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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in National Electronics Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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NATIONAL ELECTRONICS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

PROPOSED GRANTING OF GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES, PROPOSED RE-ELECTION OF RETIRING DIRECTORS, PROPOSED ADOPTION OF NEW BYE-LAWS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of National Electronics Holdings Limited to be held at Shop 202, Centricity, 2/F., Chater House, 8 Connaught Road Central, Hong Kong on Monday, 22 August 2022 at 10:00 a.m. is set out on pages 60 to 64 of this circular. A form of proxy for use at the Annual General Meeting of the Company is also enclosed. Such form of proxy is also published on the websites of Hong Kong Stock Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.irasia.com/listco/hk/national/>).

Whether or not you are able to attend the Annual General Meeting of the Company, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Share Registrar and Transfer Office in Hong Kong, Tricor Standard Limited, (i) if any time before Monday, 15 August 2022: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong **OR** (ii) if any time on or after Monday, 15 August 2022: 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. no later than 10:00 a.m. on Saturday, 20 August 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof if they so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see pages 4 to 5 of this circular for measures being taken to prevent and control the spread of COVID-19 at the Annual General Meeting, including:

- compulsory body temperature checks
- compulsory wearing of surgical face masks
- scanning of the "LeaveHomeSafe" venue QR code
- complying with the requirements of the "Vaccine Pass Direction"
- appropriate social distancing
- no distribution of corporate gifts and takeaway food packs and no serving of drinks and refreshments

Any attendee who does not comply with the precautionary measures or is subject to the mandatory quarantine order imposed by the Government of Hong Kong may be denied entry into the meeting venue. The Company strongly recommends the shareholders to appoint the chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attending the Annual General Meeting in person.

20 July 2022

CONTENTS

	<i>Page</i>
Definitions	1
Precautionary measures for the Annual General Meeting	4
Letter from the Board	
Introduction	6
Proposed adoption of New Bye-Laws	7
Proposed granting of general mandates to buy back and issue shares.....	8
Proposed re-election of retiring Directors	9
Annual General Meeting and proxy arrangement	10
Recommendation	11
Appendix I – Explanatory statement on the Buy-back Mandate	12
Appendix II – Details of the retiring Directors proposed to be re-elected at the Annual General Meeting	17
Appendix III – Proposed Amendments to the Bye-Laws	20
Notice of Annual General Meeting	60

DEFINITIONS

In this circular, unless the content otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Shop 202, Centricity, 2/F., Chater House, 8 Connaught Road Central, Hong Kong on Monday, 22 August 2022 at 10:00 a.m.;
“Associates”	the meaning ascribed thereto in the Listing Rules;
“Auditors”	at any time the auditors of the Company at that time;
“Board”	the board of Directors;
“Business Day”	any day (excluding a Saturday and Sunday) on which banks are generally open for business in Hong Kong;
“Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the Notice of AGM;
“Bye-Laws”	the bye-laws of the Company currently in force;
“close associates”	the meaning ascribed thereto in the Listing Rules;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“Company”	National Electronics Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“core connected person(s)”	the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Invested Entity”	any entity in which the Group holds any equity interest;
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the Notice of AGM;
“Latest Practicable Date”	14 July 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Bye-Laws”	the amended and restated Bye-Laws incorporating and consolidating all the Proposed Amendments and proposed to be adopted by way of special resolution at the Annual General Meeting, as set out in Appendix III to this circular;
“Notice of AGM”	the notice convening the AGM set out on pages 60 to 64 of this circular;
“Proposed Amendments”	has the meaning ascribed to it under the section headed “Letter from the Board – Proposed Adoption of New Bye-Laws” in this circular;
“Proposed Final Dividend”	Final dividend of 3.0 HK cents per share payable to the Shareholders whose names on the Register of Members of the Company on Tuesday, 30 August 2022 proposed by the Board and is subject to approval by the Shareholders in the AGM;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Takeovers Code”

The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time; and

“%”

per cent.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing COVID-19 pandemic, the Company will implement the following necessary precautionary measures at the AGM to protect the attending Shareholders and other attendees from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every attending Shareholder, proxy or other attendees at the entrance of the AGM venue. Any person with a body temperature of over 37 degrees Celsius or has flu-like symptoms or is otherwise unwell or is subject to the mandatory quarantine order imposed by the Government of Hong Kong may be denied entry into or be required to leave the AGM venue;
- (ii) All attendees must sanitise his/her hands before entering the AGM venue;
- (iii) All attendees will be required to wear surgical face masks before they are permitted to enter the AGM venue and throughout the AGM. Please note that no surgical face masks will be provided at the AGM venue and all attendees should bring and wear their own surgical face masks;
- (iv) Scanning of the “LeaveHomeSafe” venue QR code;
- (v) Complying with the requirements of the “Vaccine Pass Direction”;
- (vi) As a precautionary safety measure, seating at the AGM will be arranged so as to maintain the social distancing between attendees. As a result, the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding; and
- (vii) There will be no corporate gifts or takeaway food packs distributed and no serving of drinks or refreshments at the AGM.

Any person who does not comply with the precautionary measures may be denied entry to or be required to leave the AGM venue. Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the AGM arrangements at short notice. The Shareholders should check the Company’s website (<http://www.irasia.com/listco/hk/national/>) or the Stock Exchange’s website (<http://www.hkexnews.hk>) for any future announcement(s) or update(s) on the latest arrangements of the AGM.

The Company hereby reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. The Company strongly encourages the Shareholders to exercise their voting rights by appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

The form of proxy is attached to this circular for the Shareholders. Alternatively, the form of proxy can be downloaded from the “Circular” section of the Company’s website (<http://www.irasia.com/listco/hk/national/circulars/index.htm>) or Stock Exchange’s website (<http://www.hkexnews.hk>). If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

LETTER FROM THE BOARD

NATIONAL ELECTRONICS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

Executive Directors:

Jimmy Lee Yuen Ching (*Chairman*)
Loewe Lee Bon Chi (*Managing Director*)
James Lee Yuen Kui (*Managing Director*)
Edward Lee Yuen Cheor
Ricky Wai Kwong Yuen

Registered Office:

Ocorian Services (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

Non-executive Director:

Dorathy Lee Yuen Yu

Principal place of business in Hong Kong:

Suite 3201, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

Independent Non-executive Directors:

William Chan Chak Cheung
Chan Kwok Wai
David Sun Dai Wai

20 July 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES TO
BUY BACK SHARES AND TO ISSUE SHARES,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED ADOPTION OF NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information of certain resolutions to be proposed at the AGM, inter alia, the proposed Buy-back Mandate and the proposed Issuance Mandate; the proposed re-election of retiring Directors; proposed adoption of New Bye-Laws; and to give you the Notice of AGM.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF NEW BYE-LAWS

Reference is made to the announcement of the Company dated 7 July 2022 in relation to the proposed adoption of New Bye-Laws.

Pursuant to the “Consultation Conclusions on Listing Regime for Overseas Issuers” published by the Stock Exchange in November 2021, the Listing Rules have been amended with effect from 1 January 2022 which requires, among others, listed issuers to adopt a uniform set of 14 “Core Standards” for shareholder protections for issuers. As such, the Board has proposed to amend the Bye-Laws for the purposes of, among others, (i) bringing the Bye-Laws in line with amendments made to the Listing Rules and the applicable laws of Bermuda; (ii) providing flexibility to the Company in relation to the conduct of general meetings; and (iii) making other consequential and housekeeping changes (collectively, the “Proposed Amendments”).

In light of the number of the Proposed Amendments, the Board proposed to adopt the New Bye-Laws in substitution for, and to the exclusion of, the existing Bye-Laws.

Details of the Proposed Amendments to the existing Bye-Laws brought about by the adoption of the New Bye-Laws (marked-up against the existing Bye-Laws) are set out in Appendix III to this circular. The New Bye-Laws is written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the New Bye-Laws is purely a translation only. Should there be any discrepancy, the English version shall prevail.

The Company has been advised by its legal advisers that the Proposed Amendments to the Bye-Laws conform with the requirements of the Listing Rules, where applicable, and do not contravene the laws of Bermuda, respectively. The Company also confirms that there is nothing unusual about the proposed amendments to the Bye-Laws for a company listed on the Stock Exchange.

The Proposed Amendments and the adoption of the New Bye-Laws are subject to the approval of the Shareholders by way of special resolution at the Annual General Meeting and, if approved, will become effective upon such approval. Prior to the passing of the relevant special resolutions at the Annual General Meeting, the existing Bye-Laws shall remain valid.

After the Proposed Amendments come into effect, the full text of the New Bye-Laws will be published on the websites of the Stock Exchange and the Company.

LETTER FROM THE BOARD

PROPOSED GRANTING OF GENERAL MANDATES TO BUY BACK AND ISSUE SHARES

At the annual general meeting of the Company held on 23 August 2021, general mandates were granted to the Directors to buy back and issue Shares. Such mandates will lapse at the conclusion of the AGM. In order to give the Company the flexibility to buy back or issue Shares if and when appropriate, the following ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (i) to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of the issued Shares of the Company as at the date of passing the proposed ordinary resolution contained in item 8 of the Notice of AGM (i.e. a total of 94,833,896 Shares on the basis that no further Shares are issued or bought back before the AGM); and
- (ii) to allot, issue and otherwise deal with additional Shares of not exceeding 20% of the total number of the issued Shares of the Company as at the date of passing the proposed ordinary resolution contained in item 9 of the Notice of AGM (i.e. a total of 189,667,792 Shares on the basis that no further Shares are issued or bought back before the AGM).

In addition, a separate ordinary resolution to extend the number of Shares which may be allotted, issued and dealt with under the Issuance Mandate by the number of Shares bought back by the Company pursuant to the Buy-back Mandate (if granted to the Directors at the AGM) will also be proposed at the AGM.

The Buy-back Mandate and the Issuance Mandate will continue in force during the period from the date of passing of the respective resolutions for the approval of the Buy-back Mandate and the Issuance Mandate until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 8 and 9 of the Notice of AGM.

An explanatory statement required by the Listing Rules to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buy-back Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 99 of the Bye-Laws, the Directors retiring by rotation at the forthcoming AGM are Ms. Dorathy Lee Yuen Yu and Mr. William Chan Chak Cheung, who being eligible, will offer themselves for re-election at the AGM. The particulars of these retiring Directors which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

Mr. William Chan Chak Cheung has served as an Independent Non-executive Director of the Company for more than nine years. Pursuant to the code provision B.2.3 of Corporate Governance Code as set out in Appendix 14 to the Listing Rules, if an Independent Non-executive Director has served more than nine years, such Director's further appointment should be subject to a separate resolution to be approved by Shareholders. Moreover, the accompanying circular proposing their re-election should include reasons why the Board or the Nomination Committee believe that such Independent Non-executive Director is still independent and should be re-elected, including the factors considered, the process and the discussion of the Board (or Nomination Committee) in arriving at such determination.

In considering whether Mr. William Chan Chak Cheung is still independent, the Board has taken into account his ability to act objectively and impartially in advising and giving professional guidance to the Board in respect of the Company's matters. Mr. William Chan Chak Cheung has not engaged in any executive management of the Group. In addition, Mr. William Chan Chak Cheung has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. Based on such confirmation of independence, the Board is of the opinion that he meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines. Furthermore, during his years of appointment, Mr. William Chan Chak Cheung has demonstrated the attributes of an Independent Non-executive Director by providing independent views and advice and there is no evidence that his tenure has had any impact on his independence. The Board is satisfied that Mr. William Chan Chak Cheung has the requisite perspectives, skills and experience that would enhance the diversity of the Board. Also, Mr. William Chan Chak Cheung continues to demonstrate his commitment to his roles on the Board through his 100% attendance and participation at meetings and events of the Board and its committees. Save as disclosed in his biography set out in Appendix II of this circular, Mr. William Chan Chak Cheung did not hold any directorship in other listed companies during the three years preceding the Latest Practicable Date.

Taking into account the foregoing factors and Mr. William Chan Chak Cheung's independent scope of work in the past years, the Board considers that going forward, Mr. William Chan Chak Cheung would remain independent under the Listing Rules despite the fact that Mr. William Chan Chak Cheung has served the Board for more than nine years.

LETTER FROM THE BOARD

In accordance with Article 102(B) of the Bye-Laws, any Director appointed by the Board to fill a casual vacancy shall hold office only until the next following annual general meeting and shall then be eligible for re-election at that meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. Mr. David Sun Dai Wai, who has been appointed as an Independent Non-executive Director of the Company with effect from 17 February 2022, shall hold office until the AGM. Being eligible, he will offer himself for re-election at the AGM. The particulars of Mr. David Sun Dai Wai which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

As a Director, each of Mr. William Chan Chak Cheung and Mr. David Sun Dai Wai brings his valuable experience to the Board and ensures that the interests of the Shareholders are taken into account. Given their different backgrounds and expertise, the Board considers each of them contributes to the diversity of the Board. In addition, the Board is also satisfied that both Mr. William Chan Chak Cheung and Mr. David Sun Dai Wai have the required integrity, independence and experience to fulfill the role of an Independent Non-executive Director. The Board therefore recommends the re-appointment and re-election of Mr. William Chan Chak Cheung and Mr. David Sun Dai Wai as Independent Non-executive Directors of the Company at the AGM.

ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The Notice of AGM is set out on pages 60 to 64 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, all proposed resolutions in the Notice of AGM will be voted by way of poll. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.irasia.com/listco/hk/national/>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Share Registrar and Transfer Office in Hong Kong, Tricor Standard Limited, (i) if any time before Monday, 15 August 2022: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong **OR** (ii) if any time on or after Monday, 15 August 2022: 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM (i.e. no later than 10:00 a.m. on Saturday, 20 August 2022) or the adjourned meeting (as the case maybe). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM, or any adjournment thereof, if you so wish. No Shareholder will be required to abstain from voting at the AGM.

LETTER FROM THE BOARD

You are advised to refer to precautionary measures for the AGM as set out on pages 4 to 5 of the circular for the measures to be implemented by the Company at the AGM in light of the COVID-19 pandemic.

RECOMMENDATION

The Board considers that the granting of the Buy-back Mandate and the Issuance Mandate, the re-election of retiring Directors and the proposed adoption of New Bye-Laws are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend all the Shareholders to vote in favour of the relevant proposed resolutions as set out in the Notice of AGM.

Yours faithfully,
For and on behalf of the Board
Jimmy Lee Yuen Ching
Chairman

This appendix includes an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Buy-back Mandate.

1. LISTING RULES FOR BUY-BACK OF SHARES

The Listing Rules permit companies with a primary listing on the Stock Exchange to buy back their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed buy-back of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be bought back must be fully paid up.

2. FUNDING OF BUY-BACK

Any buy-back will be made out of funds which are legally available for the purpose in accordance with the Memorandum of Association and Bye-Laws of the Company and applicable laws of Bermuda and/or any other applicable laws, as the case may be.

As compared with the financial position of the Company as at 31 March 2022 (being the date to which the latest published audited financial statements of the Company have been made up), there might be a material adverse impact on the working capital and on the gearing position of the Company in the event the proposed buy-back were to be carried out in full during the proposed buy-back period.

However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 948,338,962 Shares.

Subject to the passing of the relevant ordinary resolutions to approve the general mandates to buy back and issue Shares and on the basis that no further Shares are issued or bought back between the Latest Practicable Date and the AGM, the Company would be allowed under the buy-back proposal to buy back a maximum of 94,833,896 Shares (representing 10% of the total issued share capital of the Company) during the period from the date of the AGM up to:-

- (i) the conclusion of next annual general meeting of the Company; or

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or
- (iii) the revocation, variation or renewal of the Buy-back Mandate by ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

4. REASONS FOR BUY-BACK

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to buy back Shares on the market as this will give the Company greater flexibility. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Buy-back Mandate in accordance with the Listing Rules, the applicable laws of Bermuda and/or any other applicable laws and in accordance with the Memorandum of Association and Bye-Laws of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If, on the exercise of the power to a buy-back of Shares pursuant to the Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Jimmy Lee Yuen Ching and Mr. Loewe Lee Bon Chi, in aggregate, were interested in 591,234,894 Shares, of which 516,514,894 Shares are part of the property of two discretionary trusts of which Mr. Jimmy Lee Yuen Ching and his family members and Mr. Loewe Lee Bon Chi's family members are named beneficiaries; 20,000,000 Shares and 33,000,000 Shares were held by Mr. Jimmy Lee Yuen Ching's family member and Mr. Loewe Lee Bon Chi's family member respectively; and 21,720,000 Shares were held by Mr. Loewe Lee Bon Chi, which in aggregate representing approximately 62.34% of the issued share capital of the Company. In the event the Buy-back Mandate is exercised in full, their interest will be increased to approximately 69.27% of the issued share capital of the Company assuming no further change in number of Shares so held. The Directors do not expect the increase in shareholding resulting from the exercise of the Buy-back Mandate in full will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the existing public float of the Company was approximately 32.69%. In the event the Buy-back Mandate is exercised in full, the public float of the Company would become approximately 25.21%. The Board will endeavour to ensure that the exercise of the Buy-back Mandate will not result in the number of shares held by the public fall below 25% of the total number of issued Shares, being the minimum public float requirement under the Listing Rules.

7. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates has any present intention, in the event that the proposed Buy-back Mandate is approved by the Shareholders, to sell Shares to the Company. No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make buy-back of Shares.

8. SHARE BUY-BACK MADE BY THE COMPANY

The Company has purchased 15,818,000 Shares on the Stock Exchange for a total consideration of HK\$16,228,780 during the six months preceding the Latest Practicable Date. Details of the repurchases are disclosed as follows:

Date of Buy-back	No. of Shares	Total Consideration	Price Per Share	
			Highest	Lowest
		<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
January 2022				
4	148,000	153,920	1.04	1.04
5	142,000	147,680	1.04	1.04
6	38,000	39,520	1.04	1.04
7	200,000	208,000	1.04	1.04
13	12,000	12,480	1.04	1.04
14	20,000	20,800	1.04	1.04
19	40,000	41,600	1.04	1.04
21	2,000	2,080	1.04	1.04
25	798,000	829,920	1.04	1.04
26	580,000	603,200	1.04	1.04
27	498,000	517,920	1.04	1.04

Date of Buy-back	No. of Shares	Total Consideration <i>HK\$</i>	Price Per Share	
			Highest <i>HK\$</i>	Lowest <i>HK\$</i>
February 2022				
9	250,000	260,000	1.04	1.04
11	166,000	172,640	1.04	1.04
15	12,000	12,480	1.04	1.04
22	142,000	147,680	1.04	1.04
23	1,396,000	1,449,840	1.04	1.03
24	612,000	636,480	1.04	1.04
28	400,000	416,000	1.04	1.04
March 2022				
1	92,000	95,680	1.04	1.04
3	4,000	4,160	1.04	1.04
4	400,000	416,000	1.04	1.04
7	200,000	204,000	1.02	1.02
9	668,000	681,160	1.02	1.01
11	540,000	550,800	1.02	1.02
14	1,778,000	1,813,560	1.02	1.02
15	5,352,000	5,427,340	1.02	1.01
16	158,000	159,580	1.01	1.01
April 2022				
27	8,000	8,080	1.01	1.01
May 2022				
16	240,000	242,400	1.01	1.01
17	6,000	6,060	1.01	1.01
19	194,000	197,880	1.02	1.02
20	222,000	230,880	1.04	1.04
23	200,000	208,000	1.04	1.04
24	98,000	102,900	1.05	1.05
July 2022				
5	2,000	2,060	1.03	1.03
11	200,000	206,000	1.03	1.03
	<u>15,818,000</u>	<u>16,228,780</u>		

9. SHARE PRICE

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the twelve months immediately prior to the Latest Practicable Date were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
July 2021	1.13	1.06
August 2021	1.09	1.04
September 2021	1.16	1.04
October 2021	1.09	1.04
November 2021	1.10	1.03
December 2021	1.09	1.04
January 2022	1.06	1.04
February 2022	1.06	1.01
March 2022	1.06	1.01
April 2022	1.07	1.01
May 2022	1.10	1.01
June 2022	1.08	1.02
July 2022 (up to and including the Latest Practicable Date)	1.05	1.03

**APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

The following are the details (as required by the Listing Rules) of the Directors, who will retire and, being eligible, offer themselves for re-election at the AGM.

Ms. Dorathy Lee Yuen Yu

Ms. Dorathy Lee Yuen Yu (“Ms. Dorathy Lee”), aged 62, is an Non-executive Director of the Company. She has not previously held any positions with the Company or its subsidiaries before joining the Group in September 2004.

There is no service contract between the Company and Ms. Dorathy Lee. Her length of service with the Company is subject to retirement by rotation in accordance with Bye-law 99 of the Company. She is currently entitled to receive a director’s fee of HK\$50,000 per annum, which is subject to annual review by the Board and is determined with reference to her duties and responsibility with the Company as well as the prevailing market conditions.

Ms. Dorathy Lee is the sister of Mr. James Lee Yuen Kui and Mr. Edward Lee Yuen Cheor, who are the Managing Director and Executive Director of the Company respectively. She is also cousin of Mr. Jimmy Lee Yuen Ching, the Chairman of the Company and aunt of Mr. Loewe Lee Bon Chi, Managing Director of the Company. As at the Latest Practicable Date, she has no interest in the Shares of the Company.

During the three years preceding the Latest Practicable Date, Ms. Dorathy Lee did not hold any directorship in other listed companies. There is no information relating to Ms. Dorathy Lee that is required to be disclosed pursuant to Rules 13.51(2)(h) to (w) of the Listing Rules, and save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders of the Company in connection with the re-election of Ms. Dorathy Lee as Non-executive Director of the Company.

Mr. William Chan Chak Cheung

Mr. William Chan Chak Cheung (“Mr. William Chan”), aged 74, has been an Independent Non-executive Director of the Company since 2004. He is the Chairman of the Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee of the Company. Mr. William Chan is a retired partner of PwC with a career spanning 33 years in Canada, Hong Kong and Mainland China. He brings extensive experience in solving complex business issues in many different industries including the real estate industry. He had worked 20 years in Canada and is very familiar with business issues in Canada. From 2004 to 2017, he had been an independent director of six other public companies or regulated companies. He brings extensive experience in risk management matters to the Group.

**APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

There is no service contract between the Company and Mr. William Chan. His length of service with the Company is subject to retirement by rotation in accordance with Bye-Law 99 of the Company. He is currently entitled to receive a director's fee of HK\$396,000 per annum which is subject to annual review by the Board and is determined with reference to his duties and responsibility with the Company as well as the prevailing market conditions. Mr. William Chan is not entitled to receive bonus of any kind.

Mr. William Chan does not have any relationship with any other Director, senior management, substantial or controlling Shareholder of the Company. As at the Latest Practicable Date, Mr. William Chan was interested in 330,000 Shares (representing 0.03% of the total issued share capital of the Company).

Mr. William Chan has served as an Independent Non-executive Director of the Company for more than nine years. Despite that, the Board is satisfied that Mr. William Chan is independent in accordance with the corporate governance policy of the Company and endorses his re-election to the Board. For further details of the factors considered by the Board, please refer to page 9 of this circular.

Save as disclosed above, Mr. William Chan did not hold any directorship in other listed companies during the three years preceding the Latest Practicable Date. There is no information relating to Mr. William Chan that is required to be disclosed pursuant to Rules 13.51(2)(h) to (w) of the Listing Rules, and save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders of the Company in connection with the re-election of Mr. William Chan as an Independent Non-executive Director of the Company.

Mr. David Sun Dai Wai

Mr. David Sun Dai Wai ("Mr. David Sun"), aged 63, was appointed as an Independent Non-executive Director of the Company by way of a letter of appointment with an initial term of three years commencing from 17 February 2022. He is the Chairman of the Remuneration Committee and a member of the Audit and Risk Management Committee and Nomination Committee of the Company. Mr. David Sun obtained a Bachelor's degree in business administration (with honours) from the University of Western Ontario in Canada in 1981. He has been an executive director of Sun International Limited, Sun International Trading Company Limited, Sun International Concepts Limited and AOM-Sun Limited since 1981. He was a committee member of the Watch & Clock Advisory Committee of the Hong Kong Trade Development Council from 1988 to 2007 and 2012 to 2016. He was the co-chairman of Hong Kong International Watch & Clock Fair in 1991. Mr. David Sun was the chairman of the Federation of Hong Kong Watch Trades & Industries Limited from 1991 to 1992. He also served as the president of the Hong Kong Watch Importers' Association from 1992 to 1994, 1996 to 1998 and 2002 to 2004. He was an executive committee member of the Hong Kong Retail Management Association from 1992 to 2012. He has been a director of China Horologe Association since 2008. Mr. David Sun brings extensive experience in the watch and clock industry to the Group.

**APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

There is no service contract between the Company and Mr. David Sun. His length of service with the Company is subject to retirement by rotation in accordance with Bye-Law 99 of the Company. He is currently entitled to receive a director's fee of HK\$396,000 per annum which is subject to annual review by the Board and is determined with reference to his duties and responsibility with the Company as well as the prevailing market conditions. Mr. David Sun is not entitled to receive bonus of any kind.

Mr. David Sun is the son of the late Dr. Samson Sun, M.B.E., J.P., who was an Independent Non-executive Director of the Company before he passed away on 28 November 2021. Accordingly, Mr. David Sun is connected with a Director within two years immediately prior to the date of his appointment as an Independent Non-executive Director under Rule 3.13(6) of the Listing Rules. Save as disclosed, Mr. David Sun does not have any relationship with any other Director, senior management, substantial or controlling Shareholder of the Company. As at the Latest Practicable Date, Mr. David Sun was interested in 6,097,857 Shares of the Company (representing 0.64% of the total issued share capital of the Company), which are held by Sun International Limited, the issued share capital of which are owned by Mr. David Sun and parties acting in concert with him.

Save as disclosed above, Mr. David Sun did not hold any directorship in other listed companies in Hong Kong or overseas during the three years preceding the Latest Practicable Date. There is no information relating to Mr. David Sun that is required to be disclosed pursuant to Rules 13.51(2)(h) to (w) of the Listing Rules, and save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders of the Company in connection with the re-election of Mr. David Sun as an Independent Non-executive Director of the Company.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

Details of the Proposed Amendments to the Bye-Laws are set out as follows:

Cover Page	NEW BYE-LAWS OF NATIONAL ELECTRONICS HOLDINGS LIMITED (as adopted <u>Adopted by a Resolution passed at a general meeting on</u> 27 August 2004 <u>22 August 2022</u>)
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Table of Contents	<u>SUBJECT</u>	<u>BYE-LAWS NO.</u>
	PRELIMINARY	<u>31-2</u>
	SHARES, WARRANTS AND MODIFICATION OF RIGHTS	<u>403-5</u>
	SHARES AND INCREASE OF CAPITAL	<u>416-13</u>
	REGISTER OF SHAREHOLDERS AND SHARE CERTIFICATES	<u>4314-19</u>
	LIEN	<u>4520-22</u>
	CALLS ON SHARES	<u>4623-35</u>
	TRANSFER OF SHARES	<u>4836-44</u>
	TRANSMISSION OF SHARES	<u>2145-48</u>
	FORFEITURE OF SHARES	<u>2249-58</u>
	ALTERATION OF CAPITAL	<u>2459</u>
	GENERAL MEETINGS	<u>2560-64</u>
	PROCEEDINGS AT GENERAL MEETINGS	<u>2765-75</u>
	VOTES OF SHAREHOLDERS	<u>3476-87</u>
	REGISTERED OFFICE	<u>3988</u>
	BOARD OF DIRECTORS	<u>3989-98</u>
	APPOINTMENT AND RETIREMENT OF DIRECTORS	<u>4699-104</u>
	<u>BORROWING POWERS</u>	<u>105-110</u>
	<u>MANAGING DIRECTORS, ETC.</u>	<u>49111-114</u>
	<u>MANAGEMENT</u>	<u>50115</u>
	<u>MANAGERS</u>	<u>50116-118</u>
	<u>CHAIRMAN AND OTHER OFFICERS</u>	<u>51119</u>
	<u>PROCEEDINGS OF THE DIRECTORS</u>	<u>51120-129</u>
	<u>MINUTES</u>	<u>54130</u>
	<u>SECRETARY</u>	<u>54131-133</u>
	<u>GENERAL MANAGEMENT AND USE OF THE SEAL</u>	<u>55134-138</u>
	<u>AUTHENTICATION OF DOCUMENTS</u>	<u>57139</u>
	<u>CAPITALISATION OF RESERVES</u>	<u>57140</u>
	<u>DIVIDENDS, CONTRIBUTED SURPLUS AND RESERVES</u>	<u>59141-156</u>
	<u>DISTRIBUTION OF REALISED CAPITAL PROFITS</u>	<u>65157</u>
	<u>ANNUAL RETURNS</u>	<u>66158</u>

ACCOUNTS	66 159-162
AUDITORS	68 163-166
NOTICES	69 167-173
INFORMATION	73 174
WINDING UP	74 175-177
INDEMNITY	74 178
UNTRACEABLE SHAREHOLDERS	75 179-180
DESTRUCTION OF DOCUMENTS	76 181
RESIDENT REPRESENTATIVE	77 182
MAINTENANCE OF RECORDS	77 183
SUBSCRIPTION RIGHT RESERVE	78 184
RECORD DATES	80 185
STOCK	80 186
<u>FINANCIAL YEAR</u>	<u>187</u>

Title

NEW BYE-LAWS
OF

NATIONAL ELECTRONICS HOLDINGS LIMITED

(~~As adopted~~ Adopted by a Resolution passed at a general meeting on
~~27 August 2004~~ 22 August 2022)

1. (A)

...

~~“associate(s)” shall have the meaning attributed to it in the Listing Rules from time to time;~~

...

~~“close associate” in relation to any Director, shall have the same meaning as defined in the Listing Rules, except that for purposes of Bye-Law 98 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules;~~

~~“clear days” in relation to the period of 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;~~

~~“Clearing House” shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction, including but not limited to HKSCC;~~

...

“the Company” or “this Company” shall mean NATIONAL ELECTRONICS HOLDINGS LIMITED ~~incorporated in Bermuda on 27 January 1989;~~

“Company’s website” shall mean the website of the Company to which any shareholder may have access, the address or domain name of which has been notified to the shareholders at the time the Company seeks the relevant shareholder’s consent for the purposes of Bye-Law 167(B) or, as subsequently amended by notice given to the shareholders in accordance with Bye-Law 167;

“corporate representative” means any person appointed to act in that capacity pursuant to Bye-laws Law 87;

...

“Designated Stock Exchange” shall mean a stock exchange which is an appointed stock exchange for the purposes of the Companies Act in respect of which the shares of the Company are listed or quoted;

...

“electronic communication” shall mean a communication sent, transmitted, conveyed and received by wire, by radio, by optical means or by other electron magnetic means in any form through any medium;

“electronic meeting” shall mean a general meeting held and conducted wholly and exclusively by virtual attendance and participation by shareholders and/or proxies by means of electronic facilities;

...

“HKSCC” shall mean Hong Kong Security Clearing Company Limited;

“hybrid meeting” shall mean a general meeting convened for the (i) physical attendance by shareholders and/or proxies at the Principal Meeting Place and where applicable, one or more Meeting Locations and (ii) virtual attendance and participation by shareholders and/or proxies by means of electronic facilities;

...

“Meeting Location” shall have the meaning given to it in Bye-Law 69A;

...

“Newspapers”, in relation to the publication in newspapers of any notice, any newspaper circulating in the Relevant Territory, shall mean in English ~~in~~ one leading English language daily newspaper and in Chinese ~~in~~ one leading Chinese language daily newspaper published and circulating generally in the Relevant Territory and specified for this purpose by the stock exchange in the Relevant Territory, (if applicable);

“notice” shall mean written notice unless otherwise specifically stated and as further defined in these Bye-Laws;

...

“physical meeting” shall mean a general meeting held and conducted by physical attendance and participation by shareholders and/or proxies at the Principal Meeting Place and/or where applicable, one or more Meeting Locations;

“Principal Meeting Place” shall have the meaning given to it in Bye-Law 63(2);

...

“substantial shareholder” shall mean a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the Listing Rules from time to time) of the voting power at any general meeting of the Company;

...

“writing” or “printing” shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or reproducing words or figures in a legible and non-transitory form or, including in the form of electronic display, provided that both the mode of service of the relevant document or notice and the shareholders’ election (where applicable) comply with all applicable laws, rules and regulations; references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other legally acceptable method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another visible form, and including where the representation takes the form of electronic display, provided that the same is available for download onto a user’s computer or for printing through conventional small office equipment or is placed on the Company’s website and, in each case, the shareholder concerned (where the relevant provision of these Bye-Laws require the delivery of service of any document or notice on him in his capacity as shareholder) has elected for the receipt of the relevant download or notice through electronic means and both the mode of service of the relevant document or notice and the shareholder’s election comply with all applicable laws and regulations and the requirements of the stock exchange of the Relevant Territory.

1. (B)

...

references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force. a reference to a meeting: (a) shall mean a meeting convened and held in any manner permitted by these Bye-Laws and any shareholder or Director attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and these Bye-Laws, and attend, participate, attending, participating, attendance and participation shall be construed accordingly;

references to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes or these Bye-Laws to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;

references to electronic facilities include, without limitation, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise);

where a shareholder is a corporation, any reference in these Bye-Laws to a shareholder shall, where the context requires, refer to a duly authorised representative of such shareholder;

references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force;

and

references to a document (including, without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.

1. (C)

A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such shareholders as, being entitled so to do, vote in person or, by duly authorised corporate representative or, where proxies are allowed, by proxy at a general meeting of which ~~not less than 21 days' notice, specifying (without prejudice to the power contained in these presents to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given. Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as a Special Resolution at a meeting of which less than 21 days' notice has been given.~~ notice has been given in accordance with Bye-Law 63.

1. (D) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such shareholders as, being entitled so to do, vote in person, or by duly authorised corporate representative or, where proxies are allowed, by proxy at a general meeting ~~held in accordance with these presents and of which notice has been duly given in accordance with Bye-Law 63. not less than 14 days' notice has been duly given. Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as an Ordinary Resolution at a meeting of which less than 14 days' notice has been given.~~
1. (F) A resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by such shareholders as, being entitled so to do, vote in person or, in the case of such shareholders as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with Bye-Law 63.
2. Without prejudice to any other requirements of the Statutes, a Special Resolution shall be required to alter the Memorandum of Association, to approve any amendment of these Bye-Laws ~~presents~~ or to change the name of the Company.
5. (A) For the purposes of Section 47 of the Companies Act, if at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Act, be varied or abrogated either with the consent in writing of the holders of at least not less than three-fourths of the voting rights of the issued shares of that class or with the approval of a resolution passed by at least three-fourths of the votes cast by the holders of the shares of that class present and voting in person or by proxy in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the such holders of the shares of that class. To every such separate ~~general~~ meeting the provisions of these Bye-Laws relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be ~~not less than~~ two persons holding or representing by proxy ~~not less than~~ at least one-third in nominal value of the issued shares of that class, and that any holder of shares of the class present in person or by proxy ~~or by a duly authorised corporate representative may demand a poll.~~

6. (C) ~~Subject, where applicable, to the rules of any relevant stock exchange, the Company may in accordance with an employees' share scheme approved by the shareholders in general meeting provide money on such terms as the Board thinks fit for the acquisition of fully or partly paid shares in the Company or its holding company. For the purposes of this Bye-Law, an employees' share scheme is a scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of bona fide employees or former employees (including, notwithstanding Section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) of the Company, a subsidiary of the Company or holding company or a subsidiary of the Company's holding company, or the wives, husbands, widows, widowers or children or step-children under the age of twenty-one of such employees or former employees. to compliance with the Companies Act, Listing Rules and any other competent regulatory authority, the Company may give 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.~~
11. All unissued shares shall be at the disposal of the Board and it 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 as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount to their nominal value. The Directors shall, as regards any offer or allotment of shares, comply with the provisions of the Companies Act, if and so far as such provisions may be applicable thereto. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever.

14. (C) The register and branch register of shareholders in Hong Kong, as the case may be, shall be open for inspection between 10:00 a.m. and 12:00 noon during business hours by members of the public without charge at the Registered Office or such other place at which the register is kept in accordance with the Companies Act. The register including any overseas or local or other branch register of shareholders in Hong Kong may, after notice has been given (in relation to the Principal Register) by advertisement in an appointed newspaper or (in relation to any branch register of shareholders) by advertisement in other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed in accordance with the terms equivalent to section 632 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong as amended from time to time) at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.
15. Every person whose name is entered as a shareholder in the register shall be entitled without payment to receive ~~within two months~~ after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide ~~or, such shorter period as such stock exchange may from time to time prescribe~~) one certificate for all his shares, or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot for the purposes of the stock exchange on which the shares are listed, upon payment, in the case of a transfer, of such sum (not exceeding in the case of any share capital listed on a stock exchange in ~~the Relevant Territory Hong Kong~~, HK\$2.50 or such ~~greater~~ sum as such stock exchange may from time to time permit, and in the case of any other shares, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such other sum as the Company may by Ordinary Resolution determine) for every certificate after the first as the Board may from time to time determine, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of the joint holders shall be sufficient delivery to all such holders.

35. The Board may, if it thinks fit, receive from any shareholder willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and ~~in respect of upon~~ all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty per cent. per annum as the Board may decide but a payment in advance of a call shall not entitle the shareholder to receive any dividend subsequently declared or to exercise any other rights or privileges as a shareholder in respect of the share or the due portion of the shares upon which payment has been advanced by such shareholder before it is called up. The Board may at any time repay the amount so advanced upon giving to such shareholder not less than one month's notice in writing of their intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.
37. The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case in which it thinks fit, in its absolute discretion, to do so. 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. Without prejudice to Bye-Law 36, the Board may resolve, either generally or in a particular case, upon request by either the transferor or transferee which is a clearing house or its nominee(s), to accept machine imprinted signatures on the instrument of transfer. Nothing in these Bye-Laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
38. (C) Notwithstanding anything contained in this Bye-Law, the Company shall as soon as practicable and on a regular basis record in the Principal Register all entries or alterations made ~~transfers of shares effected~~ on any branch register and shall at all times maintain the Principal Register in all respects in accordance with the Companies Act.

40. ...
- i) such sum, if any, (not exceeding, in the case of any share capital listed on a stock exchange in ~~the Relevant Territory~~ Hong Kong, HK\$2.50 or such greater sum as such stock exchange may from time to time permit, and, in the case of any other capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such sum as the Company may by Ordinary Resolution determine) as the Board shall from time to time determine is paid to the Company in respect thereof ~~has been paid~~;
44. The registration of transfers may be suspended and, subject to the terms equivalent to the relevant section of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong as amended from time to time), the register closed, on giving notice by advertisement in an appointed newspaper and in the Newspapers, at such times and for such periods as the Board may from time to time determine, or otherwise announce the closure in accordance with the Companies Act and applicable Listing Rule and either generally or in respect of any class of shares. The register shall not be closed for more than thirty (30) days in any year.
60. (A) The Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that financial year and shall specify the meeting as such in the notice calling it; and ~~not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.~~ such annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any). The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

60. (B) Save where a general meeting is required by the Companies Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being of shareholders entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-Laws, be treated as an Ordinary Resolution duly passed at a general meeting of the Company and, where relevant, as a Special Resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last shareholder to sign, and where the resolution states a date as being the date of his signature thereof by any shareholder the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant shareholders.
61. All general meetings other than annual general meetings shall be called special general meetings. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held as a physical meeting in any part of the world and at one or more locations as provided in Bye-Law 63(2), as a hybrid meeting or as an electronic meeting, as may be determined by the Board in its absolute discretion.
62. The Board may, whenever it thinks fit, convene a special general meeting, and ~~special general meetings shall also be convened on requisition, as provided by the Companies Act, and, in default, may be convened by the requisitionists.~~ shareholder(s) holding as at the date of deposit of the requisition in aggregate at least one-tenth of the voting rights (on a one vote per share basis) in the share capital of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition and add resolutions to the meeting agenda; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act.

63. ~~(1) An annual general meeting and a meeting called for the passing of a Special Resolution shall be called by notice of at least twenty-one days' notice in writing, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a Special Resolution shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in the 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 Bye-Laws, entitled to receive such notices from the Company, provided that, subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called (21) clear days. All other general meetings (including a special general meeting) shall be called by notice of at least fourteen (14) clear days. If permitted by the Listing Rules, a general meeting may be called by shorter notice if it is so agreed:-~~

...

ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving a right to attend and vote at such meeting.

(2) The notice shall specify (a) the time and date of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board pursuant to Bye-Law 69A, the principal place of the meeting (the "Principal Meeting Place") and the other place(s) of the meeting, (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting, and (d) particulars of resolutions to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such notice of every general meeting shall be given to all shareholders other than to such shareholders as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding up of a shareholder and to each of the Directors and the Auditors.

66. For all purposes the quorum for a general meeting shall be two shareholders present in person or by duly authorised corporate representative or by proxy and entitled to vote, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting.
67. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of shareholders, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the ~~Board~~ Directors, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the shareholder or his representative or proxy present (if the Company has only one shareholder), or the shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and entitled to vote shall be a quorum and may transact the business for which the meeting was called.
69. ~~The~~ Subject to Bye-Law 69C, the Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven clear days' notice, specifying ~~the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting~~ details set out in Bye-Law 63(2) but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no shareholder shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

69A.

(1) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations (“Meeting Location(s)”) determined by the Board at its absolute discretion. Any shareholder or any proxy attending and participating in such way or any shareholder or proxy attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.

(2) All general meetings are subject to the following and, where appropriate, all references to a “shareholder” or “shareholders” in this sub-paragraph (2) shall include a proxy or proxies respectively:

(a) where a shareholder is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;

(b) shareholders present in person or by proxy at a Meeting Location and/or shareholders attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the Chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that shareholders at all Meeting Locations and shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;

(c) where shareholders attend a meeting by being present at one of the Meeting Locations and/or where shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more shareholders or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and

(d) if any of the Meeting Locations is not in the same jurisdiction as the Principal Meeting Place and/or in the case of a hybrid meeting, the provisions of these Bye-Laws concerning the service and giving of notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place; and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the notice for the meeting.

69B.

The Board and, at any general meeting, the chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or participation in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a shareholder who, pursuant to such arrangements, is not entitled to attend, in person or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations; and the entitlement of any shareholder so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

69C.

If it appears to the chairman of the general meeting that:

(a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Bye-Law 69A or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of the meeting; or

(b) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or

(c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or

(d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

then, without prejudice to any other power which the chairman of the meeting may have under these Bye-Laws or at common law, the chairman may, at his/her absolute discretion, without the consent of the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting (including adjournment for indefinite period). All business conducted at the meeting up to the time of such adjournment shall be valid.

69D.

The Board and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction the Board or the chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place, determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Shareholders shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Bye-Law shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.

69E.

If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from the shareholders. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Bye-Law shall be subject to the following:

(a) when a meeting is so postponed, the Company shall endeavour to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of a meeting);

(b) when only the form of the meeting or electronic facilities specified in the notice are changed, the Board shall notify the shareholders of details of such change in such manner as the Board may determine;

(c) when a meeting is postponed or changed in accordance with this Bye-Law, subject to and without prejudice to Bye-Law 69, unless already specified in the original notice of the meeting, the Board shall fix the date, time, place (if applicable) and electronic facilities (if applicable) for the postponed or changed meeting and shall notify the shareholders of such details in such manner as the Board may determine; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Bye-Laws not less than 48 hours before the time of the postponed meeting; and

(d) notice of the business to be transacted at the postponed or changed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed or changed meeting is the same as that set out in the original notice of general meeting circulated to the shareholders.

69F. All persons seeking to attend and participate in an electronic meeting or a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Bye-Law 69C, any inability of a person or persons to attend or participate in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.

69G. Without prejudice to other provisions in Bye-Law 69, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

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

~~(i) by the Chairman of the meeting; or~~

~~(ii) by at least three shareholders present in person or by duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or~~

- ~~(iii) by any shareholder or shareholders present in person or by duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or~~
- ~~(iv) by any shareholder or shareholders present in person or by duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.~~

~~Unless a poll be so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.~~ by way of a poll save that the Chairman may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every shareholder of the Company present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a shareholder which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-Law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its shareholders; and (ii) relate to the Chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

- (i) by the chairman of the Meeting; or
- (ii) by at least two shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

(iii) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one tenth of the total voting rights of all shareholders having the right to vote at the meeting; or

(iv) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all shares conferring that right.

Where a resolution is voted on by a show of hands, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules.

76A.

All shareholders (including a shareholder which is a clearing house (or its nominee(s))) shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration. Where any shareholder is, under the Listing Rules, the Companies Act or the rules, codes or regulations of any competent regulatory authority, or any applicable laws 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 shareholder in contravention of such requirement or restriction shall not be counted.

77.

Any person entitled under Bye-Law 46 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting, the postponed meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

79. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, ~~whether on a show of hands or on a poll,~~ by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may vote on a poll ~~vote~~ by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to such place or one of such places (if any) as is specified in accordance with these Bye-Laws for the deposit of instruments of proxy or, if no place is specified, at the Registration Office, not later than the latest time at which a valid instrument of proxy could be so delivered.
81. Any shareholder of the Company (including a shareholder which is a Clearing House (or its nominee(s))) 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 (being a natural person) as his proxy or representative (if such shareholder is a corporation) to attend and vote instead of ~~him~~ such shareholder. ~~Votes On a poll, votes~~ may be given either personally (or, in the case of a shareholder being corporation, by its by duly authorised ~~corporate~~ representative) or by proxy. A shareholder which is a corporation may execute a form of proxy under the hand of a duly authorised officer. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder. In addition, a proxy/~~or~~ proxies or a representative/representatives representing either ~~an individual shareholder or a shareholder which is a corporation,~~ shall be entitled to exercise the same powers on behalf of the shareholder which he or they represent as such shareholder could exercise, including as if it were an individual shareholder present in person at any general meeting. A shareholder who is the holder of two or more shares may appoint more than one proxy or representative to attend on the same occasion. A proxy or representative need not be a shareholder. In addition, a proxy or proxies representing either an individual shareholder or a shareholder which is a corporation, shall be entitled to exercise the same powers on behalf of the shareholder which he or they represent as such shareholder could exercise, including, without limiting the generality of the foregoing, the right to speak and vote individually on a show of hands or on a poll.
82. ~~The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. [Reserved]~~

83. ~~The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office) not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in a case where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. [Reserved]~~
85. (1) The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Bye-Laws) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Bye-law is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Bye-Law or if no electronic address is so designated by the Company for the receipt of such document or information.

(2) The instrument appointing a proxy to vote at a general meeting shall: (i) 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. Provided that any form issued to a shareholder for use by him for appointing a proxy to attend and vote at a special general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the shareholder, according to his intentions, to instruct the proxy to vote in favour of and/or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

86. A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its Registration Office, or at such other place as is referred to in Bye-Law 83, at least two hours before the commencement of the meeting, postponed meeting or adjourned meeting at which the proxy is used.

87. (A) Any corporation which is a shareholder 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 ~~corporate~~ representative and attend and vote at any general meeting of the Company or of any class of shareholder of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise as if it were an individual shareholder of the Company. References in these Bye-Laws to a shareholder present in person at a meeting shall, ~~unless the context otherwise requires,~~ include a corporation which is a shareholder represented at the meeting by such duly authorised ~~corporate~~ representative ~~or by one or more proxies~~. Nothing contained in this ~~Bye-law~~Law shall prevent a corporation which is a shareholder of the Company from appointing one or more proxies to represent it pursuant to ~~Bye-law~~Law 81.

87. (B) If a Clearing House (or its nominee(s) and, in each case, being a corporation) is a shareholder of the Company, it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its corporate representative or representatives, who enjoy rights equivalent to the rights of other shareholders, to the extent permitted by the Companies Act, ~~to attend~~ any meeting of the Company (including but not limited to general meetings and creditors meetings) or at any meeting of any class of shareholders of the Company provided that, if more than one proxy or ~~corporate representative~~ is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or corporate representative is so appointed. A person so appointed under the provisions of this ~~Bye-law~~ Law shall be entitled to exercise the same powers on behalf of the Clearing House (or its nominee) which he represents as that Clearing House (or its nominee) could exercise as if it were an individual shareholder of the Company including the right to speak and the right to vote individually on a show of hands or on a poll. ~~The number of persons a Clearing House (or its nominee) may appoint to act as its corporate representative or representatives shall not exceed the number of shares held by a Clearing House (or its nominee), being shares in respect of which there is an entitlement to attend and vote at the relevant meeting.~~
89. The number of Directors shall not be less than two. The Company shall keep at ~~the its~~ Registered Office a register of its directors and officers in accordance with the Statutes.
92. A Director or an alternate Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and all meetings of any class of shareholders of the Company. Directors may participate in any meeting of the shareholders or any class thereof by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate simultaneously and instantaneously and, such participation shall constitute presence at a meeting as if those participating were present in person.
96. (B) Payments to any Director or past Director of the Company of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.

97. (A) ...
- (v) if by notice in writing delivered to the Company at its Registered Office or at the Head Office or at a meeting of the Board he resigns his office;
98. (D) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment or the appointment of any of his close associate 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).
98. (H) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his close associate(s) has/have a material interest, ~~and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution);~~ but this prohibition shall not apply to any contract, arrangement or other proposal for or concerning any of the following matters namely:
- (i) the giving of any security or indemnity by the Company either:
- (a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
- (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

~~(iii) any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;~~

~~(iv)~~ (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:–

(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or

(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates ~~both~~ to the Director~~Directors~~, his close associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

~~(v)~~ (iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company.

98. (K)

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) or his close associate(s) (~~other than the Chairman 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 close 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 or his close associate(s) such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or his close associate(s) as known to ~~him~~ such Chairman has not been fairly disclosed to the Board.

99. (A) At each annual general meeting one-third of the Directors for the time being, ~~(or, if their number is not three or a multiple of three (3), then the number nearest to but not less than one-third),~~ shall retire from office by rotation save any Director holding office as Chairman or Managing Director provided that every Director shall be subject to retirement at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot.

(B) The retiring Directors shall be eligible for re-election. The Company at any general meeting at which any Directors retire may fill the vacated offices.

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

102. (B) The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on or as an addition to the Board but so that the number of ~~D~~directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed shall hold office only until the ~~next following first~~ annual general meeting of the Company after his appointment and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

104. The ~~Company~~shareholders may by Ordinary Resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his ~~period~~term of office notwithstanding anything in these Bye-Laws or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may elect another person in his stead. Any person so elected shall hold office only until the ~~next following~~first annual general meeting of the Company after his appointment and shall then be eligible for re-election at such meeting, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.
115. (B) ...
- ii) to give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration; and
- iii) to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Companies Act.
119. The Board may from time to time elect or otherwise appoint one of its body to the office of Chairman of the Company and another to be the Deputy Chairman of the Company, and may from time to time elect or otherwise appoint a Director to be Chairman or Deputy Chairman and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Board, but if no such Chairman or Deputy Chairman be elected or appointed, or if at any meeting the Chairman or Deputy Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting. All the provisions of Bye-Laws 112, 113 and 114 shall mutatis mutandis apply to any Directors elected or otherwise appointed to any office in accordance with the provisions of this Bye-Law.

120. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Bye-Law an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. ~~A meeting of the Board or any committee of the Board may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.~~ Any Director may participate in a meeting of the Board or of any such Committee of the Board by means of a conference telephone, electronic or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
121. A Director may, and on the request of a Director the Secretary shall, ~~on the request of a Director,~~ at any time summon a meeting of the Board which may be held in any part of the world provided that no such meeting shall be summoned to be held outside the territory in which the Head Office is for the time being situate without the prior approval of the Directors. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by email or by telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine. A Director absent or intended to be absent from the territory in which the Head Office is for the time being situate may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from such territory. A Director may waive notice of any meeting either prospectively or retrospectively.

129. A resolution in writing signed by all the Directors except such as are absent from the territory in which the Head Office is for the time being situate or temporarily unable to act through ill-health or disability, ~~(or their and all the alternate Directors,)~~ shall ~~(so long as such a resolution shall be signed by at least two Directors or their alternates and provided if appropriate, whose appointors are temporarily unable to act as aforesaid shall be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that such number is sufficient to constitute a quorum and that a copy of such resolution has been given or the contents thereof communicated to all the Directors (or their alternates) for the time being entitled to receive notices of Board meetings)~~ be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolutions in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors. in the same manner as notices of meetings are required to be given by these Bye-Laws and further provided that no Director is aware of or has received any objection to the resolution from any Director. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.
130. (C) The Directors shall duly comply with the provisions of the Companies Act in regard to keeping a ~~r~~Register of ~~s~~Shareholders and to the production and furnishing of copies of or extracts from such register.

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

140. (A) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves (including any contributed surplus account and also including any share premium account or other undistributable reserve, but subject to the provisions of the law with regard to unrealised profits) or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the shareholders ~~in such proportion as may be approved by the Board, whether pro-rata to all shareholders or otherwise who would have been entitled thereto if distributed by way of dividend and in the same proportions or such other proportions as may be determined by Ordinary Resolution,~~ on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such shareholder respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such shareholder in such ~~proportion as may be approved by the Board as aforesaid,~~ or partly in one way and partly in the other provided that for the purpose of this Bye-Law, any amount standing to the credit of any share premium account may only be applied in the paying up of unissued shares to be issued to shareholders of the Company as fully paid ~~and provided further that any sum standing to the credit of the share premium account may only be applied in crediting as fully paid shares of the same class as that from which the relevant share premium was derived up shares.~~

140. (A1) Notwithstanding any provisions in these Bye-Laws but subject to the Companies Act, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the shareholders at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the shareholders at a general meeting.
141. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board. The Company in general meeting may also make a distribution to the shareholders out of any contributed surplus (as ascertained in accordance with the Companies Act).
142. (A) The Board may subject to Bye-Law 143 from time to time pay to the shareholders such interim dividends as appear to the Board to be justified by the ~~position~~ profit of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer to the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide, the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.
143. (A) No dividend shall be declared or paid and no distribution of contributed surplus ~~made otherwise than~~ as ascertained in accordance with the Statutes. ~~No dividend shall be paid otherwise than out of profits available for distribution~~ Companies Act shall be made otherwise than in accordance with the Statutes.

147. (D) ~~The Company may upon the recommendation of the Board by Special Resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Bye-Law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment. If, in the opinion of the Board, any dividend or other distribution in respect of shares or any other payment to be made by the Company to any shareholder is of such a small amount as to make payment to that shareholder in the relevant currency impracticable or unduly expensive either for the Company or the shareholder then such dividend or other distribution or other payment may, at the discretion of the Board, be paid or made in the currency of the country of the relevant shareholder (as indicated by the address of such shareholder on the register).~~
147. (E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Bye-Law shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination.
162. (B) ~~Subject to paragraph (C) below, eEvery balance sheet of the Company shall be signed on behalf of the Board by ~~two~~ any one of the Directors and a copy of every balance sheet (including every document required by law to be comprised therein or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the Auditors' report, shall not less than twenty-one (21) days before the date of the meeting be sent to every each shareholder of, and every holder of debentures of, the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of the Companies Act or these Bye-Laws thereto, provided that this Bye-Law shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders. of any shares or debentures, but any shareholder or holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Head Office or the Registration Office. If all or any of the shares or debentures of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.~~

162. (C) ~~To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the Listing Rules, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-Law 162(B) shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, the summarised financial statements derived from the Company's annual accounts, *an auditor's report, a notice informing the shareholder how to notify the Company that he elects to receive the full set of financial statements required under Bye-Law 162(B)*, and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to the summarised financial statements, a complete printed copy of the Company's annual financial statement and the directors' report thereon. The Company may send summarised financial statements to shareholders of the Company who have, in accordance with the Statutes and the Listing Rules, consented and elected to receive summarised financial statements instead of the full financial statements. The summarised financial statements must be accompanied by an auditor's report and notice informing the shareholder how to notify the Company that he elects to receive the full financial statements. The summarised financial statements, notice and auditor's report must be sent not less than twenty-one (21) days before the general meeting to those shareholders that consented and elected to receive the summarised financial statements.~~
162. (E) ~~The requirement to send to a person referred to in Bye-law~~Law 162(B) the documents referred to in that Bye-law~~Law~~ or a summarized~~summarised~~ financial statement in accordance with Bye-law~~Law~~ 162(C) shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including without limitation, the Listing Rules, the Company publishes copies of the documents referred to in Bye-law~~Law~~ 162(B), and if applicable, a ~~summarized~~summarised financial statement complying with Bye-law~~Law~~ 162(C), on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

163. (B) The Company shall at each annual general meeting by Ordinary Resolution appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of the Company or of any of its subsidiaries or a partner, officer or employee of any such Director, officer or employee shall not be capable of being appointed Auditors of the Company. Subject to compliance with the Listing Rules, The—the Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. Subject as otherwise provided by the Companies Act, the remuneration of the Auditors shall be fixed by ~~or on the authority of the Company—shareholders~~ in the annual general meeting by Ordinary Resolution, by other body that is independent of the Board or, unless prohibited by the Listing Rules, in the manner specified in the shareholders’ resolution. ~~except that in any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board and~~ Subject to compliance with the Listing Rules, the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors. Subject to Bye-Law 163(C), an Auditor appointed under this Bye-Law to fill any casual vacancy shall hold office until the first annual general meeting of the Company after their appointment and shall then be subject to appointment by the shareholders at such remuneration to be determined by the shareholders under this Bye-Law.
163. (C) The shareholders may, at any general meeting convened and held in accordance with these Bye-Laws, by extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by Ordinary Resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
165. A person other than ~~the retiring—~~an incumbent Auditors shall not be capable of being appointed Auditors at ~~an annual—~~general meeting unless notice of an intention to nominate that person to the office of Auditors has been given to the Company not less than ~~fourteen—~~twenty-one (21) days before the ~~annual—~~general meeting, and the Company shall send a copy of any such notice to the ~~retiring—~~incumbent Auditors and shall give notice thereof to the shareholders not less than seven (7) days before the ~~annual—~~general meeting provided that the above requirements may be waived by notice in writing by the ~~retiring—~~incumbent Auditors to the Secretary, provided that if after a notice of the intention to nominate Auditors has been so given ~~an annual general meeting is called for a date fourteen days or less after that notice has been given, the notice, though not given within the time required by this Bye-Law, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the Company may instead of being sent or given within the time required by this provision be sent or given at the same time as the notice of the annual general meeting.~~

167. (A) ~~(1) Except where otherwise expressly stated, Subject to Bye-Law 167(B), any notice to be given to or by any person pursuant to these issued under Bye-laws~~Laws shall be in writing or, to the extent permitted by the Statutes and any applicable rules prescribed by The Stock Exchange of Hong Kong Limited from time to time and subject to this Bye-law, contained in an electronic communication. A notice calling a meeting of the Directors need not be in writing, and may be served by the Company on any shareholder either personally or by sending it through the post in a prepaid letter, envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by delivering or leaving it at such registered address as aforesaid or (in the case of a notice) by advertisement in the Newspaper or displaying the relevant notice conspicuously at the Registered Office and the Head Office. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

~~(2) A notice in respect of any document (including a share certificate) may be served on or delivered to any shareholder of the Company either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by leaving it at that address addressed to the shareholder or by any other means authorised in writing by the shareholder concerned or by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating generally in the Hong Kong SAR. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by The Stock Exchange of Hong Kong Limited from time to time, a notice or document may be served or delivered by the Company to any shareholder by electronic means to such address as may from time to time be authorised by the shareholder concerned or by publishing it on a computer network and notifying the shareholder concerned, in such manner as he may from time to time authorise, that it has been so published.~~

~~(3) Any such notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these Bye-laws, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document~~

167. (B) ~~(1) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the Head Office or Registered Office.~~
- ~~(2) The Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they see fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board. Subject to due compliance with the rules of the stock exchange in the Relevant Territory, and to obtaining all necessary consents, if any, required and such consents being in full force and effect, any notice or document (including any document or notice issued or to be issued by the Company for the information and/or action of holders of any of its securities and whether or not given or issued under these Bye-Laws) may also be served by the Company on any shareholder or holder of other securities of the Company by electronic means:~~
- ~~(i) at his electronic address or website as appearing in the register (if any); or~~
- ~~(ii) at any other electronic address or website supplied by him to the Company for the purpose of such transmission; or~~
- ~~(iii) by placing it on the Company's website or the website of the Designated Stock Exchange provided that where the relevant documents are the Company's directors' report, annual financial statements, auditors' report, interim report (and where applicable, a summary interim report) and, where Bye-Law 167(C) applies, a summary financial statement, any service of such documents by placing on the Company's website or the website of the Designated Stock Exchange shall also be accompanied by a notice of the publication ("notice of publication") of such documents on the Company's website given to the shareholder concerned in the manner referred to in Bye-Law 167(A) or in any other manner agreed between the shareholder concerned and the Company; provided that (aa) in the case of joint holders of share, any consent required from the shareholder concerned for the purposes of this Bye-Law 167(B) shall be given by that one of the joint holders who is entitled to receive notice pursuant to Bye-Law 167(A); and (bb) the Company may, for the purposes of this Bye-Law 167(B), propose to its shareholders any one or more or all of the above means of electronic communication except that in the case of a notice of publication, it shall not be served by posting it on a website.~~

169. ~~(A) Any notice or other document, if sent by mail, postage prepaid, post shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but left by the Company at the address of a shareholder noted on the register shall be deemed to have been served or delivered on the day it was so left. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to be have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means authorised in writing by the shareholder concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose. Any notice or other document published by way of advertisement in the Newspapers or in an appointed newspaper or posted on a computer network shall be deemed to have been served or delivered on the day it was so published or posted.~~ envelope or wrapper containing the same is put into a post office situated within the Relevant Territory and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof.

(B) A notice served by advertisement in the Newspapers shall be deemed to have been served on the day on which the notice is first published.

(C) Any notice or document sent by electronic transmission shall be deemed to have been served on the day on which the notice is sent.

(D) Any notice or document placed on the Company's website is deemed given by the Company to a shareholder on the day the notice or document is placed on the Company's website except where the document is the Company's directors' report, annual financial statements or auditors' report and, where applicable, summary financial statement, then such document shall be deemed to be served on the day following that on which a notice of publication is deemed served on the shareholder.

(E) A notice served by display of the same at the Registered Office and Head Office shall be deemed to have been served 24 hours after the notice was first so displayed.

(F) Subject to any applicable laws, rules and regulations and the terms of these Bye-Laws, any notice, document or publication may be given in the English language only or in both the English language and the Chinese language.

(G) Any notice or document sent by electronic transmission shall be deemed to have been served on the day on which the notice is sent.

170. A notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a shareholder by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

178. Save and except so far as the provisions of this Bye-Law shall be avoided by any provisions of the Statutes, the Directors, Managing Directors, alternate Directors, Auditors, Secretary and other officers ~~for the time being~~ of the Company, whether at present or in the past, and the trustees (if any) ~~for the time being~~ acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default, fraud and dishonesty respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own wilful neglect or default, fraud and dishonesty respectively.

182. Pursuant to the provisions of the Statutes, the Board shall, for so long as the Company does not have a ~~quorum of Directors~~ or a Secretary ordinarily resident in Bermuda, appoint a Resident Representative as defined in the Statutes, to act on its behalf in Bermuda and to maintain all such records as may be required by the Statutes to be maintained in Bermuda and to make all necessary filings with the Ministry of Finance and Registrar of Companies in Bermuda as may be required by the Statutes and to fix his or their or its remuneration either by way of salary or fee for the period of the Resident Representative's service to the Company.

183. ~~The~~ Where the Company has Resident Representative, the Company shall keep at the office of its Resident Representative, in accordance with the provisions of the Statutes, the following:-

i) minutes of all proceedings of general meetings and all proceedings of meetings of directors of the Company;

New sub-title

FINANCIAL YEAR

187. Unless otherwise determined by the Board, the financial year end of the Company shall be 31 March in each year.

NOTICE OF ANNUAL GENERAL MEETING

NATIONAL ELECTRONICS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (“AGM”) of National Electronics Holdings Limited (the “Company”) will be held at Shop 202, Centricity, 2/F., Chater House, 8 Connaught Road Central, Hong Kong on Monday, 22 August 2022 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and reports of the directors and auditors of the Company for the year ended 31 March 2022;
2. To consider and, if thought fit, approve the payment of a final dividend recommended by the board of directors for the year ended 31 March 2022;
3. To consider and, if thought fit, approve the re-election of Ms. Dorathy Lee Yuen Yu as a non-Executive Director of the Company;
4. To consider and, if thought fit, approve the re-election of Mr. William Chan Chak Cheung as an Independent Non-executive Director of the Company who had served the Company for more than nine years as an Independent Non-executive Director;
5. To consider and, if thought fit, approve the re-election of Mr. David Sun Dai Wai as an Independent Non-executive Director of the Company;
6. To determine the directors’ remuneration for their services in an aggregate sum of not exceeding HK\$2,500,000; and
7. To consider and, if thought fit, approve re-appointment of HLB Hodgson Impey Cheng Limited as auditors of the Company and to authorise the board of directors to fix their remuneration.

As special business to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

8. **“THAT**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to buy back its shares at a price determined by the Directors;
- (c) the aggregate number of shares of the Company bought back or agreed conditionally or unconditionally to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate number of issued shares of the Company in issue at the date of passing of this resolution; and
- (d) for the purpose of this resolution,

“Relevant Period” means the period from the time of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws to be held.”

9. **“THAT**

- (a) subject to paragraph (c) below and subject to the consent of the Bermuda Monetary Authority, where applicable, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities which may be issued by the Company carrying a right to subscribe for or purchase shares of the Company; or (iii) the exercise of any option granted under any share option scheme adopted by the Company; or (iv) an issue of shares in lieu of the whole or part of a dividend on shares pursuant to any scrip dividend or other similar scheme implemented in accordance with the Bye-Laws of the Company, shall not exceed 20% of the aggregate number of issued shares of the Company in issue at the date of passing of this resolution; and
- (d) for the purpose of this resolution,

“Relevant Period” means the period from the time of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws to be held.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

10. “**THAT** conditional upon the passing of the ordinary resolutions numbered nos. 8 and 9 in the notice convening this annual general meeting of the Company, the aggregate number of shares of the Company which are bought back by the Company pursuant to and in accordance with the said ordinary resolution no. 8 shall be added to the aggregate number of shares of the Company that may be allotted and agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to and in accordance with ordinary resolution no. 9 as set out in the notice of the annual general meeting of the Company provided that such number of shares shall not exceed 10% of the aggregate number of shares of the Company on the date of the passing of this resolution.”
11. To consider and, if thought fit, pass with or without modification the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the proposed amendments to the existing Bye-Laws of the Company set out in Appendix III to the circular of the Company dated 20 July 2022 (the “Proposed Amendments”) be and are hereby approved, and the Bye-Laws of the Company reflecting the Proposed Amendments (the “New Bye-Laws”) (a copy of which has been produced to this meeting and marked “A” and initialled by the chairman of this meeting for the purpose of identification) be and are hereby approved and adopted as the New Bye-Laws of the Company in substitution for and to the exclusion of the existing Bye-Laws of the Company with immediate effect after the close of this meeting and that any director or company secretary of the Company be and is hereby authorised to do all things necessary to implement the adoption of the New Bye-Laws.”

By Order of the Board
Andy Wong Kam Kee
Company Secretary

Hong Kong, 20 July 2022

Executive Directors:

Jimmy Lee Yuen Ching
Loewe Lee Bon Chi
James Lee Yuen Kui
Edward Lee Yuen Cheor
Ricky Wai Kwong Yuen

Non-executive Director:

Dorathy Lee Yuen Yu

Independent Non-executive Directors:

William Chan Chak Cheung
Chan Kwok Wai
David Sun Dai Wai

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) The Register of Members of the Company will be closed from Monday, 15 August 2022 to Monday, 22 August 2022 (both days inclusive) and from Monday, 29 August 2022 to Tuesday, 30 August 2022 (both days inclusive) respectively, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar and Transfer Office in Hong Kong, Tricor Standard Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 12 August 2022. In order to qualify for the Proposed Final Dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar and Transfer Office in Hong Kong, Tricor Standard Limited, (i) if any time before Monday, 15 August 2022: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong **OR** (ii) if any time on or after Monday, 15 August 2022: 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong as soon as possible but in any event not later than 4:30 p.m. on Friday, 26 August 2022. Dividends are expected to be paid on or about Wednesday, 14 September 2022.
 - (2) Any member of the Company entitled to attend and vote at the above meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by duly authorised corporate representative or by proxy. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company.
 - (3) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
 - (4) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar and Transfer Office in Hong Kong, Tricor Standard Limited, (i) if any time before Monday, 15 August 2022: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong **OR** (ii) if any time on or after Monday, 15 August 2022: 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong as soon as possible but in any event not less than 48 hours before the time for holding the meeting (i.e. no later than 10:00 a.m. on Saturday, 20 August 2022) or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting.
 - (5) Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members in respect of such share shall alone be entitled to vote in respect thereof.
 - (6) Any corporation which is a member of the Company may, by resolutions of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.
 - (7) If a tropical cyclone warning signal no. 8 or above remains hoisted or a black rainstorm warning signal is in force at 8:00 a.m. on the date of the AGM, the AGM will be postponed. Shareholders are suggested to visit the Company's website (<http://www.irasia.com/listco/hk/national/>) or the Stock Exchange's website (<http://www.hkexnews.hk>) for details of alternative meeting arrangements.
- The AGM will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations and if they do so, they are advised to exercise care and caution.
- (8) The following precautionary measures will be taken by the Company at the AGM to prevent the spread of the COVID-19 epidemic: (i) compulsory body temperature checks; (ii) compulsory wearing of surgical face masks; (iii) appropriate social distancing; (iv) scanning of the "LeaveHomeSafe" venue QR code; (v) complying with the requirements of the "Vaccine Pass Direction"; and (vi) no distribution of corporate gifts and takeaway food packs, and no serving of drinks and refreshments. Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. Shareholders are encouraged to appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.
 - (9) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.