quorum, or to exercise any other privilege as a member until all sums or instalments due from him to the Company in respect of any call, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
- 5.11 At 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 (a) the name of the member sued is entered in the register as the holder, or one (1) of the holders, of the shares in respect of which such debt accrued; (b) the Resolution of Directors making the call is duly recorded in the minute book; and (c) notice of such call was duly given to the member sued, in accordance with these Articles. It shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, and the proof of the matters aforesaid shall be conclusive evidence of the debt.
- 5.12 Any sum which by the terms of allotment of a share is made payable upon allotment or on any fixed date, whether on account of the nominal value of the share and/or by way of premium or otherwise, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, liabilities of joint

holders, forfeiture and the like, shall apply as if such sum had become payable by virtue of a call duly made and notified.

- 5.13 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) 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 (1) 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. No such sum paid in advance of calls shall entitle the member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

## **6 TRANSFER OF SHARES**

- 6.1 Subject to the Act, all transfers of shares shall be effected by an instrument of transfer in the usual common form or in such other form as the Board may approve, which is consistent with the standard form of transfer as prescribed by the Stock Exchange and approved by the Board. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and all such instruments of transfer shall be retained by the Company.
- 6.2 The instrument of transfer shall be executed by or on behalf of the transferor and by or on behalf of the transferee, provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. The instrument of transfer of any share shall be in writing and shall be executed with a manual signature or facsimile signature (which may be machine imprinted or otherwise) by or on behalf of the transferor and transferee, provided that in the case of execution by facsimile signature by or on behalf of a transferor or transferee, where the Board shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor or transferee and the Board shall be reasonably satisfied that such facsimile signature corresponds to one (1) of those specimen signatures. The transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register in respect thereof.
- 6.3 Notwithstanding Articles 6.1 and 6.2 but subject to the Act, transfers of shares which are listed on the Stock Exchange may be effected by any method of transferring or dealing in securities permitted by the Listing Rules and which has been approved by the Board for such purpose.

- 6.4 The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share which is not fully paid up or on which the Company has a lien.
- 6.5 If the Board shall refuse to register a transfer of any share, it shall, within two (2) 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.
- 6.6 The Board may also decline to register any transfer of any shares unless:
- (a) a fee of such maximum as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require) has been paid to the Company;
  - (b) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon registration of the transfer be cancelled) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);
  - (c) the instrument of transfer is in respect of only one (1) class of shares;
  - (d) in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four (4);
  - (e) the shares concerned are free from any lien in favour of the Company; and
  - (f) if applicable, the instrument of transfer is properly stamped.
- 6.7 No transfer shall be made to an infant or to a person in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs or under other legal disability.
- 6.8 Upon every transfer of shares, the certificate held by the transferor shall be given up for cancellation and shall forthwith be cancelled accordingly and a new certificate shall be issued, on payment by the transferee of such fee not exceeding the maximum amount as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require), to the transferee in respect of the shares transferred to him. 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, on payment by the transferor of such fee not exceeding the maximum amount as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require). The Company shall also retain the instrument(s) of transfer.

- 6.9 The registration of transfers may, on no less than ten (10) business days' notice (or on six (6) business days' notice in the case of a rights issue) being given by announcement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the register closed at such times 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 30 days in any year (or such longer period as the members may by Resolution of Members determine, provided that such period shall not be extended beyond 60 days in any year). In the event that there is an alteration of book closure dates, the Company shall give at least five (5) business days' notice before the announced closure, or the new closure, whichever is earlier. If, however, there are exceptional circumstances that render the giving of such publication of advertisement impossible, the Company shall comply with these requirements as soon as practicable.

## **7 TRANSMISSION OF SHARES**

- 7.1 In the case of the death of a member, the survivor or survivors (where the deceased was a joint holder) or the legal personal representatives of the deceased (where he was a sole holder) shall be the only persons recognised by the Company as having any title to his interest in the shares, provided that 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.
- 7.2 Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some other person nominated by him registered as the transferee thereof.
- 7.3 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 in favour of his nominee a transfer of such share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.
- 7.4 A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of

the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share. Subject to the compliance with requirements of Article 12.3, such person may vote at meetings.

## **8 FORFEITURE OF SHARES**

- 8.1 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 during such time as any part thereof remains unpaid, without prejudice to the provisions of Article 5.10, 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.
- 8.2 The notice shall name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is unpaid will be liable to be forfeited. The Board may accept a surrender of any share liable to be forfeited hereunder and in such case, references in these Articles to forfeiture shall include surrender.
- 8.3 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 Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share, and not actually paid before the forfeiture.
- 8.4 Any share so forfeited shall be deemed to be the property of the Company, and may be re-allotted, sold or otherwise disposed of on such terms and in such manner as the Board thinks fit, and at any time before a re-allotment, sale or disposition, the forfeiture may be cancelled by the Board on such terms as it thinks fit.
- 8.5 A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, as at the date of forfeiture, were payable by him to the Company in respect of the forfeited 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 20% per annum as the Board may prescribe, and the Board may enforce the payment thereof as it thinks fit, and without any deduction or allowance for the value of the shares forfeited, as at the date of forfeiture. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture,



whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived, be deemed to be payable as 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.

- 8.6 A statutory declaration in writing that the declarant is a Director or Secretary, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any re-allotment, sale or disposition thereof, and the Board may authorise any person to execute a letter of re-allotment or transfer of the share in favour of the person to whom the share is re-allotted, 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 subscription or 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, re-allotment, sale or other disposal of the share.
- 8.7 When any share shall have been forfeited, notice of the forfeiture 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. Notwithstanding the above, no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice as aforesaid.
- 8.8 Notwithstanding any such forfeiture as aforesaid, the Board may at any time, before any share so forfeited shall have been re-allotted, sold, or otherwise disposed of, permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
- 8.9 The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
- 8.10 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.

## **9 BORROWING POWERS**

- 9.1 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 assets (present and future) and uncalled amounts owing on the shares in the Company or any part thereof.

- 9.2 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 debts, liability or obligations of the Company or of any third party.
- 9.3 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.
- 9.4 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.
- 9.5 The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in relation to the registration of mortgages and charges therein specified and otherwise.
- 9.6 If the Company issues debentures or debenture stock (whether as part of a series or as individual instruments) not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.
- 9.7 Where any uncalled sums owing on the shares in 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.

## **10 GENERAL MEETINGS**

- 10.1 The Company shall hold a general meeting as its annual general meeting in each year other than the year of the Company's adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as the Stock Exchange may authorise). The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.
- 10.2 All general meetings other than annual general meetings shall be called extraordinary general meetings.

- 10.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any member(s) of the Company deposited at the principal place of business of the Company in Hong Kong or, in the event the Company ceases to have such a principal place of business, the registered office specifying the objects of the meeting and signed by the requisitionist(s), provided that such requisitionist(s) held as at the date of deposit of the requisition not less than one-tenth (1/10) of the number of issued shares in the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half (1/2) of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board, provided that any meeting so convened shall not be held after the expiration of three (3) months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.
- 10.4 An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirements under the Listing Rules, 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 time, place, agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a Special Resolution of Members shall specify the intention to propose a resolution as a Special Resolution of Members. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.
- 10.5 Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in Article 10.4, it shall be deemed to have been duly called if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the members entitled to attend and vote thereat or by their proxies; and
  - (b) in the case of any other meeting, by a majority in number of the members entitled to attend and vote thereat or by their proxies, being a majority together holding not less than 95% in nominal value of the shares having that right.

- 10.6 There shall appear with reasonable prominence in every notice of general meetings of the Company a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his behalf and that a proxy need not be a member.
- 10.7 The accidental omission to give any such notice to, or the non-receipt of any such notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.
- 10.8 In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

## **11 PROCEEDINGS AT GENERAL MEETINGS**

- 11.1 All business transacted at an extraordinary general meeting shall be deemed special, and all business that is transacted at an annual general meeting shall be deemed special with the exception of the following, which shall be deemed ordinary business:
- (a) the declaration and sanctioning of dividends;
  - (b) the consideration and adoption of the accounts and balance sheets and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;
  - (c) the election of Directors in place of those retiring;
  - (d) the appointment of Auditors;
  - (e) the fixing of, or the determining of the method of fixing of, the remuneration of the Directors and of the Auditors;
  - (f) the granting of any mandate or authority to the Directors to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% (or such other percentage as may from time to time be specified in the Listing Rules) of the number of its then existing issued shares and the number of any securities repurchased pursuant to Article 11.1(g); and
  - (g) the granting of any mandate or authority to the Directors to repurchase securities of the Company.

- 11.2 For all purposes the quorum for a general meeting shall be two (2) members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy provided always that if the Company has only one (1) member of record the quorum shall be that one member present in person or by proxy. No business (except the appointment of a chairman of a general meeting) shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.
- 11.3 If within 15 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 15 minutes from the time appointed for holding the meeting, the member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy shall be a quorum and may transact the business for which the meeting was called.
- 11.4 The chairman of the board of Directors shall take the chair at every general meeting, or, if there is no such chairman or, if at any general meeting such chairman shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present shall choose another Director as chairman of the general meeting, and if no Director be present, or if all the Directors present decline to take the chair, or if the Chairman chosen shall retire from the chair, the members present (whether in person or represented by proxy or duly authorised representative) shall choose one (1) of their own number to be chairman of the general meeting.
- 11.5 The chairman of a 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 14 days or more, at least seven (7) clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or 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.
- 11.6 At any general meeting a resolution put to the vote of the meeting shall be decided on a poll, provided that the chairman of the general meeting may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

- 11.7 A poll shall (subject as provided in Article 11.8) 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 30 days from the date of the meeting or adjourned meeting at which the poll was taken, as the chairman of the general meeting directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken.
- 11.8 Any poll on the election of a chairman of a meeting or any question of adjournment shall be taken at the meeting and without adjournment.
- 11.9 Where a resolution is voted on by a show of hands as permitted under the Listing Rules, a declaration by the chairman of the general meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 11.10 In the case of an equality of votes, whether on a poll or on a show of hands, the chairman of the general meeting at which the poll or show of hands is taken shall be entitled to a second or casting vote.
- 11.11 A resolution in writing (in one (1) or more counterparts), including a Special Resolution of Members, signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member to sign.

## **12 VOTES OF MEMBERS**

- 12.1 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting where a show of hands is allowed, every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) shall have one (1) vote, and on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one (1) vote for each share registered in his name in the register. On a poll a member entitled to more than one (1) vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one (1) proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one (1) vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.

- 12.2 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.
- 12.3 Any person entitled under Article 7.2 to be registered as a member 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 appointed for the holding of the meeting or adjourned meeting (as the case may be) at which he proposed 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.
- 12.4 Where there are joint registered holders of any share, any one (1) 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 (1) of such joint holders is present at any meeting personally or by proxy, the person so present being the more or most senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. 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.
- 12.5 A member in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorised in such circumstances to do so, and such person may vote by proxy.
- 12.6 Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums 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), or to be counted in a quorum, either personally or by proxy at any general meeting.
- 12.7 No objection shall be raised as to the qualification of any person exercising or purporting to exercise any vote or to the admissibility of any vote except at the meeting or adjourned meeting at which the person exercising or purporting to exercise his vote or the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. In the case of any dispute as to the admission or rejection of any vote, the chairman of the general meeting shall determine the same and such determination shall be final and conclusive.
- 12.8 Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy

to attend and vote on his behalf and a proxy so appointed shall have the same right as the member to speak at the meeting. Votes may be given either personally or by proxy. A proxy need not be a member. A member may appoint any number of proxies to attend on his behalf at any one (1) general meeting (or at any one (1) class meeting).

- 12.9 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
- 12.10 The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid, provided always that the chairman of the general meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any 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.
- 12.11 Every instrument of proxy, whether for a specified meeting or otherwise, shall be in common form or such other form that complies with the Listing Rules as the Board may from time to time approve, provided that it shall enable a member, according to his intention, to instruct his proxy to vote in favour of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates.
- 12.12 The instrument appointing a proxy to vote at a general meeting shall (a) be deemed to confer authority on the proxy to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and (b) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.



- 12.13 A vote given in accordance with the terms of an instrument of proxy or resolution of a member 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 or resolution of a member was executed or revocation of the relevant resolution or the transfer of the share in respect of which the proxy was given, provided that no intimation 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 12.10, at least two (2) hours before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 12.14 Any corporation which is a member may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares 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 and where a corporation is so represented, it shall be treated as being present at any meeting in person.
- 12.15 If a recognised clearing house (or its nominee(s)) is a member it may authorise such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one (1) person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence to substantiate that it is so authorised. A person so authorised pursuant to this Article shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) which he represents as that recognised clearing house (or its nominee(s)) could exercise as if such person were an individual member holding the number and class of shares specified in such authorisation, including, where a show of hands is allowed, the right to vote individually on a show of hands, notwithstanding anything to the contrary in these Articles.

### **13 REGISTERED OFFICE AND REGISTERED AGENT**

Subject to the provisions of the Act, the Company may by Resolution of Directors or Resolution of Members change the location of its registered office and its registered agent, provided that the Company's registered office shall at all times be the office of the registered agent. The Company may, in addition to its registered office, maintain such other offices or places of business as the Directors determine.

### **14 BOARD OF DIRECTORS**

- 14.1 The number of Directors shall not be less than two (2).
- 14.2 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 appointed to fill a casual vacancy shall hold office only until the next following general meeting of the Company, any Director appointed as an addition to the Board shall hold office only until the next following general meeting of the Company, and in each case such Director shall then be eligible for re-election at the relevant meeting.
- 14.3 The Company may from time to time by Resolution of Members increase or reduce the number of Directors, provided that the number of Directors shall not be less than two (2). Subject to the provisions of these Articles and the Act, the Company may by Resolution of Members elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director appointed to fill a casual vacancy shall hold office only until the next following general meeting of the Company, any Director appointed as an addition to the Board shall hold office only until the next following general meeting of the Company, and in each case such Director shall then be eligible for re-election at the relevant meeting.
- 14.4 No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless during the period, which shall be at least seven (7) days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven (7) days prior to the date of such meeting, there has been given to the Secretary notice in writing by a member (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.
- 14.5 The Company shall keep at its office a register of Directors containing their names and addresses and any other particulars required by the Act and, if so required by the Act, shall send to the Registrar a copy of such register and shall from time to time notify the Registrar any changes that takes place in relation to such Directors as required by the Act.
- 14.6 The Company may by Resolution of Members at any time remove any Director (including a managing director or other executive director) before the expiration of his period of office notwithstanding anything to the contrary in these Articles or in any agreement between the Company and such Director and may by Resolution of Members elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director

or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.

- 14.7 A Director may at any time by notice in writing delivered to the registered office of the Company, the principal place of business of the Company in Hong Kong or at a meeting of the Board, appoint any person (including another Director) to be his alternate Director in his place during his absence and may in like manner at any time determine such appointment. Such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved, provided that the Board may not withhold approval of any such appointment where the proposed appointee is a Director.
- 14.8 The appointment of an alternate Director shall determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
- 14.9 An alternate Director shall (except when absent from Hong Kong), be entitled to receive and waive (in lieu of his appointor) notices of meetings of the Directors and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which the Director appointing him is not personally present, and he shall be entitled to perform at such meeting all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting, the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one (1) Director, his voting rights shall be cumulative and he need not use all his votes or cast all the votes he uses in the same way. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act (as to which a certificate by the alternate Director shall in the absence of actual notice to the contrary to other Directors be conclusive), 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 provisions of this Article shall also apply *mutatis mutandis* to any meeting of any such 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.
- 14.10 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.

- 14.11 In addition to the provisions of Articles 14.7 to 14.10, a Director may be represented at any meeting of the Board (or of any committee of the Board) by a proxy appointed by him, in which event the presence or vote of the proxy shall for all purposes be deemed to be that of the Director. A proxy need not himself be a Director and the provisions of Articles 12.8 to 12.13 shall apply *mutatis mutandis* to the appointment of proxies by Directors, provided that an instrument appointing a proxy shall not become invalid after the expiration of 12 months from its date of execution but shall remain valid for such period as the instrument shall provide or, if no such provision is made in the instrument, until revoked in writing and, provided also that a Director may appoint any number of proxies although only one (1) such proxy may attend on his behalf at meetings of the Board (or of any committee of the Board).
- 14.12 A Director need not hold any qualification shares. 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.
- 14.13 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 Resolution of Members or by the Board, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided among the Directors in such proportions and in such manner as they 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. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.
- 14.14 Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director or past Director is contractually or statutorily entitled) must first be approved by Resolution of Members.
- 14.15 The Directors shall be entitled to be paid all expenses reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of travelling to and from meetings of the Board, committee meetings or general meetings or otherwise incurred while engaged on the business of the Company or in the discharge of their duties as Directors.
- 14.16 The Board may grant special remuneration to any Director, who shall perform any special or extra services 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 agreed.

14.17 The remuneration of an executive director (as appointed according to Article 15.1) 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, participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or 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 such remuneration as the recipient may be entitled to receive as a Director.

14.18 The office of a Director shall be vacated:

- (a) if he resigns his office by notice in writing to the Company at its registered office or its principal place of business in Hong Kong;
- (b) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
- (c) if, without leave, he is absent from meetings of the Board (unless an alternate Director appointed by him attends in his place) for a continuous period of 12 months, and the Board resolves that his office be vacated;
- (d) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (e) if he ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;
- (f) if he shall be removed from office by notice in writing served upon him signed by not less than three-fourths (3/4) in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; or
- (g) if he shall be removed from office by Resolution of Members under Article 14.6.

At every annual general meeting of the Company one-third (1/3) of the Directors for the time being (or, if their number is not three (3) or a multiple of three (3), then the number nearest to, but not less than, one-third (1/3)) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by

rotation at least once every three (3) years. Any Director appointed pursuant to Article 14.2 or Article 14.3 shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

- 14.19 No Director or proposed 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 shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to account to the Company for any profit so 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, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the Board at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may subsequently be made by the Company. For the purpose of this Article, such a disclosure is deemed not to have been made to the Board unless it is made or brought to the attention of every Director.
- 14.20 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 between the Company and the Director) no such Director shall be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as 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 manner aforesaid notwithstanding that he may be, or is 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 the manner aforesaid.

14.21 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 profit 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.

14.22 A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any Resolution of Directors in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his close associates (or, if required by the Listing Rules, his other associates) has any material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

- (a) the giving of any security or indemnity either:
  - (i) to the Director or any of his close associates in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
  - (ii) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his close associates has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (b) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his close associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (c) any proposal concerning any other company in which the Director or his close associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his close associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his close associates are not in aggregate beneficially interested in 5% 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 close associates is derived) or of the voting rights;
- (d) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:

- (i) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his close associates may benefit; or
  - (ii) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his close associates as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (e) any contract or arrangement in which the Director or any of his close associates 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.

14.23 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of or terminating the appointment) of two (2) or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not prohibited from voting under Article 14.22) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

14.24 If any question shall arise at any meeting of the Board as to the materiality of a Director's interest or the significance of a contract, arrangement or transaction or proposed contract, arrangement or transaction or as to the entitlement of any Director to vote or form part of a 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 (or, where such question relates to the interest of the Chairman, to the other Directors at the meeting) and his ruling (or, as appropriate, the ruling of the other Directors) in relation to any other Director (or, as appropriate, the Chairman) shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned (or, as appropriate, the Chairman) as known to such Director (or, as appropriate, the Chairman) has not been fairly disclosed to the Board.

## **15 MANAGING DIRECTORS**

15.1 The Board may from time to time appoint any one (1) 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 employment or executive 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 14.17.

- 15.2 Every Director appointed to an office under Article 15.1 shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, be liable to be dismissed or removed therefrom by the Board.
- 15.3 A Director appointed to an office under Article 15.1 shall be subject to the same provisions as to removal as the other Directors, and he shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
- 15.4 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, but 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, provided that no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

## **16 MANAGEMENT**

- 16.1 Subject to any exercise by the Board of the powers conferred by Articles 17.1 to 17.3, the management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities expressly conferred upon it by these Articles, 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 Act expressly directed or required to be exercised or done by Resolution of Members, subject nevertheless to the provisions of the Act and these Articles and to any regulation from time to time made by Resolution of Members not being inconsistent with such provisions or 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.
- 16.2 Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:
- (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and

- (b) to give to any Directors, officers or employees 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.

16.3 Except as would be permitted by the Companies Ordinance as if the Company were a company incorporated in Hong Kong, and except as permitted under the Act, the Company shall not, directly or indirectly:

- (a) make a loan to a Director or his close associates or a director of any holding company of the Company or a body corporate controlled by such a director or Director;
- (b) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director or a body corporate controlled by such a director or Director; or
- (c) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

## **17 MANAGERS**

17.1 The Board may from time to time appoint a general manager, manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two (2) 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 in connection with the conduct of the business of the Company.

17.2 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 as it may think fit.

17.3 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.

## **18 PROCEEDINGS OF DIRECTORS**

18.1 The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in any part of the world and may determine the quorum necessary for the transaction of business. Unless otherwise determined, four (4) Directors shall be a quorum.

For the purposes of this Article, an alternate Director shall be counted in a quorum in place of the Director who appointed him, and an alternate Director who is an alternate for more than one (1) Director shall for quorum purposes be counted separately in respect of himself (if he is a Director) and in respect of each Director for whom he is an alternate, provided that nothing in this Article shall be construed as authorising a meeting to be constituted when only one (1) person is physically present. A meeting of the Board or any committee of the Board may be held by means of a telephone or teleconference or any other telecommunications facility, provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this Article shall constitute presence in person at such meeting.

## 18.2

- (a) Regular meetings of the Board shall be held at least four (4) times a year. Unless otherwise determined by the Board, a regular meeting of the Board shall be notified to all Directors in writing at least 14 days before the holding of such meeting.
- (b) Under any of the following circumstances, an interim meeting of the Board shall be summoned by the Chairman within reasonable time upon a proposal:
  - (i) By at least one-third (1/3) (including one-third (1/3)) of the Directors to convene a meeting of the Board;
  - (ii) By the Chairman to convene a meeting of the Board; and
  - (iii) Jointly by the Company's chief executive officer and chief financial officer to convene a meeting of the Board.

Unless otherwise determined by the Board, not less than 48 hours' notice of the meeting of the Board shall be given to each Director either in writing or by telephone or by facsimile, telex or telegram at the address or telephone, facsimile or telex number 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.

- ## 18.3
- Subject to Articles 14.19 to 14.24, 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 such meeting shall have a second or casting vote. Notwithstanding the provision of this Article and anything to the contrary in these Articles, the following matters shall be passed by not less than two-thirds (2/3) (including two-thirds (2/3)) of the Directors:

- a) the appointment and dismissal of the chief executive officer of the Company;

- b) the distribution of dividends in accordance with Article 22.1; and
  - c) the approval of the Company's strategic planning, material investment and financing decisions, material asset restructuring and affiliated transactions as required by the Listing Rules.
- 18.4 The Board may elect a Chairman, and determine the period for which he is to hold office. If the Chairman is unable or fails to perform his duties, the majority of Directors shall jointly elect one Director as the Vice Chairman to perform the duties on behalf of the Chairman; if the Vice Chairman is unable or fails to perform his duties, a majority of Directors shall jointly elect one Director to perform the duties on behalf of the Vice Chairman. However, if no such Chairman or Vice Chairman is so elected, or if at any meeting the Chairman or the Vice Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one (1) of their number to be chairman of such meeting.
- 18.5 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.
- 18.6 The Board may delegate any of its powers to committees consisting of such member or members of the Board (including alternate Directors in the absence of their appointers) as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any 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.
- 18.7 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 by Resolution of Members, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.
- 18.8 The meetings and proceedings of any such committee consisting of two or more members of the Board 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 18.6.
- 18.9 The Board shall cause minutes to be made of:
- (a) all appointments of officers made by the Board;

- (b) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 18.6;
- (c) all declarations made or notices given by any Director of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and
- (d) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

18.10 Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting or by the chairman of the succeeding meeting.

18.11 All acts bona fide done by any meeting of the Board or by a committee of Directors or by any person acting as Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were 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 as the case may be.

18.12 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.

18.13 Unless required otherwise by the Listing Rules, a resolution in writing signed by each and every Director (or his alternate pursuant to Article 14.9) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in like form each signed by one (1) or more of the Directors or alternate Directors. Notwithstanding the foregoing, a resolution which relates to any matter or business in which a substantial shareholder (as such term is defined in the Listing Rules from time to time) of the Company or a Director, has an interest conflicting with that of the Company which the Board determines, prior to the passing of such resolution, to be material, shall not be passed by a resolution in writing and shall only be passed at a meeting of the Directors held in accordance with these Articles.

## **19 SECRETARY**

- 19.1 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 Act 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 appointed by the Board, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board.
- 19.2 A provision of the Act 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.

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

- 20.1 The Board shall provide for the safe custody of the seal which shall only be used with the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which such seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Board for the purpose. The securities seal which shall be a facsimile of the common seal with the word "Securities" engraved thereon shall be used exclusively for sealing securities issued by the Company and for sealing documents creating or evidencing securities so issued. The Board may either generally or in any particular case resolve that the securities seal or any signatures or any of them may be affixed to or imprinted on certificates for shares, warrants, debentures or any other form of security by facsimile or other mechanical means specified in such authority or that any such certificates sealed with the securities seal need not be signed by any person. Every instrument to which the seal is affixed or on which the seal is imprinted as aforesaid shall, as regards all persons dealing in good faith with the Company, be deemed to have been affixed to or imprinted on that instrument with the authority of the Directors previously given.
- 20.2 The Company may have a duplicate seal for use outside of the British Virgin Islands as and where 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 agents of the Company for the purpose of affixing and using such duplicate seal and they 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 duplicate seal as aforesaid.
- 20.3 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, indorsed or otherwise executed, as the case may be, in

such manner as the Board shall from time to time by Resolution of Directors determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

- 20.4 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.
- 20.5 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 in any part of the world 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.
- 20.6 The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the British Virgin Islands, Hong Kong, the People's Republic of China or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or 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.
- 20.7 The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or provident or superannuation funds or (with the sanction of a Resolution of Members) employee or executive share option schemes for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of

the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependents of any such persons. 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, 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.

## **21 CAPITALISATION**

- 21.1 The Company may upon the recommendation of the Board by Resolution of Members resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or funds or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution among the members who would have been entitled thereto if they were distributed by way of dividend and in the same proportion, on the condition that the same is not paid in cash but is 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, debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and among such members in such proportion aforesaid or partly in one (1) way and partly in the other, and the Board shall give effect to such resolution, provided that any account, reserve or fund of the Company may, for the purposes of this Article, only be applied in paying up unissued shares to be issued to members of the Company as fully paid up shares or paying up calls or instalments due or payable on partly paid securities of the Company subject always to the provisions of the Act.
- 21.2 Wherever such a resolution as referred to in Article 21.1 shall have been passed, the Board shall make all appropriations and applications resolved to be applied thereby, and all allotments and issues of fully paid up shares, debentures or other securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board:
- (a) to make such provision by the issue of fractional certificates or by payment in cash or otherwise (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) as they think fit in cases where shares, debentures or other securities become distributable in fractions;

- (b) to exclude the right of participation or entitlement of any member with a registered address outside any territory where, in the absence of a registration statement or other special or onerous formalities, the circulation of an offer of such right or entitlement would or might be unlawful or where the Board consider the costs, expense or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefits of the Company; and
- (c) to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares, debentures or other securities to which they may be entitled upon such application, or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be applied, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

21.3 The Board may, in relation to any application sanctioned under Article 21.2 in its absolute discretion specify that, and in such circumstances and if directed so to do by a member or members entitled to an allotment and distribution credited as fully paid up of unissued shares or debentures in the Company pursuant to such application, the unissued shares, debentures or other securities to which that member is entitled shall be allotted and distributed credited as fully paid up to such person or persons as that member may nominate by notice in writing to the Company, such notice to be received not later than the day for which the general meeting of the Company to sanction the application is convened.

## **22 DIVIDENDS, DISTRIBUTIONS AND RESERVES**

22.1 Subject to the provisions of the Act and these Articles, the Board may, by a resolution passed by not less than two-thirds (2/3) of the Directors, declare a dividend in any currency at a time, and of an amount, and to any members it thinks fit if it is satisfied, on reasonable grounds that, immediately after the payment of the dividend, the value of the Company's assets will exceed its liabilities and the Company is able to pay its debts as they fall due.

22.2 The dividends, interest and bonuses and any other benefits and advantages in the nature of income receivable in respect of the Company's investments, and any commissions, trusteeship, agency, transfer and other fees and

current receipts of the Company shall, after payment and deduction of any expenses of management, interest upon borrowed money and other expenses which in the opinion of the Board are of a revenue nature, constitute the profits of the Company available for distribution.

- 22.3 The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the Company is authorised to issue different classes of shares, the Board may pay such interim dividends in respect of those shares in 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 preferential rights.
- 22.4 The Board may also pay half-yearly or at other intervals to be selected by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits available for distribution justify the payment.
- 22.5 The Board may in addition from time to time declare and pay special dividends on shares of any class of such amounts and on such dates as they think fit, and the provisions of Article 22.3 as regards the powers and the exemption from liability of the Board as relate to declaration and payment of interim dividends shall apply, mutatis mutandis, to the declaration and payment of any such special dividends.
- 22.6 No dividend shall carry interest against the Company.
- 22.7 Whenever the Board or the Company by Resolution of Members has resolved that a dividend be paid or declared on the shares in the Company, the Board may further resolve:
- (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:
    - (i) the basis of any such allotment shall be determined by the Board;
    - (ii) the Board, after determining the basis of allotment, shall give not less than ten (10) business days' notice in writing to the members 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;

- (iii) 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
  - (iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (the **non-elected shares**) and in satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall 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 or share premium account) or profit and loss account or amounts otherwise available for distribution 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 among the holders of the non-elected shares on such basis; or
- (b) that members 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 Board may think fit. In such case, the following provisions shall apply:
- (i) the basis of any such allotment shall be determined by the Board;
  - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing to members 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;
  - (iii) 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
  - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (the **elected shares**) and in lieu thereof shares shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall apply out of any part of the undivided profits of the Company's reserve accounts (including any special account or share premium account) or profit and loss account or amounts otherwise available for distribution 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.

- 22.8 The shares allotted pursuant to the provisions of Article 22.7 shall be of the same class as the class of, and shall rank *pari passu* in all respects with, the shares then held by the respective allottees save only as regards participation:
- (a) in the relevant dividend (or share or cash election in lieu thereof as aforesaid); or
  - (b) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend, unless contemporaneously with the announcement by the Board of its proposal to apply the provisions of Article 22.7(a) or 22.7(b) in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of Article 22.7 shall rank for participation in such distributions, bonuses or rights.
- 22.9 The Board may do all acts and things considered necessary or expedient to give effect to any application pursuant to the provisions of Article 22.8 with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such application and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- 22.10 The Company may upon the recommendation of the Board by Resolution of Members resolve in respect of any one particular dividend of the Company that, notwithstanding the provisions of Article 22.7 a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.
- 22.11 The Board may on any occasion determine that rights of election and the allotment of shares under Article 22.7 shall not be made available or made to any members 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, or where the Board considers the costs, expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefit of the Company, and in any such case the provisions aforesaid shall be read and construed subject to such determination.

- 22.12 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 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 (including shares, warrants and other securities of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any 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.
- 22.13 Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this Article, no amount paid up on a share in advance of calls shall be treated as paid up on the share.
- 22.14 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.
- 22.15 The Board may retain any dividends or other monies payable upon shares in respect of which any person is, under the provisions as to the transmission of shares hereinbefore contained, entitled to become a member, or in respect of which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
- 22.16 The Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.
- 22.17 Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting resolves by Resolution of Members, provided that the call on each member shall not exceed the dividend payable to him,

and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.

- 22.18 The Board, with the sanction of a Resolution of Members, may direct that any 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 for securities of any other company, or in any one (1) or more of such ways, and where any difficulty arises in relation to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where required, a contract shall be filed in accordance with the provisions of the Act 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.
- 22.19 A transfer of shares shall not pass therewith the right to any dividend or bonus declared thereon before the registration of the transfer.
- 22.20 Any resolution declaring or resolving upon the payment of a dividend or other distribution on shares of any class, whether a Resolution of Members or a Resolution of Directors, may, subject to the provisions of the Listing Rules, specify that the same shall be payable or made 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 or other distribution shall be payable or made 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.
- 22.21 If two (2) or more persons are registered as joint holders of any shares, any one (1) of such persons may give effectual receipts for any dividends, interim and special dividends or bonuses and other moneys payable or rights or property distributable in respect of such shares.
- 22.22 Unless otherwise directed by the Board, any dividend, interest or other sum payable in cash to a holder of shares 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 the person 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 holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares and shall be sent at his or their risk. The payment of any such cheque or warrant by the bank on which it is drawn 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.

- 22.23 The Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two (2) consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- 22.24 All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the exclusive benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or be required to account for any money earned thereon. All dividends or bonuses unclaimed for six (6) years after having been declared may be forfeited by the Board and shall revert to the Company, and after such forfeiture no member or other person shall have any right to or claim in respect of such dividends or bonuses.
- 22.25 In relation to any other distribution, the Company may, by Special Resolution of Members, authorise a distribution by the Company to the members (other than by way of the purchase, redemption or other acquisition of shares in the Company or by way of dividend) at such time and of such an amount, provided the Board is satisfied, on reasonable grounds that, immediately after the payment of the distribution, the value of the Company's assets will exceed its liabilities and the Company is able to pay its debts as they fall due.

## **23 UNTRACEABLE MEMBERS**

- 23.1 The Company shall be entitled to sell any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if and provided that:
- (a) all cheques or warrants, not being less than three (3) in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years;
  - (b) the Company has not during that time or before the expiry of the three (3) month period referred to in Article 23.1(d) received any indication of the whereabouts or existence of the member or person entitled to such shares by death, bankruptcy or operation of law;

- (c) during the 12-year period, at least three (3) dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and
- (d) upon expiry of the 12-year period, the Company has caused an advertisement to be published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, giving notice of its intention to sell such shares, and a period of three (3) months has elapsed since such advertisement and the Stock Exchange has been notified of such intention.

The net proceeds of any such sale shall belong to the Company, and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

- 23.2 To give effect to any sale contemplated by Article 23.1 the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such other documents as are necessary to effect the transfer, and such documents shall be as effective as if they had been executed by the registered holder of or person entitled by transmission to such shares, and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company, which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds, and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares or other securities in or of the Company or its holding company if any) or as the Board may from time to time think fit.

## 24 DOCUMENT DESTRUCTION

The Company shall be entitled to destroy all instruments of transfer, probate, letters of administration, stop notices, powers of attorney, certificates of marriage or death and other documents relating to or affecting title to securities in or of the Company (the **Registrable Documents**) which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two (2) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one (1) year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register if purporting to have been made on the basis of an instrument of transfer or Registrable Document so destroyed was duly and



properly made and every instrument of transfer or Registrable Document so destroyed was a valid and effective instrument or document duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that:

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice of the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

Notwithstanding anything to the contrary in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of any documents referred to in this Article or any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf, provided always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document might be relevant to a claim.

## **25 ANNUAL RETURNS AND FILINGS**

The Board shall make the requisite annual returns and any other requisite filings in accordance with the Act.

## **26 ACCOUNTS**

- 26.1 The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the Act.
- 26.2 The books of account shall be kept at the Company's principal place of business in Hong Kong or, subject to the provisions of the Act, at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.
- 26.3 The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the Directors may determine:

- (a) minutes of all meetings and all resolutions of members and of classes of members; and
  - (b) minutes of all meetings and all resolutions of Directors and committees of Directors.
- 26.4 Where any such records are kept at a place other than at the office of the Company's registered agent, the Company shall provide the registered agent with a written record of the physical address of the place or places at which the records are kept. Where the place at which any such records is changed, the Company shall provide the registered agent with the physical address of the new location of the records within 14 days of the change of location.
- 26.5 The Company shall keep the following at the office of its registered agent:
- (a) the Memorandum and these Articles;
  - (b) the register of members maintained in accordance with these Articles or a copy of the register of members;
  - (c) the register of Directors maintained in accordance with these Articles or a copy of the register of Directors;
  - (d) copies of all notices and other documents filed by the Company in the previous ten (10) years;
  - (e) a copy of the register of charges kept by the Company pursuant to section 162(1) of the Act; and
  - (f) an imprint of the common seal.
- 26.6 Where the Company keeps a copy of the register of members or the register of Directors at the office of its registered agent, it shall:
- (a) within 15 days of any change in the register, notify the registered agent, in writing, of the change; and
  - (b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of Directors is kept.
- Where the place at which the original register of members or the original register of Directors is changed, the Company shall provide the registered agent with the physical address of the new location of the records within 14 days of the change of location.
- 26.7 The records, documents and registers required by these Articles shall be open to the inspection of the Directors at all times.

- 26.8 The Board shall from time to time determine whether, 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 (other than officers of the Company) and no member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Act or any other relevant law or regulation or as authorised by the Board or by Resolution of Members.
- 26.9 The Board shall cause to be prepared and to be laid before the members at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up and a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an Auditors' report on such accounts prepared pursuant to Article 27.1 and such other reports and accounts as may be required by law.
- 26.10 Copies of all documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent in the manner in which notices may be served by the Company as provided herein to every member and every holder of debentures of the Company, provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one (1) of the joint holders of any shares or debentures.
- 26.11 To the extent permitted by and subject to due compliance with these Articles, the Act and all applicable rules and regulations, including, without limitation, the rules of the Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 26.10 shall be deemed satisfied in relation to any member or any holder of debentures of the Company by sending to such person instead of such copies, not less than 21 days before the date of the annual general meeting, in any manner not prohibited by these Articles and the Act, a summary financial statement derived from the Company's annual accounts, together with the Directors' report and the Auditors' report on such accounts, which shall be in the form and containing the information required by these Articles, the Act and all applicable laws and regulations, provided that any person who is otherwise entitled to the annual accounts of the Company, together with the Director's report and the Auditor's report thereon may, if he so requires, by notice in writing served on the Company, demand that the Company sends to him, in addition to the summary financial statement, a complete printed copy of the Company's annual accounts, together with the Directors' report and the Auditor's report thereon.

## **27 AUDIT**

- 27.1 The Auditors shall audit the profit and loss account and balance sheet of the Company in each year and shall prepare a report thereon to be annexed thereto. Such report shall be laid before the Company at its annual general meeting in each year and shall be open to inspection by any member. The Auditors shall at the next annual general meeting following their appointment and at any other time during their term of office, upon request of the Board or any general meeting of the members, make a report on the accounts of the Company in general meeting during their tenure of office.
- 27.2 The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of a Resolution of Members. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed provided that in respect of any particular year the Company may by Resolution of Members delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by a Resolution of Members in which case the members may appoint Auditors by a Resolution of Members. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues, the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.
- 27.3 Every statement of accounts audited by the Auditors and presented by the Board at an annual general meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three (3) 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.

## **28 NOTICES**

- 28.1 Except as otherwise provided in these Articles, any notice or document may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website, provided that the Company has obtained either (a) the member's prior express positive confirmation in writing; or (b) the member's deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic

means, or (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

28.2 Notice of every general meeting shall be given in any manner hereinbefore authorised to:

- (a) every person shown as a member in the register of members as of the record date for such meeting, except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of members;
- (b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member of record where the member of record but for his death or bankruptcy would be entitled to receive notice of the meeting;
- (c) the Auditors;
- (d) each Director and alternate Director;
- (e) the Stock Exchange; and
- (f) such other person to whom such notice is required to be given in accordance with the Listing Rules.

28.3 No other person shall be entitled to receive notices of general meetings.

28.4 A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

- 28.5 Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof.
- 28.6 Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.
- 28.7 Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).
- 28.8 Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.
- 28.9 A notice may be given by the Company to the person or persons 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 addressed to him or them 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.
- 28.10 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.
- 28.11 Any notice or document delivered or sent to any member in accordance with these Articles shall, notwithstanding that such member has been deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

28.12 The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.

## **29 INFORMATION**

29.1 No member shall be entitled to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board would not be in the interests of the members or the Company to communicate to the public.

29.2 The Board shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its members including, without limitation, information contained in the register of members and transfer books of the Company.

## **30 WINDING UP**

30.1 The Company may, by Special Resolution of Members, approve a liquidation plan and appoint a voluntary liquidator for the voluntary winding up of the Company in accordance with the Act.

30.2 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 of Members and any other sanction required by the Act, divide among the members *in specie* or kind the whole or any part of the assets of the Company (whether the assets shall consist of property of one (1) kind or of properties of different kinds), and may for such purpose set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority or sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like authority or sanction and subject to the Act, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, provided that no member shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

30.3 If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the amounts paid up on the issued shares in the Company, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the amounts paid up on the issued shares in the Company, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. If in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the amounts paid up on the issued shares in

the Company at the commencement of the winding up, the excess shall be distributed among the members in proportion to the amounts paid up on the issued shares in the Company at the commencement of the winding up on the shares held by them respectively. This Article applies without prejudice to the rights of the holders of shares issued upon special terms and conditions.

- 30.4 In the event of a winding-up of the Company in Hong Kong, every member who is not for the time being in Hong Kong shall be bound, within 14 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, process, 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 as soon as practicable give notice thereof to such member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.

### **31 INDEMNITIES**

- 31.1 Every Director, Auditor or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director, Auditor or other officer of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted.
- 31.2 Subject to the Act, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Board 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.

### **32 FINANCIAL YEAR**

The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it.

### **33 AMENDMENT OF MEMORANDUM AND ARTICLES**

Subject to the Act, the members may from time to time alter or amend the



Memorandum and these Articles in whole or in part by Special Resolution of Members, except the members may from time to time amend the Memorandum or the Articles to increase the maximum number of shares the Company is authorised to issue by Resolution of Members. The Directors shall not have the power to amend the Memorandum or the Articles.

**34 TRANSFER BY WAY OF CONTINUATION**

The Company shall, subject to the provisions of the Act, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the British Virgin Islands and to be deregistered in the British Virgin Islands.

**35 MERGERS AND CONSOLIDATIONS**

The Company shall, subject to the provisions of the Act, have the power to merge or consolidate with one or more constituent companies (as defined in the Act), upon such terms as the Directors may determine.

We, HARNEYS CORPORATE SERVICES LIMITED of Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, VG 1110, British Virgin Islands for the purpose of disapplying Part IV of Schedule 2 of the Act hereby sign this Amended and Restated Memorandum of Association this 16 th day of April, 2018:

Registered Agent

(signed)

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Gilda Richardson

Authorised Signatory

HARNEYS CORPORATE SERVICES LIMITED