

THE COMPANIES ORDINANCE

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

OF



**CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED**  
招商局中國基金有限公司

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**Incorporated the 13th day of April, 1993**

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*(as adopted by special resolution passed on 21st May, 2014)*

No. 414700  
編號

[Copy]

CERTIFICATE OF INCORPORATION  
公司註冊證書

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I HEREBY CERTIFY that  
本人茲證明

CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED  
招商局中國基金有限公司

is this day incorporated in Hong Kong under the Companies Ordinance, and that this  
於本日在香港依據公司條例註冊成為

company is limited.  
有限公司。

GIVEN under my hand this Thirteenth day of April, One  
簽署於一九九三年四月十三日。

Thousand Nine Hundred and Ninety-three.

(Sd.) H. Y. CHAN  
p. Registrar General  
(Registrar of Companies)  
Hong Kong  
香港註冊總署署長暨公司註冊官  
(註冊主任 陳浩然 代行)

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**NEW ARTICLES OF ASSOCIATION**

(as adopted by special resolution passed on 21st May, 2014)

**OF**

**CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED**

招商局中國基金有限公司

**PRELIMINARY**

- 1A. The name of the Company is “CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED 招商局中國基金有限公司”.
- 1B. The Company has the capacity, rights, powers and privileges of a natural person of full age and, in addition and without limit, the Company may do any act that it is permitted or required to do by these Articles or any ordinance or rule of law, and has power to acquire, hold and dispose of land.
- 1C. The liability of the members is limited.
- 1D. The Company shall have the power to divide the original or any increased capital into several classes, and to attach thereto any preferential, deferred, qualified or other special rights, privileges, restrictions or conditions.
- 1E. (1) In these Articles, unless there is something in the subject or context inconsistent therewith, the following words bear the following meanings:

“Articles” or “these Articles”	the Articles of Association of the Company in their present form and all supplementary, amended or substituted articles for the time being in force
“associate”	has the meaning ascribed thereto in the Rules Governing the Listing of Securities on the Stock Exchange and “associates” shall be construed accordingly
“Board” or “Directors”	the board of directors for the time being of the Company or (as the context may require) the majority of directors present and voting at a duly convened and constituted meeting of the directors

“call”	includes any instalment of a call
“capital”	the share capital from time to time of the Company
“clear days”	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect
“Company”	China Merchants China Direct Investments Limited 招商局中國基金有限公司
“connected entity”	has the meaning given by section 486 of the Ordinance and “connected entities” shall be construed accordingly
“holder”	in relation to shares, the member whose name is entered in the register of members as the holder of the shares
“electronic communication”	a communication sent by electronic transmission in any form through any medium
“Employment Benefit Plan”	<p>any employee benefit plan which meets the definition of an “employee pension benefit plan” or an “employee welfare benefit plan”.</p> <p>An “employee pension benefit plan” is any plan, fund, or program which is established or maintained by an employer or by an employee organization, or by both, to the extent that by its express terms or as a result of surrounding circumstances such plan, fund or program:</p> <p>(a) provides retirement income to employees, or</p> <p>(b) results in a deferral of income by employees for periods extending to the termination of covered employment or beyond,</p> <p>regardless of the method of calculating the contributions made to the plan, the method of calculating the benefits under the plan or the method of distributing benefits from the plan.</p>

An “employee welfare benefit plan” is any plan, fund, or program which is established or maintained by an employer or by an employee organization, or by both, to the extent that such plan, fund, or program is established or is maintained for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise:

- (a) medical, surgical, or hospital care or benefits, or benefits in the event of sickness, accident, disability, death or unemployment, or vacation benefits, apprenticeship or other training programs, or day care centres, scholarship funds, or prepaid legal services; or
- (b) any benefit described in section 302(c) of the Labour Management Relations Act of 1947 of the United States (other than pensions on retirement or death, and insurance to provide such pensions)

“Management Agreement”	the management agreement entered into between the Company and China Merchants China Investment Management Limited on 15th July, 1993
“member” or “shareholder”	a person who is registered as the holder of shares in the capital of the Company
“month”	calendar month
“Net Asset Value”	the net asset value of the Company calculated in accordance with the provisions described in the Company’s prospectus dated 15th July, 1993
“Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therein or substituted therefor and in the case of any such substitution the references in these Articles to the provisions of the ordinance shall be read as references to the provisions substituted therefor in the new ordinance
“paid up”	paid up or credited as paid up

“Recognised Stock Exchange”	the Stock Exchange or any other stock exchange or market (including any over-the-counter market) or association of dealers of repute in securities in any part of the world on which the issued ordinary share capital of the Company is for the time being listed (and so that if such capital is so listed on more than one such exchange, market or association the “Recognised Stock Exchange” shall mean such one of them as is determined by the Board as that on which the Company has a primary listing)
“register”	the register of members to be kept pursuant to the Ordinance
“Registrar”	the registrar for the time being of the Company
“reporting documents”	the “reporting documents” as defined under the Ordinance
“seal”	the common seal from time to time of the Company and an official seal (if any) kept by the Company by virtue of section 125 and/or section 126 of the Ordinance, or either of them as the case may require
“secretary”	the secretary of the Company or any other person authorised to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary
“share(s)”	share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“summary financial report”	the “summary financial report” as defined under the Ordinance
“writing” and “printing”	include written or printed or printed by lithography or printed by photography or typewritten or produced by any other modes of representing words or figures in a visible form or, to the extent permitted by, and in accordance with the Ordinance and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form
“HK\$”	Hong Kong dollars
“US\$”	United States dollars

- (2) Save as aforesaid and unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Ordinance (except any statutory modification thereof not in force when these Articles become binding on the Company).
  - (3) A reference to any Article by number is to the particular Article of these Articles.
  - (4) The expressions “US persons” and “United States” have the respective meanings ascribed to them by Regulations under the United States Securities Act of 1933, as amended.
  - (5) In these Articles, unless the context otherwise requires:
    - (a) words in the singular include the plural, and vice versa;
    - (b) words importing any gender shall include all genders;
    - (c) a reference to a person includes a reference to a body corporate and to an unincorporated body of persons; and
    - (d) references to a committee of the Directors are to a committee established in accordance with these Articles, whether or not comprised wholly of the Directors.
  - (6) The headings are inserted for convenience only and do not affect the construction of these Articles.
  - (7) References to a document being executed include references to its being executed under hand or under seal or, to the extent permitted by, and in accordance with the Ordinance and other applicable laws, rules and regulations, by electronic signature or by any other method. Reference to a document, to the extent permitted by, and in accordance with the Ordinance and other applicable laws, rules and regulations, include references to any information in visible form whether having physical substance or not.
2. No regulations set out in any statute, or in any statutory instrument or other subordinate legislation under any statute, concerning companies shall apply as the regulations or Articles of the Company.

## CAPITAL AND SHARES

3. *Deleted.*
4. (1) Without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights or privileges, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, if the Company has not so determined, as the Directors may determine) and any preference share may, with the sanction of a special resolution be issued on the terms that it is, or at the option of the Company is liable, to be redeemed.  
  
(2) The Directors may upon the prior approval of the members issue warrants to subscribe for any class of shares or securities of the Company on such terms as they may from time to time determine.
5. Subject to the provisions of the Ordinance and of these Articles relating to the new shares, all unissued shares in the Company including any new shares created upon an increase of capital shall be at the disposal of the Directors, who may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms and conditions as the Directors shall in their absolute discretion think fit.
6. Subject to the provisions of the Ordinance, the Company may, before the issue of any new shares, make any provisions as to the issue and allotment of such shares; including without prejudice to the generality of the foregoing, that the new shares, or any of them, shall be offered in the first instance to all the existing holders of any class of shares in proportion to the number of shares of such class held by them respectively, but in default of any such determination the new shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the new shares.
7. The Company may exercise the powers of paying commissions conferred by the Ordinance. Subject to the provisions of the Ordinance, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of share capital pay such brokerage as may be lawful.
8. 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 compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.



## VARIATION OF RIGHTS

9. (1) If at any time the capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders representing at least 75% of the total voting rights of holders of shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.
  - (2) To every such separate general meeting the provisions of these Articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy or by authorised representative not less than one-third of the total voting rights of holders of shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every share held by him, that any holder of shares of the class present in person or by proxy or by authorised representative may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy or by authorised representative (whatever the number of shares held by him) shall be a quorum.
10. Unless otherwise expressly provided by the rights attached to any shares, those rights:
    - (a) shall be deemed to be varied by the reduction of the capital paid up on those shares and by the creation or issue of further shares ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the first-mentioned shares;
    - (b) shall otherwise be deemed not to be varied by the creation or issue of further shares ranking pari passu with or subsequent to the first-mentioned shares; and
    - (c) shall be deemed not to be varied by the buy-back by the Company of any of its own shares.

## REGISTER OF MEMBERS AND SHARE CERTIFICATES

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

12. (1) Every certificate for shares or warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company.
  - (2) Every share certificate issued shall specify the number and class of shares in respect of which it is issued, and may otherwise be in such form as the Directors may from time to time prescribe.
13. Every person whose name is entered in the register as a holder of any shares shall be entitled to receive within such period of time as prescribed by the Ordinance or the Rules Governing the Listing of Securities on the Stock Exchange after allotment or lodgement of a transfer to him of those shares (or within such other period as the terms of issue shall provide) one certificate for all those shares of any one class or several certificates each for one or more of the shares of the class in question upon payment, (i) in the case of an allotment, for every certificate after the first of such sum (if any) not exceeding the maximum amount prescribed from time to time by the Stock Exchange (or its equivalent at the relevant time in US dollars) or (ii) in the case of a transfer, for every certificate of such sum (if any) not exceeding the maximum amount prescribed from time to time by the Stock Exchange (or its equivalent at the relevant time in US dollars). In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A member who transfers some but not all of the shares comprised in a certificate shall be entitled to a certificate for the balance with a fee (if any) not exceeding the maximum amount prescribed from time to time by the Stock Exchange.
14. (1) The Company shall not be bound to register more than four persons as joint holders of any share.
  - (2) If any share stands in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.
15. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee (if any) not exceeding the maximum amount as may from time to time be prescribed by the Stock Exchange (or its equivalent at the relevant time in US dollars) and on such terms and conditions, if any, as to publication of notices, evidence and indemnity as the Directors may determine and in the case of defacement or wearing-out on delivery up of the old certificate. In the case of loss or destruction the person to whom a replacement certificate is issued shall also bear and pay to the Company any exceptional costs and reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of the destruction or loss and of the indemnity.

## **LIEN**

16. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all amounts (whether presently payable or not) called in respect of that share or payable at a fixed time, and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of the 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 the 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 the member or his estate and any other person, whether a member of the Company or not. The Company's lien on a share shall extend to all amounts payable in respect of it. The Directors may at any time either generally or in any particular case waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Article.
17. The Company may sell, in such manner as the Directors determine, any share on which the Company has a lien if an amount in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice in writing has been given to the holder of the share, or the person entitled to it in consequence of the death or bankruptcy of the holder, specifying the liability and demanding payment and stating that if the notice is not complied with the shares may be sold.
18. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the amount for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the share sold and subject to a like lien for any amount not presently payable as existed upon the share before the sale) be paid to the person entitled to the share at the date of the sale. To give effect to the sale the Directors may authorise some person to execute an instrument of transfer of the share sold to, or in accordance with the directions of, the purchaser. The purchaser shall not be bound to see to the application of the proceeds of sale nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

## **CALLS ON SHARES**

19. Subject to the terms of allotment, the Directors may from time to time make calls upon the members in respect of any amounts unpaid on their shares. A call may be required to be paid either in one sum or by instalments. The Directors may make arrangements on the issue of shares to differentiate between the holders in the amounts and times of payment of calls on their shares. A call may, before receipt by the Company of an amount due under it, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

20. Fourteen clear days' notice of any call shall be given specifying the time and place of payment and to whom the call shall be paid. A copy of the notice shall be sent to members in the manner in which notices may be sent to members by the Company as provided in these Articles. Every member upon whom a call is made shall pay the amount of every call made on him to the person and at the time and place as specified in the notice.
21. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
22. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect of it.
23. The Directors may at their absolute discretion extend the time fixed for any call, and may similarly extend such time as to all or any of the members, whom from residence outside Hong Kong or other cause the Directors may deem entitled to any extension, but no member shall be entitled to any extension except as a matter of grace and favour.
24. If a call is not paid on or before the day appointed for payment the person from whom it is due shall pay interest on the amount unpaid, from the day appointed for payment until the time of the actual payment, at the rate fixed by the terms of allotment of the shares in question or in the notice of the call or, if no rate is fixed, at such rate not exceeding twenty per cent. per annum as the Directors may determine, but the Directors may waive payment of the interest wholly or in part.
25. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
26. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which the debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of the call was duly given to the member sued, in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made the call, nor any other matters whatsoever, but the proof of the matter aforesaid only shall be conclusive evidence of the existence of the debt.
27. An amount payable in respect of a share on allotment or at any fixed date shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid all the relevant provisions of these Articles shall apply as if that sum had become due and payable by virtue of a call duly made and notified.

28. The Directors may if they think fit, receive from any member willing to advance all or any part of the amount unpaid on the shares held by him (beyond the sums actually called up) as a payment in advance of calls, and such payment shall, to the extent of it, extinguish the liability on the shares in respect of which it is advanced. The Company may pay interest on the amount so received, at such rate (not exceeding, without the sanction of the Company in general meeting, six per cent. per annum) as the Directors may determine but until a call is made any payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the shares or the due portion of the shares upon which payment has been advanced by the member before it is called up. The Directors may at any time repay the amount so advanced upon giving to the member not less than one month's notice in writing of their intention in that behalf, unless before the expiration of the notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

### **FORFEITURE OF SHARES**

29. If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. If the requirements of the notice are not complied with, any shares in respect of which it was given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors and the forfeiture shall include all dividends and other amounts payable in respect of the forfeited shares and not paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited and in such cases references in these Articles to forfeiture shall include surrender.
30. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors may determine either to the person who was before the forfeiture the holder or to any other person and, at any time before the disposition, the forfeiture may be cancelled on such terms as the Directors may determine.
31. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be invalidated by any failure to give notice or to make the entry.

32. A person whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all amounts which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest thereon at the rate at which interest was payable on those amounts before the forfeiture or, if no interest was so payable, at such rate not exceeding twenty per cent. per annum as the Directors may determine from the date of forfeiture until payment, but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal. The liability of a person whose shares have been forfeited shall cease if and when the Company shall have received payment in full of all moneys due and payable in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.
33. A statutory declaration by a Director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer, if necessary) constitute a good title to the share. The Company may receive the consideration, if any, given for the share on any sale or disposal of it and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings relating to the forfeiture or disposal of the share.
34. (1) Notwithstanding any forfeiture the Directors may at any time, before any shares so forfeited shall have been sold or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as they may determine.
- (2) The forfeiture of a share shall not prejudice the right of the Company to any call already made thereon.
35. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time as if the same has been payable by virtue of a call duly made and notified.
36. *Deleted.*
37. *Deleted.*
38. *Deleted.*
39. *Deleted.*

## TRANSFER OF SHARES

40. (1) All transfers of shares may be effected by an instrument of transfer in writing in the usual or common form or in such other form as prescribed by the Stock Exchange or in such other form as the Directors may accept and may be executed under hand or, if the transferor or transferee is a clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time.
- (2) The instrument of transfer of any share shall be executed by or on behalf of the transferor and the transferee provided that the Directors 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 Directors may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof.
41. Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person. The Directors may in their absolute discretion decline to register any transfer of shares which are not fully paid up to a person of whom they do not approve. The Directors shall not register a transfer to a person who is known to them to be an infant or a person of unsound mind or under any other legal disability but the Directors shall not be bound to enquire into the age of or soundness of mind or legal ability of any transferee.
42. The Directors may also decline to register a transfer of a share unless:
- (a) the instrument of transfer is lodged, at the office of the Registrar of the Company or at such other place as the Directors may direct and is accompanied by the certificate for the share to which it relates (which shall upon registration be cancelled) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
  - (b) the instrument of transfer is in respect of only one class of share;
  - (c) the instrument of transfer is properly stamped (in circumstances where stamping is required);
  - (d) in the case of a transfer to joint holders, the number of joint holders does not exceed four;
  - (e) the shares concerned are free of any lien in favour of the Company; and
  - (f) such fee (if any) not exceeding the maximum amount as may from time to time be prescribed by the Stock Exchange (or its equivalent at the relevant time in US dollars) as the Directors may require is paid to the Company.

43. (1) If the Directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to each of the transferor and the transferee notice of the refusal.
- (2) If the Directors decline to register a transfer, the transferee or transferor may request a statement of the reasons for the refusal. If such request is made, the Directors shall, within 28 days after receiving the request,
- (a) send to the person who made the request a statement of the reasons; or
- (b) register the transfer.
44. The Directors shall have power to impose such restrictions (including restrictions on transfers) as they may think necessary for the purpose of ensuring that no shares in or warrants of the Company are acquired or held by any persons in breach of the Articles or in breach of or are held or acquired in any way which will lead to the imposition of the requirements of any country or governmental authority. In particular, but without prejudice to the generality of the foregoing, shares or warrants may not be transferred, without the specific consent of the Directors, to US persons or to Employee Benefit Plans, no transfer will be registered which may result in more than one hundred US persons being beneficial owners of shares or securities convertible into shares at any time for the purposes of section 3(c) of the United States Investment Company Act of 1940 (as amended) (the “Investment Company Act”), no transfer will be registered which may result in more than ten per cent. of the then issued share capital or securities convertible into shares of the Company being held at any one time by a US person and no transfer will be registered which may result in more than twenty-five per cent. of the then issued share capital or securities convertible into shares of the Company being held by Employee Benefit Plans. Notwithstanding the above the Directors may at their discretion give their consent generally to certain categories of offers, sales or transfers of shares or warrants to specific categories of persons and may impose as a condition of such consents the receipt of certifications from the purchasers or subscribers or transferors or transferees (or any of them) as to their status and in particular as to whether they are a US person or an Employee Benefit Plan.
45. The Directors may upon an application for shares or on a transfer of shares or warrants or at any other time or from time to time require such evidence to be furnished to them in this connection as they in their discretion deem sufficient and in default of such evidence being furnished to their satisfaction, the Directors may require the transfer of such shares or warrants in accordance with Article 47 hereof.
46. The Company may, if required to do so by law, or by any authority or by any Recognised Stock Exchange, make available to such authority or Recognised Stock Exchange such evidence or information which may have been furnished to or which may come into the possession of the Company as regards the identity of a holder of shares or warrants and/or the qualification of such holder to hold or to continue to hold such shares or warrants and the Company shall not be liable to such holder for any loss occasioned by reason of such disclosure.



47. Without prejudice to the generality of Articles 44, 45 and 46, if it shall come to the notice of the Directors that any shares or warrants are owned directly or indirectly or beneficially by any person (a “non-qualifying person”) in breach of any law or so that, in the opinion of the Directors, the tax status or residence of the Company is or may be prejudiced or the Company may suffer any pecuniary disadvantage or the Company would be required to comply with any registration or filing requirements in any jurisdiction, with which it would not otherwise be required to comply or may result in the assets of the Company being deemed to be “plan assets” for the purposes of the United States Employee Retirement Income Security Act of 1974 (as amended) or may require the registration of the Company as an “investment company” under the Investment Company Act, the Directors may require the secretary to give notice (a “Transfer Notice”) to such person requiring him to transfer such shares or warrants to a person who is qualified or entitled to own the same and, who would not, if such shares or warrants were transferred to him, be a non-qualifying person. Until such transfer is effected the holder of such shares or warrants shall not be entitled to any rights or privileges attaching to such shares or warrants. If any person upon whom a Transfer Notice is served pursuant to this Article does not within thirty days after the despatch of the Transfer Notice transfer his shares or warrants to a person who would not, if such shares or warrants were transferred to him, be a non-qualifying person or establish to the satisfaction of the Directors (whose judgment shall be final and binding) that the first named person is not a non-qualifying person, the Company shall be deemed to have received from such person irrevocable authority to sell and transfer such shares or warrants on behalf of such person to such party or parties as may be designated by the Directors at a price to be fixed in accordance with Article 48 or may compulsorily redeem such shares at such price or such warrants at such other price as may be specified in the terms and conditions thereof.
48. The price of the shares to be transferred or compulsorily redeemed pursuant to Article 47 shall, unless (in the case of a transfer) the transferor and the transferee of such shares have agreed otherwise, be the lower of the market price and the Net Asset Value per share at the date of transfer or redemption (as the case may be) less, in the case of a redemption, an amount equal to any duties and charges which would be incurred upon the disposal of the Company’s investments as at such date. The price of the warrants to be transferred pursuant to Article 47 shall, unless the transferor and the transferee of such warrants have agreed otherwise, be the lower of the market price and the compulsory redemption price as may be specified in the terms and conditions thereof.

49. The shares or warrants may not be offered, sold, transferred or delivered, directly or indirectly to, or for the account of, a US person at any time without the prior consent of the Directors, which consent may be granted or withheld in the sole discretion of the Directors but which will not in any case be granted if, as the result thereof, the number of beneficial owners of shares or securities exchangeable into shares who are US persons (including, without prejudice to the generality of the foregoing, as a result of the application of the attribution provisions of section 3(c)(1)(A) of the Investment Company Act) would be more than 100. The Directors may at their discretion give their consent generally to certain categories of offers sales or transfers of shares or warrants to specific categories of US persons and may impose as a condition of such consents the receipt of certification from the purchasers or subscribers, transferors or transferees (or any of them) as to their US person status.
50. In order to give effect to the following restrictions the Company may, at any time, require certification or other evidence from any transferee of shares or warrants as to whether such transferee is or is not (or is or is not acquiring the shares or warrants for the account or benefit of):
- (a) a US person;
  - (b) an Employee Benefit Plan;
  - (c) a person holding shares (or other securities of the Company) comprising 10 per cent. or more of the outstanding voting securities of the Company in circumstances where the beneficial ownership of such shares or securities could be attributed to the holders of that person's outstanding securities under the provisions of section 3(c)(1)(A) of the Investment Company Act; and
  - (d) acquiring the shares or warrants with a view to offering or selling such shares or warrants within the United States or to US persons.
51. A person, who by reason of any restriction imposed pursuant to the Articles, was not qualified to acquire or ceases to be qualified to hold all or any of the shares or warrants registered in his name or who becomes aware that he is holding or owning shares or warrants in breach of any law or any country or governmental authority or by virtue of any such law he is not qualified to hold such shares or warrants, or that such holding will, or is likely to, cause a pecuniary or tax disadvantage to the Company or to any other holder of shares or warrants, shall forthwith transfer such shares or warrants to a person who is not by the provisions of the Articles prohibited from holding such shares or warrants.
52. The exercise of the powers conferred by Article 47 shall not be questioned or invalidated in any case on the ground that there was insufficient evidence of ownership of shares or warrants by any person or that the true ownership of any shares or warrants was otherwise than that appearing to the Directors at the relevant date; provided that the said powers shall have been exercised in good faith.

53. The Directors may at any time and from time to time call upon any holder of shares or warrants by notice in writing to provide such information and evidence as they shall require upon any matter connected with, or in relation to, such holder of shares or warrants. In the event of such information and evidence not being so provided within a reasonable time (not being more than fourteen days after service of the notice requiring the same) the Directors may serve such holder of shares or warrants with a Transfer Notice, whereupon the provisions of Article 47 shall mutatis mutandis apply.
54. The registration of transfers may be suspended and the register closed at such times and for such periods as the Directors may determine and either generally or in respect of any class of shares, provided always that registration shall not be suspended or the register closed for more than thirty days in any year or, if the Company in general meeting approves, sixty days in any year.
55. Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued with a fee not exceeding the maximum amount as may from time to time be prescribed by the Stock Exchange to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him with a fee not exceeding the maximum amount as may from time to time be prescribed by the Stock Exchange.
56. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall (except in the case of fraud) be returned to the person lodging it when notice of the refusal is given.

#### **TRANSMISSION OF SHARES**

57. If a member dies the survivor or survivors where the deceased was a joint holder, or his legal personal representatives where he was a sole holder shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Article 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.
58. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of law may, upon such evidence as to his title being produced as may be required by the Directors, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the shares by the original member before the event giving rise to the transmission. The merger of any two or more corporations under the laws of one or more foreign countries or states shall constitute a transmission by operation of law for the purpose of this Article.

59. If the person so becoming entitled elects to be registered himself he shall give notice in writing to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if the transmission had not occurred and the notice or transfer were signed by the original holder.
60. A person becoming entitled to a share by operation of law shall be entitled to the same rights to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any general meeting or at any separate meeting of the holders of any class of shares. Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

#### **UNTRACED MEMBERS**

61. (1) The Company shall be entitled to sell at the best price reasonably obtainable any share held by a member, or any share to which a person is entitled by transmission, if:
- (a) for a period of twelve years no cheque or warrant for amounts payable in respect of the share sent and payable in a manner authorised by these Articles has been cashed and the Company has received no indication of the existence of the member or other person concerned;
  - (b) during that period at least three dividends in respect of the share have become payable;
  - (c) the Company has, after the expiration of that period, published an advertisement in one or more newspapers as prescribed by the rules for the time being of the Stock Exchange giving notice of its intention to sell such share and notified the Stock Exchange of such intention; and
  - (d) the Company has not during the further period of three months after the date of the advertisement and prior to the sale of the share received any communication from the member or person concerned.
- (2) To give effect to the sale the Company may appoint any person to execute an instrument of transfer of the share, and the instrument shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, the share. The purchaser shall not be bound to see to the application of the proceeds of sale, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings relating to the sale. The Company shall be indebted to the member or other person entitled to the share for an amount equal to the net proceeds of the sale, but no trust or duty to account shall arise and no interest shall be payable in respect of the proceeds of sale.

## ALTERATION OF CAPITAL

62. *Deleted.*
63. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls, transfer and transmission, lien, forfeiture, cancellation, surrender, voting and otherwise.
64. (1) Subject to the provisions of the Ordinance, the Company may from time to time alter its share capital in any one or more of the ways set out below:
- (a) increase its share capital by allotting and issuing new shares;
  - (b) increase its share capital without allotting and issuing new shares, if the funds or other assets for the increase are provided by the members of the Company;
  - (c) capitalise its profits, with or without allotting and issuing new shares;
  - (d) allot and issue bonus shares with or without increasing its share capital;
  - (e) convert all or any of its shares into a larger or smaller number of shares;
  - (f) cancel shares:
    - (i) that, at the date the resolution for cancellation is passed, have not been taken or agreed to be taken by any person; or
    - (ii) that have been forfeited.
- (2) On any consolidation of fully paid up shares into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any persons shall become entitled to fractions of a consolidated share or shares, the Directors may on behalf of those members sell to any person (including, subject to the provisions of the Ordinance, the Company) the shares representing the fractions for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion among those members or retain the net proceeds for the benefit of the Company, and the Directors may authorise some person to execute an instrument of transfer of the share to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

65. Subject to the provisions of the Ordinance, the Company may by special resolution reduce its share capital.

#### **BUY-BACK OF OWN SHARES**

66. The Company may exercise any powers conferred or permitted by the Ordinance or any other applicable statute from time to time to buy-back its own shares or to give directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company and should the Company buy-back its own shares neither the Company nor the Directors shall be required to select the shares to be bought back rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares but that any such buy-back or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by the Stock Exchange or the Securities and Futures Commission or any other relevant regulatory authorities from time to time.
67. Subject to the provisions of the Ordinance and the rules of the Stock Exchange, the Company may buy-back its own shares or any securities which carry a right to subscribe for its own shares or buy-back its own shares in accordance with the provisions of any code governing the buy-back of securities which may be applicable to the Company.

#### **GENERAL MEETINGS**

68. Subject to the Ordinance, the Company shall, in respect of each of its financial year, hold a general meeting as its annual general meeting in addition to any other meeting and shall specify the meeting as such in the notice calling it. The annual general meeting shall be held at such time and place as the Directors shall appoint.
69. All general meetings other than annual general meetings shall be called extraordinary general meetings.
70. The Directors may call general meetings and on a member's requisition under section 566 of the Ordinance shall forthwith convene an extraordinary general meeting in accordance with the Ordinance after receipt of the requisition, in default of which the requisitionists may themselves convene an extraordinary general meeting. If there is no Director or there are not sufficient Directors to call a general meeting, any Director or, any 2 or more members of the Company may call a general meeting.

## **NOTICE OF GENERAL MEETINGS**

71. (1) An annual general meeting shall be called by twenty-one clear days' notice in writing at the least, and a meeting of the Company other than an annual general meeting shall be called by at least fourteen clear days' notice in writing.
- (2) The notice shall specify the place (and if the meeting is to be held in 2 or more places, the principal place of the meeting and the other place or places of the meeting), the day and the hour of meeting and, the general nature of the business to be dealt with, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company and also to the auditors of the Company for the time being, provided that subject to the provisions of the Ordinance, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:
- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing at least 95% of the total voting rights at the meeting of all the members.
72. (1) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at that meeting.
- (2) In cases where instruments of proxy are sent out with notices the accidental omission to send such instrument of proxy to, or the non-receipt of the instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or, any proceeding at any such meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

73. All business shall be deemed special that is transacted at an extraordinary general meeting. All business that is transacted at an annual general meeting shall also be deemed special, with the exception of the declaration of dividends, the consideration of the accounts and balance sheet and the reports of the Directors and auditors and other documents required to be annexed to the balance sheet, the election of Directors in the place of those retiring (whether by rotation or otherwise) and the reappointment of the retiring auditors (other than retiring auditors who have been appointed by the Directors to fill a casual vacancy) and the fixing, or the determination of the method of fixing, of the remuneration of the Directors and of the auditors.

74. No business shall be transacted at any general meeting unless a quorum is present 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. Three persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum.
75. If a quorum is not present within fifteen minutes from the time appointed for holding the meeting, or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such day, time and place as the Directors may determine. If at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, any two members present in person shall be a quorum and may transact the business for which the meeting was called.
76. The chairman (if any) of the Board or, in his absence the deputy chairman (if any) shall take the chair at every general meeting. If there is no such chairman or deputy chairman or if at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time appointed for holding the meeting or is willing to act as chairman, the Directors present shall elect one of their number present to be chairman and, if there is only one Director present and willing to act, he shall be chairman. If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, then the members present shall choose one of their own number to be chairman.
77. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares.
78. The chairman may, with the consent of a general meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' written notice specifying the date, time and place 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 the notice the nature of the business to be transacted at the adjourned meeting.
79. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by the Articles or by the Ordinance. In the event of an equality of votes whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote in addition to any other vote he may have.



80. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the Rules Governing the Listing of Securities on the Stock Exchange or any other applicable laws, rules or regulations or unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Ordinance, a poll may be demanded:
- (a) by the chairman; or
  - (b) by not less than three members present in person or by proxy or authorised representative for the time being entitled to vote at the meeting; or
  - (c) by a member or members present in person or by proxy or authorised representative and representing not less than 5% of the total voting rights of all the members having the right to vote at the meeting.
81. Unless a poll is taken as may from time to time be required under the Rules Governing the Listing of Securities on the Stock Exchange or any other applicable laws, rules or regulations or unless a poll is duly demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
82. (1) The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- (2) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
83. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs, not being more than thirty days after the poll is demanded. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting in respect of which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

## VOTES OF MEMBERS

84. (1) Subject to any special rights, privileges or restrictions as to voting attached to any class or classes of shares, at any general meeting on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative who is not himself a member entitled to vote or by proxy, shall have one vote, and on a poll every member present in person or by proxy or by duly authorised representative shall have one vote for every fully paid up share of which he is the holder and have for every partly paid share of which he is the holder the fraction of one vote equal to the proportion which the amount due and paid up thereon bears to the subscription price of the share, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share.
- (2) On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses the same way.
85. Any person entitled under Article 58 to be registered as a shareholder may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that at least forty-eight hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Directors of his right to be registered as the holder of the shares or the Directors shall have previously admitted his right to vote at the meeting.
86. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction (whether in Hong Kong or elsewhere) in cases of mental disorders may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court and any such committee, receiver, curator bonis or other person may on a poll vote by proxy.
87. (1) No member shall be entitled to be present, be reckoned in a quorum and vote (save as proxy for another member) at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy or authorised representative, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.
- (2) Where the Company has knowledge that any member is, under any applicable laws or the Rules Governing the Listing of Securities on the Stock Exchange from time to time, 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.

88. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy or by authorised representative, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register. 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.
89. No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is tendered. Subject to any objection made in due time, every vote counted and not disallowed at the meeting shall be valid for all purposes and every vote disallowed or not counted shall be invalid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
90. Any member of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and to speak and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy needs not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
91. An instrument appointing a proxy shall be in writing in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the appointor or of his attorney duly authorised in writing. A corporation may execute a form of proxy either under its common seal or under the hand of a duly authorised officer.
92. The instrument appointing a proxy and any power of attorney or other authority under which it is executed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place in Hong Kong as is specified in the notice convening the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting, not less than forty-eight hours before the time 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 more than forty-eight hours after it was demanded, not less than twenty-four hours before the time appointed for the taking of the poll, and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid. Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or adjournment or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. In calculating the periods for depositing the instrument appointing a proxy, no account is to be taken of any part of a day that is a public holiday.
93. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.

94. The instrument appointing a proxy to vote at a general meeting shall be deemed to confer authority upon the proxy to demand or join in demanding a poll and to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit. Unless the contrary is stated therein, the instrument appointing a proxy shall be valid as well for any adjournment of the meeting as for the meeting to which it relates.
95. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or power of attorney or other authority under which the proxy was executed or transfer of the share in respect of which the proxy is given provided that no intimation in writing of the death, insanity, revocation or transfer has been received by the Company at its registered office, or at such other place as was specified for the deposit of the instrument of proxy at least two hours before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.
96. Any corporation which is a member of the Company may, by resolution of its directors or other governing body, or by power of attorney authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any separate meeting of the holders of any class of shares. Except as otherwise provided in these Articles, the person so authorised shall be entitled to exercise the same power on behalf of the corporation as the corporation could exercise if it were an individual member of the Company, and the corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it.
- 96A. Where that shareholder and/or warrant holder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any shareholders' meetings or any meetings of any class of shareholders and/or warrant holders provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of shares and/or warrants 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 for substantiating the facts that it is duly authorised and will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise if it were an individual shareholder and/or warrant holder of the Company.

#### **REGISTERED OFFICE**

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

## DIRECTORS

98. Unless otherwise determined by the Company by ordinary resolution the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall not be less than two. A Director need not hold any qualification share.
99. Subject to the provisions of the Articles and the Ordinance, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an additional Director, and may also determine the rotation in which any additional Directors are to retire.
100. No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company provided that the minimum length of the period, during which such notices are given, shall be at least seven days. The period for lodgment of such notices shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.
101. Without prejudice to the power of the Company pursuant to these Articles to appoint any person to be a Director and subject to the Ordinance, the Directors may appoint any person to be a Director, either to fill a casual vacancy or as an additional Director. A Director so appointed shall hold office only until the next following annual general meeting or until the next following general meeting in the case of filling a casual vacancy, and shall then be eligible for re-election.
102. The Company shall keep at its registered office a register containing all particulars of its Directors as are required by the Ordinance to be kept therein and shall from time to time notify to the Registrar of Companies any change that takes place in the Directors or their particulars as required by the Ordinance.
103. (1) The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Directors (if such sum is less than HK\$3 million annually for the Directors in aggregate) or by the Company in general meeting (if such sum is HK\$3 million or more annually for the Directors in aggregate), such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Directors may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during the period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.

- (2) The Directors shall also be entitled to be repaid all travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company.
- (3) The Board may grant special remuneration to any Director who performs services which the Board considers go beyond the ordinary duties of a Director. Such special remuneration may be made payable to the Director in addition to or in substitution for his ordinary remuneration as a Director and may be made payable by way of salary, bonus, commission, participation in profits or otherwise as may be agreed.
- (4) Notwithstanding the above, the remuneration of a managing director or other executive director or a Director appointed to any other office in the management of the Company shall be fixed by the Directors and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowance as the Directors may determine. Such remuneration shall be in addition to his remuneration as a Director.

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

## ROTATION OF DIRECTORS

105. Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Rules Governing the Listing of Securities on the Stock Exchange, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), then the number nearest to but not less than one-third) 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 Director retiring at a meeting shall remain in office until the close of the meeting.
106. The Directors to retire by rotation shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
107. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Directors at the date of the notice convening the annual general meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number and identity of the Directors after the date of the notice but before the close of the meeting. The retiring Directors shall be eligible for re-election.
108. The Company at any general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.
109. If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been re-elected and shall continue in office until the next annual general meeting unless at the meeting it is resolved to reduce the number of Directors or to leave the vacancy unfilled or a resolution for the re-election of the Director is put to the meeting and lost.
110. At a general meeting a motion for the election of two or more persons as the Directors by a single resolution shall not be made, unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it, and for the purposes of this Article a motion for approving a person's election or for nominating a person for election shall be treated as a motion for his election.

## DISQUALIFICATION AND REMOVAL OF DIRECTORS

111. Without prejudice to the provisions of the Ordinance, the Company may, by ordinary resolution, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and the Director (but such removal shall be without prejudice to any claim to damages for breach of any contract of service between the Director and the Company) and, subject to these Articles, may, by ordinary resolution, elect another person instead of him. A person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.

112. The office of a Director shall be vacated if:

- (a) he ceases to be a Director by virtue of any provision of the Ordinance or any ordinance or rule of law or he becomes prohibited by law from being a Director; or
- (b) he becomes bankrupt or has a receiving order made against him or suspends payment or makes any arrangement or composition with his creditors generally; or
- (c) he resigns his office by notice in writing to the Company; or
- (d) he becomes of unsound mind and the Directors resolve that his office be vacated; or
- (e) he is convicted of an indictable offence; or
- (f) in the case of a Director who holds any executive office, his appointment as such is terminated or expires and the Directors resolve that his office be vacated; or
- (g) he is absent for more than six consecutive months without permission of the Directors from meetings of the Directors held during that period and his alternate Director (if any) shall not during that period have attended instead of him and the Directors resolve that his office be vacated; or
- (h) he is removed from office by notice in writing served upon him signed by all the other Directors; or
- (i) he is removed from office by an ordinary resolution of the Company under Article 111.

113. Subject to the provisions of the Ordinance no Director shall be ineligible for re-election or reappointment as a Director and no person shall be ineligible for appointment as a Director by reason only of his having attained any particular age.



## POWERS AND DUTIES OF DIRECTORS

114. The management of the business of the Company shall be vested in the Directors who, subject to the provisions of the Ordinance, these Articles and to any directions given by special resolution, may exercise all the powers of the Company. No alteration of these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The general powers given by this Article shall not be limited by any special power given to the Directors by these Articles.
115. Subject to the Ordinance and without prejudice to the general powers conferred by these Articles it is hereby expressly declared that the Directors 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 such consideration as may be agreed; and
  - (b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
116. The Directors shall cause minutes to be duly entered in books provided for the purpose:
- (a) of all appointments of officers made by the Directors;
  - (b) of the names of the Directors present at each meeting of the Directors and of any committee of Directors;
  - (c) of all declarations made or notices given by any Director (either generally or specially) 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) of all resolutions and proceedings of general meetings of the Company and of meetings of the Directors and any committee of Directors;

and any such minutes of any general meeting of the Company or any meeting of the Directors or of any committee of Directors shall be signed by the chairman of such meeting or by the chairman of the next succeeding meeting and if so signed shall be receivable as conclusive evidence of the matters stated herein.

## **BORROWING POWERS**

117. (1) The Directors may exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.
- (2) The Directors may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they may determine and, in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (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.
- (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.
118. (1) The Directors shall cause a proper register to be kept, in accordance with the provisions of the Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Ordinance in regard to the registration of mortgages and charges therein specified and otherwise.
- (2) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures in accordance with the provisions of the Ordinance.
- (3) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

## DELEGATION OF DIRECTORS' POWER

119. The Directors may, by power of attorney or otherwise, appoint any company, firm or person, whether nominated directly or indirectly by the Directors, to be the agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may determine, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may determine. The Directors may revoke or vary any such appointment or delegation and may also authorise the agent to sub-delegate all or any of the powers vested to him.
120. The Directors may establish any local committees, boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such committees, boards or agencies and may appoint any manager or agents (and in particular, but without limitation, may appoint any company, firm or person to be the Company's investment manager) and may in each case fix their remuneration and may delegate to any local committee, board and agency any of the powers, authorities and discretion vested in the Directors (other than their powers to make calls and forfeit shares) with power to sub-delegate and may authorise the members of any local committee, board or agency 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 Directors may determine and the Directors 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.
121. The Directors may appoint one or more of their body (who is an executive Director) to the office of managing director, and/or such other office in the management or business of the Company on such terms and for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.
122. A Director appointed to an office under Article 121 shall be subject to the same provisions as to removal as the other Directors of the Company and he shall (subject to the provisions of any contract between him and the Company) immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
123. The Directors may entrust to and confer upon a managing director, or a Director appointed to any other office in the management or business of the Company any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they may determine and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers but no person dealing in good faith and without notice of such revocation, withdrawal, alteration or variation shall be affected thereby.

## DIRECTORS' INTERESTS

124. (1) 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 Directors may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Directors may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (2) A Director may act by himself or by his firm in a professional capacity for the Company (otherwise than as auditors) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (3) A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested and shall not be liable to account to the Company or the members for any remuneration or other benefit received by him as director or officer of or from his interest in such other company. The Directors may also cause the voting power 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 and in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing themselves or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
125. (1) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).
- (2) Subject to Article 128, where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof).

126. Subject to the Ordinance and to Article 127, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of the Director holding that office or of the fiduciary relationship thereby established.

127. (1) If a Director or his connected entity, who to the Director's knowledge, is in any way, whether directly or indirectly, interested in a transaction, contract or arrangement or proposed transaction, contract or arrangement with the Company, the Director shall declare the nature and extent of such interest at the meeting of the Board at which the question of entering into the transaction, contract or arrangement is first taken into consideration if he knows such interest then exists, or in any other case at the first meeting of the Board after he knows that he or his connected entity is or has become so interested.

(2) For this purpose, a general notice to the Board by a Director to the effect that:

- (a) he is a member, director, executive, officer, employee or otherwise of a specified company or firm and is to be regarded as interested in any transaction, contract or arrangement which may after the effective date of the notice be made with that company or firm; or
- (b) he is connected with a person specified in the notice and is to be regarded as interested in any transaction, contract or arrangement which may after the effective date of the notice be made with the specified person,

shall be deemed to be a sufficient declaration of interest in relation to any such transaction, contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given or on the twenty-first day after the day on which it is sent to the Company.

128. (1) A Director shall not vote on any resolution of the Board approving any transaction, contract, arrangement or proposal in which he or to his knowledge any of his associate(s) is/are materially interested, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum on such resolution of the Board, but this prohibition shall not apply to any of the following matters namely:

- (a) any contract or arrangement for the giving by the Company of any security or indemnity to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company and any of its subsidiaries;

- (b) any contract or arrangement for the giving by the Company of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has/have himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (c) any contract, arrangement or proposal concerning an offer of the shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
  - (d) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;
  - (e) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to the Directors, his associates and employees of the Company or any of its subsidiaries and does not give the Director or his associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
  - (f) any proposal or arrangement concerning the adoption, modification or operation of any share scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of the employees of the Company or any of its subsidiaries under which the Director or his associate(s) may benefit.
- (2) A company shall be deemed to be a company in which a Director and/or his associates or connected entities has shareholding interest if and so long as (but only if and so long as) he and/or his associates or connected entities is/are (either directly or indirectly) the holder(s) of or beneficially interested in any class of the equity share capital of such company (or of any third company through which his interest or that of any of his associates or connected entities is derived) or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associates or connected entities as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associates or connected entities is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associates or connected entities is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.

- (3) References in these Articles to a transaction, contract or arrangement include references to a proposed transaction, contract or arrangement.

129. If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) and/or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall be counted in the quorum but shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.
130. In so far as it is required by the Rules Governing the Listing of Securities on the Stock Exchange, a Director shall not vote (nor be counted in the quorum) on any resolution of the shareholders in respect of any transaction, contract or arrangement in which he is to his knowledge materially interested but this prohibition shall not apply to any of the contracts or arrangements specified as (a) to (f) inclusive in Article 128.

### **PROCEEDINGS OF DIRECTORS**

131. (1) Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit.
- (2) The Directors or any committee of the Directors may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other. A Director may, and the secretary at the request of a Director shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone, facsimile transmission, telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the Directors may from time to time determine, provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. A Director may waive notice of any meeting either prospectively or retrospectively.
- (3) If a Director notifies the Company in writing of an address in Hong Kong at which notice of meetings of the Directors is to be given to him when he is absent from Hong Kong, he shall, if so absent, be entitled to have notice given to him at that address; but the Company shall not be obliged by virtue of this paragraph to give any Director a longer period of notice than he would have been entitled to had he been present in Hong Kong at that address.

132. No business shall be transacted at any meeting of the Directors unless a quorum is present. The quorum may be fixed by the Directors and unless so fixed at any other number shall be two. Any Director who ceases to be a Director at a meeting of the Directors may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum would not be present. An alternate Director who is not himself a Director shall, if his appointor is not present, be counted in the quorum but notwithstanding that an alternate Director is an alternate for more than one Director he shall for quorum purposes count as only one Director.
133. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Articles for the time being vested in or exercisable by the Directors generally.
134. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote; and an alternate Director who is appointed by two or more Directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence.
135. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
136. The Directors may elect from their number, and remove, a chairman and a vice-chairman of the Board and determine the period for which he is to hold office. The chairman, or in his absence the vice-chairman, shall preside at all meetings of the Directors, but if no chairman or vice-chairman is elected or appointed, or if at any meeting neither the chairman nor the vice chairman is present within five minutes after the time appointed for the meeting, the Directors present may choose one of their number to be chairman of the meeting.
137. The Directors may delegate, and impose regulations in respect of such delegation of, any of their powers authorities and discretions to committees consisting of such member or members of their body as the Directors may determine, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to person or purposes, and every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Directors.
138. All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect, as if done by the Directors, and the Directors shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.



139. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors.
140. All acts bona fide done by a meeting of the Directors, or of a committee of the Directors, or by a person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was a defect in the appointment of any Director or person acting as aforesaid or that they or any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee and had continued to be a Director and had been entitled to vote.
141. A resolution in writing signed by all the Directors other than those absent from Hong Kong shall be as valid and effectual as if it had been passed at a meeting of the Directors, duly convened and held, and may consist of several documents in the like form each executed by one or more Directors, but a resolution executed by an alternate Director need not also be executed by his appointor and, if it is executed by a Director who has appointed an alternate Director, it need not also be executed by an alternate Director in that capacity.

#### **ALTERNATE DIRECTORS**

142. Any Director (other than an alternate Director) may appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternate Director and may remove from office an alternate Director appointed by him. An appointment of an alternate Director under this Article shall not prejudice the right of the appointor to receive notice of and to attend and vote at meetings of the Directors and the powers of the alternate Director shall automatically be suspended during such time as the Director appointing him is himself present in person at a meeting of the Directors.
143. An alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Directors and of committees of the Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not present, and generally at such meeting to perform all the functions of his appointor as a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or temporarily unable to act through ill-health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor.
144. 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 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.

145. An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but, if a Director retires by rotation or otherwise and is re-elected or deemed to have been re-elected at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his re-election.
146. An appointment or removal of an alternate Director shall be by notice to the Company executed by the Director making or revoking the appointment or in any other manner approved by the Directors.
147. Save as otherwise provided in these Articles, an alternate Director so appointed shall be deemed to be the agent of the Director who appoints him. A Director who appoints an alternate Director shall be vicariously liable for any tort committed by the alternate Director while acting in the capacity of alternate Director.

#### **SECRETARY**

148. Subject to the provisions of the Ordinance, the secretary and any deputy or assistant secretary shall be appointed by the Directors for such term, at such remuneration and on such other conditions as the Directors may determine; and any secretary so appointed may be removed by them. Anything by the Ordinance or the Articles required or authorised to be done by or to the secretary, if the office is vacant or there is for any other reason no secretary capable of acting, may be done by or to any assistant or deputy secretary or if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Directors.
149. The secretary shall, if an individual, ordinarily reside in Hong Kong and, if a body corporate, have its registered office or a place of business in Hong Kong.
150. A provision of the Ordinance or the 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.

#### **CHEQUES**

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

## **MANAGER**

152. The Directors may from time to time appoint a general manager, a 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 or gains of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.
153. The appointment of a general manager, manager or managers may be for such period as the Directors may decide, and the Directors may confer upon him or them all or any of the powers of the Directors as they may think fit.
154. Subject to Article 155, the Directors may enter into an agreement or agreements with any general manager, manager or managers upon such terms and conditions in all respects as the Directors may in their absolute discretion think fit, including a power for the 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.

## **MANAGEMENT AGREEMENT**

155. No management agreement other than the Management Agreement may be entered into nor may the Management Agreement (or any amended or substituted version thereof approved or adopted in accordance with the provisions of this Article) be changed or altered in any material respect unless approved by the Company in general meeting by way of ordinary resolution, but no approval shall be required if:
- (a) the terms of any new management agreement entered into on the appointment of a new manager do not materially differ from those in force with the former manager on the termination of its appointment; or
  - (b) the Directors and the manager each certify that such change or alteration does not prejudice the interests of the members or any of them and does not alter the fundamental provisions or objects of the management agreement or operate to release the manager from any responsibility to the Company.

## **THE SEAL**

156. (1) The Directors shall provide for the safe custody of the seal which shall be used only by the authority of a resolution of the Directors or of a committee of the Board. The Directors may determine whether any instrument to which the seal is affixed, shall be signed and, if it is to be signed, who shall sign it.
- (2) Unless otherwise determined by the Directors:
- (a) share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under the seal in respect of any shares, debentures or other securities, need not be signed and any signature may be applied to any such certificate by any mechanical or other means or may be printed on it; and
  - (b) every other instrument to which the seal is affixed shall be signed by one Director and by the secretary or another Director.
- 156A. Subject to the Ordinance, a document signed by any two of the directors, or any of the directors and the secretary of the Company and expressed (in whatever words) to be executed by the Company has effect as if the document had been executed under the Company's common seal.
157. Subject to the provisions of the Ordinance, the Company may have an official seal for use abroad where and as the Directors shall determine, and the Company may by writing under the seal appoint any agent or agents, committee or committees abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and they may impose such restriction on the use thereof as may be thought fit.

## **DIVIDENDS AND RESERVES**

- 158 (1) The Company may by ordinary resolution declare dividends in any currency, but no dividend shall exceed the amount recommended by the Directors.
- (2) No dividend shall be payable except out of the profits of the Company. No dividend shall bear interest against the Company unless otherwise provided by the rights attached to the share.
- (3) The Directors may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- (4) The Directors may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

159. (1) The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- (2) If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
- (3) The Directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Directors are of the opinion that the profits justify the payment.
160. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.
161. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.
162. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares.
163. Unless otherwise directed by the Directors, any dividend, interest or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in the case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be sent at the risk of the holder or joint holder, as the case may be, and be made payable to the order of the person to whom it is sent, and the payment of any cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen, or that any endorsement thereon has been forged.
164. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or any profit or benefit derived therefrom. All dividends or bonuses unclaimed for six years after having been declared shall, if the Directors so resolve, be forfeited and revert to the Company.

165. Without prejudice to the rights of the Company under Article 163, the Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
166. Except as otherwise provided by these Articles or the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately 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, an amount paid up on a share in advance of a call shall be treated, in relation to any dividend declared after the payment but before the call, as not paid up on the share.
167. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they may determine as reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares or warrants of the Company) as the Directors may determine, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Directors may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.
168. Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe for securities of the Company or any other company, or in any one or more of such ways, with or without offering any rights to shareholders to elect to receive such dividend in cash, and where any difficulty arises in regard to the distribution the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may determine that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the members concerned, and may vest any such specific assets in trustees as may seem expedient to the Directors and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Ordinance and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

169.(1) Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors may further resolve either:

(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 shall be of the same class or classes as the class or classes already held by the members and the members 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 Directors;

(ii) the Directors, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(iii) the right of election may be exercised in whole or in part; 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 up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for that purpose the Directors shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on that 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 Directors may determine. In such case, the following provisions shall apply:
  - (i) the basis of any such allotment shall be determined by the Directors;
  - (ii) the Directors, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (iii) the right of election may be exercised in whole or in part; 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 in cash on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for that purpose the Directors shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on that basis.
- (2) The shares allotted pursuant to the provisions of paragraph (1) of this Article shall rank *pari passu* in all respects with the shares of the same class (if any) then in issue save only as regards participation.
- (3) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Article with full power to the Directors to make such provisions as they think fit in the case of shares becoming distributable in fractions including provisions whereby, in whole or in part fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned. The Directors may authorise any person to enter on behalf of all members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they are entitled upon such capitalisation, any agreement made under such authority being effective and binding on all concerned.



- (4) The Company may upon the recommendation of the Directors by special resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.
- (5) The Directors may resolve that the rights of election and the allotment of shares under paragraph (1) of this Article shall not be made available to any holders of ordinary shares with registered addresses in any territory where in the absence of a registration statement or other special formalities the allotment of shares or the circulation of an offer of such right of election would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.

### **CAPITALISATION OF RESERVES**

170. Subject to the Ordinance, the Directors may, with the sanction of an ordinary resolution of the Company, capitalise any sum standing to the credit of any reserve or fund of the Company or any sum standing to the credit of the Company's profit and loss account or otherwise available for distribution (and not required for the payment or provision of any preferential dividend) by appropriating such sum to the holders of ordinary shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and applying such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares, debentures or other obligations of the Company for allotment, and distribution credited as fully paid up to and amongst those members or as they may direct, in the proportions aforesaid, or partly in the one way and partly in the other. But any reserve or fund representing unrealised profits are for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members as fully paid up bonus shares.

171. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares or debentures, if any, and generally shall do all acts and things required to give effect to any such capitalisation. In particular where any difficulty arises in regard to any distribution under Article 170 the Directors may settle the same as they think expedient and in particular may issue fractional certificates, authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Directors. The Directors may authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for any such capitalisation and matters incidental thereto including the allotment to them respectively, credited as fully paid, of any further shares or debentures to which they may be entitled upon such capitalisation, or, as the case may require, the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on all concerned.

172. *Deleted.*

#### **RECORD DATES**

173. Notwithstanding any other provision of these Articles, but without prejudice to the rights attached to any shares, the Company or the Directors may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made.

#### **ACCOUNTS**

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

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

176. The Directors shall from time to time determine whether and to what extent, at what times and place and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members not being Directors and no member (other than a Director) shall have any right of inspecting any accounting record or other document of the Company, unless he is authorised to do so by statute, by order of the court, by the Directors or by the Company in general meeting.
177. (1) The Directors shall from time to time in accordance with the provisions of the Ordinance cause to be prepared and laid before the Company at its annual general meeting the reporting documents.
- (2) Subject to paragraph (3) of this Article, the Company shall in accordance with the Ordinance and other applicable laws, rules and regulations, deliver or send to every member a copy of the reporting documents of the Company or a copy of the summary financial report in place of a copy of the reporting documents from which the report is derived, not less than twenty-one days before the date of the general meeting of the Company concerned (or such other time as is permitted under the Ordinance and other applicable laws, rules and regulations).
- (3) Where any member has, in accordance with the Ordinance and other applicable laws, rules and regulations, agreed or is deemed to have agreed to his having access to the reporting documents and/or the summary financial report on the Company's website as mentioned in Article 183(d) or, to the extent permitted by, and in accordance with the Ordinance and other applicable laws, rules and regulations, in any other manner (including any other form of electronic communication) instead of being sent the documents or report, as the case may be (an "assenting person"), the publication or making available by the Company, in accordance with the Ordinance and other applicable laws, rules and regulations, on the Company's website referred to above of the reporting documents and/or the summary financial report throughout the period beginning not less than twenty-one days before the date of the general meeting of the Company concerned and ending on such date in accordance with the Ordinance and other applicable laws, rules and regulations (or such other period of time as is permitted under the Ordinance and other applicable laws, rules and regulations) or in such other manner, shall be treated as having sent a copy of the reporting documents or a copy of the summary financial report to an assenting person in satisfaction of the Company's obligations under paragraph (2) of this Article.
- (4) Copies of each of those documents shall at the same time be forwarded in appropriate number to the relevant stock exchange on which the shares of the Company shall be listed or the relevant committee thereof in accordance with the terms of any listing agreement for the time being binding on the Company or with the continuing obligation binding on the Company by virtue of any listing on that stock exchange.

## AUDIT

178. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Ordinance.
179. Subject as otherwise provided by the Ordinance the remuneration of the auditors shall be fixed by the Company in general meeting.
180. Every statement of accounts, audited by the auditors and presented by the Directors at an annual general meeting, shall after approval at such meeting be conclusive except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of accounts amended in respect of the error shall be conclusive.

## NOTICES

181. Any notice to be given to or by any person pursuant to these Articles shall be in writing, except that a notice calling a meeting of the Directors need not be in writing.
182. Every member shall register with the Company an address either in Hong Kong or elsewhere to which notices can be sent and if any member shall fail so to do, notice may be given to such member by sending the same in any of the manners hereafter mentioned to his last known place of business or residence, or if there be none, by posting the same for one day at the registered office of the Company or by posting the same on the website of the Company or any other electronic means. Subject to the Rules Governing the Listing of Securities on the Stock Exchange and unless the Articles otherwise provide,
- (a) all notices, documents or other information directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to any one of the joint holders in respect of such share, and such notices, documents or information so given shall be deemed to have been given to all the holders of such share; and
  - (b) anything to be agreed or specified by the members shall, with respect to any share to which persons are jointly entitled, be deemed to have been agreed or specified by all the holders of such share if any one of the joint holders in respect of such share has so agreed or specified (except for transfer of the share).

183. Any notice or document (including any “corporate communication” as defined in the Rules Governing the Listing of Securities on the Stock Exchange), whether or not to be given or issued under the Ordinance and other applicable laws, rules and regulations or these presents from the Company, may be served or delivered by the Company upon the member in the following manner:

- (a) in hard copy form either (i) personally or (ii) by hand to, or by sending it through the post (if sent to an address outside Hong Kong, by airmail or an equivalent service that is no slower) in a prepaid envelope or wrapper addressed to, the member’s address as shown in the register;
- (b) by advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper being in each case a newspaper published daily and circulating generally in Hong Kong and specified or permitted for this purpose by the Ordinance and other applicable laws, rules and regulations, and for such period as the Directors shall think fit to the extent permitted by, and in accordance with the Ordinance and other applicable laws, rules and regulations;
- (c) in electronic form:
  - (i) personally; or
  - (ii) by hand to, or by sending it through the post (if sent to an address outside Hong Kong, by airmail or an equivalent service that is no slower) in a prepaid envelope or wrapper addressed to, the member’s address as shown in the register; or
  - (iii) by sending or transmitting it as an electronic communication to the member at such telex or facsimile transmission number or electronic number or electronic address supplied by him to the Company for the giving of notice or document from the Company to him

to the extent permitted by, and in accordance with the Ordinance and other applicable laws, rules and regulations;

- (d) by publishing it on the Company’s website and giving to the member a notice in accordance with the Ordinance and other applicable laws, rules and regulations stating that the notice or other document is available there (a “notice of publication”) to the extent permitted by, and in accordance with the Ordinance and other applicable laws, rules and regulations. The notice of publication may be given to such member by any of the means set out in paragraphs (a), (b), (c)(iii) or (e) of this Article; or
- (e) by sending or otherwise making available to such member through such means to the extent permitted by, and in accordance with, the Ordinance and other applicable laws, rules and regulations.

184. (1) Any notice to be given to a member may be given by reference to the register of members as it stands at any time within a period of three days before the notice is given; and no change in the register after that time shall invalidate the giving of the notice.
- (2) Every person who by operation of law, transfer or other means whatsoever, becomes entitled to a share shall be bound by any notice in respect of that share which, before his name and address is entered in the register, has been given to the person from whom he derives his title.
185. Any notice or document (including any “corporate communication” as defined in the Rules Governing the Listing of Securities on the Stock Exchange) given or issued by or on behalf of the Company:
- (a) if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the secretary (or other officer of the Company or such other person appointed by the Board) that the notice or document was so served or delivered shall be conclusive evidence thereof;
- (b) if served or delivered by post, shall be deemed to have been served or delivered on the second business day following that on which the envelope or wrapper containing the same is put into a post box, and in proving such service or delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post box. A certificate in writing signed by the secretary (or such other officer of the Company or such other person appointed by the Board) that the envelope or wrapper containing the notice or other document was so prepaid, addressed and put into such post office shall be conclusive evidence thereof;
- (c) if sent or transmitted as an electronic communication in accordance with Article 183(c)(iii) or through such means in accordance with Article 183(e), shall be deemed to have been served or delivered at the expiration of 24 hours after the relevant despatch or transmission. A notice or document published on the Company’s website in accordance with Article 183(d), shall be deemed to have been served or delivered after the expiration of 24 hours after the later of (i) the time when the member receives or is deemed to have received the notice of publication and (ii) the time when the notice or document is first made available on the Company’s website. In calculating a period of hours mentioned in this paragraph, any part of a day that is not a business day is to be disregarded. In proving such service or delivery, a certificate in writing signed by the secretary (or such other officer of the Company or such other person appointed by the Board) as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender’s control shall not invalidate the effectiveness of the notice or document being served; and

- (d) if served by advertisement in newspaper in accordance with Article 183(b), shall be deemed to have been served on the day on which such notice or document is first published.

For the purpose of this Article 185, “business day” has the meaning given by section 821 of the Ordinance.

186. Subject to the Ordinance and other applicable laws, rules and regulations, any notice or document (including but not limited to the documents referred to in Article 177 and any “corporate communication” as defined in the Rules Governing the Listing of Securities on the Stock Exchange) may be given by the Company in the English language only, in the Chinese language only or in both. Where a person has in accordance with the Ordinance and other applicable laws, rules and regulations consented to receive notices and documents (including but not limited to the documents referred to in Article 177 and any “corporate communication” as defined in the Rules Governing the Listing of Securities on the Stock Exchange) from the Company in the English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver to him any such notice or document in such language only in accordance with these presents unless and until there is a notice of revocation or amendment of such consent given or deemed to have been given by such person to the Company in accordance with the Ordinance and other applicable laws, rules and regulations which shall have effect in respect of any notice or document to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment.
187. A notice or document may be given by or on behalf of the Company to the person(s) entitled to a share in consequence of death, mental disorder or bankruptcy of a member in such manner as provided in Article 183 in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
188. Any notice or document delivered or sent to any member in such manner as provided in Article 183 shall, notwithstanding that such member be then deceased or bankrupt or that any other event has occurred and whether or not the Company has notice of his death, bankruptcy or such other event, 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 the Articles be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in any such shares.
189. The signature to any notice to the Company may be written, printed or made electronically.

## **INFORMATION**

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

## **DOCUMENTS**

191. Any Director or the secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of Directors and any books, records, documents and accounts, relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and, where any books, records, documents or accounts are elsewhere than at the registered office of the Company, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee of Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

192. (1) The Company shall be entitled to destroy the following documents at the following times:

- (a) instruments of transfer: at any time after the expiration of seven years from the date on which they are registered;
- (b) allotment letters: at any time after the expiration of seven years from their date of issue;
- (c) any dividend mandates and notifications of change of address: at any time after the expiration of two years from the date on which they are recorded;
- (d) share certificates: at any time after the expiration of one year from the date on which they are cancelled; and
- (e) any other document on the basis of which an entry in the register of members is made, at any time after the expiry of six years from the date on which an entry in the register was first made in respect of that document.



- (2) It shall be conclusively presumed in favour of the Company that every entry in the register of members purporting to be made on the basis of a document destroyed in accordance with this Article was duly and properly made, that every document so destroyed was valid and effective and had been duly and properly registered, cancelled or recorded in the books or records of the Company as the case may be.
- (3) The provisions of this Article shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant.
- (4) Nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article.
- (5) Reference in this Article to the destruction of any document include references to the disposal of it in any manner.

#### **WINDING UP**

193. If the Company is wound up and the assets available for distribution among the members are insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively, subject to any special terms that may be laid down on the issue of preference shares under Article 4(1). If in a winding up the assets available for distribution among the members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid up by them respectively. This Article shall not add to or detract from the rights of the holders of shares issued upon special terms and conditions.
194. If the Company shall be wound up (whether voluntarily or under the supervision of or by the court), the liquidator may, with the authority of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company (whether or not they shall consist of property of one kind or not) and may, for that purpose, set such value as he deems fair upon any one or more class or classes of property and may determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he may with the like authority think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any shares or other securities upon which there is a liability.

195. In the event of a winding up of the Company in Hong Kong every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, 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 with all convenient speed give notice thereof to such member by advertisement in an English language newspaper in English and a Chinese language newspaper in Chinese being in each case a newspaper published daily and circulating in Hong Kong and specified for this purpose by the Ordinance and other applicable laws, rules and regulations as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

#### **INDEMNITY**

196. (1) Subject to the provisions of the Ordinance and so far as may be permitted by the Ordinance, every Director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company out of the assets of the Company against all losses or liabilities (except for any liability in relation to the auditor as mentioned in section 415 of the Ordinance and any liability in relation to a Director as mentioned in section 469(2) of the Ordinance) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as Director, auditor, secretary or other officer of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted, or incurred in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court.
- (2) No Director, auditor, secretary or other officer of the Company shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, but this Article shall only have effect in so far as its provisions are not avoided by section 415 and section 468 of the Ordinance.

(3) Subject to the Ordinance, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

197. Subject to the Ordinance, the Company shall have power to purchase and maintain for any Director or other officer, or auditors of the Company:

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

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

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

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
For and on behalf of GROSVENOR NOMINEES LIMITED (Sd.) By Lawrence Chik-Yuen Cheung Director 15th Floor Three Exchange Square 8 Connaught Place Hong Kong Corporation	1
For and on behalf of GREAT CHINA NOMINEES LIMITED (Sd.) By Lawrence Chik-Yuen Cheung Director 15th Floor Three Exchange Square 8 Connaught Place Hong Kong Corporation	1
Total Number of Shares Taken.....	2

Dated the 27th day of March, 1993.

WITNESS to the above signatures:—

(Sd.) Elizabeth Ka-Yee Kan  
 Director  
 15th Floor  
 Three Exchange Square  
 8 Connaught Place  
 Hong Kong

*(Note: The names and other particulars of subscribers and related content appearing on this page originally formed part of the Memorandum of Association of the Company before Part 3 of the Ordinance came into effect on 3rd March, 2014, and are now reproduced here for reference only.)*