

The Companies Act (As Revised)

Company Limited by Shares

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**AMENDED AND RESTATED**

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

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**Incorporated on the 3rd day of April, 1990**

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(Adopted by special resolution dated 30 August 2022)

*Note: The Chinese translation of this Amended and Restated Memorandum and Articles of Association is for reference only. Should there be any discrepancy between the English and the Chinese versions of this Amended and Restated Memorandum and Articles of Association, the English version shall prevail.*

**THE COMPANIES ACT (As Revised)**

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*Company Limited by Shares*

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**AMENDED AND RESTATED**

**MEMORANDUM OF ASSOCIATION**

**OF**

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

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(Adopted by special resolution dated 30 August 2022)

1. The name of the Company is “**Far East Consortium International Limited**”.
2. The Registered Office of the Company will be situated at the offices of Sterling Trust (Cayman) Limited, P.O. Box 1043, Whitehall House, 238 North Church Street, George Town, Grand Cayman KY1-1102, Cayman Islands.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 6(4) of the Companies Act, as revised.
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 26(2) of the Companies Act, as revised.
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks and Trust Companies Act (as revised), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Act (as revised), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Act (as revised).
6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.

7. Subject to and in accordance with the provisions of the Companies Act, as revised, the Company shall have power to make or implement any arrangement or scheme involving the registration of the Company by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands.
8. The liability of the members is limited.
9. The capital of the Company is HK\$400,000,000.00 divided into 4,000,000,000 shares of a nominal or par value of HK\$0.10 each Companies Act, as revised and the Articles of Association the Company shall have power to redeem or purchase any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.
10. The financial year of the Company shall end on 31 March each year and shall begin on 1 April each year.

CAYMAN ISLANDS

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THE COMPANIES ACT (As Revised)

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Company Limited by Shares

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**AMENDED AND RESTATED**

**ARTICLES OF ASSOCIATION**

**OF**

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

(Adopted by special resolution dated 30 August 2022)

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**PRELIMINARY**

Table A not to  
apply

1. The Regulations contained or incorporated in Table A in the Schedule to the Companies Act (as revised) shall not apply to the Company.

Interpretation

2. The marginal notes hereto shall not affect the construction hereof. In these Articles the words and expressions set out in the first column below shall, if not inconsistent with the subject or context, bear the meanings set opposite to them respectively:—

“Ordinary Resolution”                      A resolution which has been passed by a simple majority of the votes cast by such members as, being entitled to do so, vote in person or by proxy at a general meeting of the Company;

“the Statutes”                                      The Companies Act (as revised) and every other Statute from time to time in force in the Cayman Islands applying to or affecting the Company, its Memorandum of Association and or these Articles;

“these Articles”                                      These Articles of Association as originally adopted or as from time to time altered by Special Resolution;

“Special Resolution”                              A resolution which has been passed by not less than three-fourths (3/4) of the voting rights held by such members as, being entitled to do so, vote in person or by proxy at a general meeting of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given in accordance with Article 60;

“Office”	The registered office for the time being of the Company;
“Register”	The Register of Members of the Company;
“clearing house”	shall mean a recognized clearing house as defined under Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Board”	The Board of Directors of the Company or the Directors present at meeting of the Directors at which a quorum is present;
“associate”	shall have the meaning ascribed to it under the rules of the stock exchange on which the share capital of the Company is listed;
“Seal”	The Common Seal of the Company;
“Far East Consortium Limited”	Far East Consortium Limited (遠東發展有限公司), a company incorporated in Hong Kong;
“month”	Calendar month;
“in writing” and “written”	shall include printing, lithography, xerography, photography and other modes of representing or reproducing words in a permanent visible form;
“dividend”	shall include bonus;
“paid up”	shall include credited as paid up; and
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time.

Words importing the singular number only shall include the plural number and vice versa;

Words importing the masculine gender only shall include the feminine gender;

Words importing persons shall include corporations; and

The expression “Secretary” shall (subject to the provisions of the Statutes) include an Assistant or Deputy Secretary, and any person appointed by the Board to perform any of the duties of the Secretary.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision in these Articles.

Without prejudice to any other requirements of the Statutes, a Special Resolution shall be required to alter the provisions of the Memorandum of Association or to approve any amendment to these Articles.

Words defined in Statutes bear same meaning in Articles

3. Subject to the provisions of the last preceding Article any words or expressions defined in the Statutes in force at the date when these Articles or any part thereof are adopted shall, if not inconsistent with the subject or context, bear the same meanings respectively in these Articles.

## SHARES

Company may give financial assistance to purchase shares in Company

4. The Company may exercise any powers conferred or permitted by the Statutes or any other statute or law from time to time to purchase or otherwise acquire its own shares or securities of any class (including any redeemable shares) or to give, directly or indirectly, by means of a gift, a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition or proposed acquisition made or to be made (or the discharge or reduction of a liability incurred in connection therewith) by any person of any shares or securities in the Company and should the Company purchase its own shares or securities neither the Company nor the Directors shall be required to select the shares or securities to be purchased rateably or in other particular manner as between the holders of shares or securities of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Such powers shall be exercisable by the Board upon such terms and conditions as the Board thinks fit provided always that any such purchase or other acquisition or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by The Stock Exchange of Hong Kong Limited or the Securities and Futures Commission, Hong Kong from time to time in force and applicable to the Company.

Issue of shares

5. Without prejudice to any rights or privileges for the time being conferred on the holders of any existing shares or class of shares, any share in the capital of the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise as the Company may from time to time by Ordinary Resolution determine. Any preference share may be issued on the terms that it is, or at the option of the Company is to be liable, to be redeemed on such terms and in such manner as the Company may in accordance with the provisions of the Statutes prescribe. The words “non-voting” shall appear in the designation of any shares which do not carry voting rights and, where the capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, shall include the words “restricted voting” or “limited voting”.

Option to determine to offer shares to present shareholders

6. The Company may by Ordinary Resolution before the issue of any new shares, determine that the same or any of them shall be offered, in the first instance and either at par or at a premium, to all the then members or to any class thereof for the time being in proportion (as nearly as circumstances admit) to the number of shares or shares of the class held by them respectively, or make any other provisions as to the issue of the new shares, but in default of any such determination or so far as the same shall not extend, the new shares may be dealt with as if they formed part of the capital of the Company as at the date of the adoption of these Articles as the Articles of Association of the Company, and shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer, transmission, forfeiture, lien and otherwise.

- Allotment of shares in control of Board
7. Subject to any provisions of the Statutes relating to authority, pre-emption rights and otherwise, these Articles and any resolution of the Company relating thereto, the whole of the shares of the Company for the time being unissued shall be under the control of the Board, who may allot or otherwise dispose of the same to such persons, at such times and on such terms and conditions as the Board may determine, with full power to issue to any persons warrants to subscribe for any class of shares on such terms as the Board may think fit and to give to any person the option over any share for such time and for such consideration as the Board may think fit, but so that no share shall be issued at a discount except as permitted by the Statutes.
- Commissions on Issue
8. In addition to all other powers of paying commissions, the Company (or the Board on behalf of the Company) may exercise any powers conferred by the Statutes of applying its shares or capital moneys in paying commissions to persons subscribing or procuring subscriptions for shares of the Company, or agreeing so to do, whether absolutely or conditionally. Provided that the rate per cent, or the amount of the commission paid or agreed to be paid, shall be disclosed in such manner as may be required by the Statutes and shall not exceed 10 per cent of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent thereto. The Company (or the Board on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.
- Minimum payment on allotment to public
9. In the case of shares offered to the public for subscription the amount payable on application on each share shall not be less than 5 per cent of the nominal amount of the share.
- Compliance with Statutes
10. The Company shall duly observe and comply with the provisions of the Statutes applicable to any allotment of its shares.
- Trusts not recognised
11. The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and the Company shall not be bound by or recognise any trust or any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles otherwise expressly provided or as required by law) any other right in respect of any share except the absolute right of the registered holder to the entirety thereof.

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

- Share Certificates
12. (A) The Directors shall cause a Register to be kept at the Company's principal place of business in Hong Kong or at such other place as the Board may from time to time determine and there shall be entered therein the particulars required under the Statutes. Except when a register is closed in accordance with the relevant section(s) of the Companies Ordinance, the Register and any Branch Register kept pursuant to paragraph (B) of this Article shall be open for inspection by members. The Register including any overseas or local or other branch register of members in Hong Kong may, after notice has been given by advertisement in an appointed newspaper or any other newspapers and the requirements of the stock exchange on which the share capital of the Company is listed or by any electronic means in such manner as may be accepted by the stock exchange on which the share capital of the Company is listed to that effect, be closed in accordance with the terms equivalent to section 632 of the Companies Ordinance 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.

- (B) Subject to and to the extent permitted by any applicable provisions of the Statutes, the Company may keep a Branch Register in the Cayman Islands and at such other locations outside the Cayman Islands as the Directors may determine.
- (C) The Company shall within one (1) month after the allotment of any of its shares or debentures and within such period as permitted by the rules of the stock exchange on which the share capital of the Company is listed lodge with the Company any duly stamped and valid transfer of any of its shares or debentures, complete and have ready for delivery the certificates for the shares or the debentures so allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide.
- (D) Every certificate for shares or debentures shall be issued under the Seal or any securities seal kept by the Company pursuant to these Articles and, subject as hereinafter provided, shall bear the autographic signatures of two Directors or of one Director and the Secretary. Provided that the Board may by resolution determine that such signatures or either of them shall be dispensed with or shall be affixed by some method or system of mechanical signature.
- (E) In relation to the shares allotted by the Company in consideration for the acquisition of the issued share capital of Far East Consortium Limited, each certificate validly subsisting at the opening of business on the day on which such acquisition becomes effective and in respect of a holding of any number of shares in Far East Consortium Limited shall, from and after the date on which such acquisition becomes effective, have effect for all purposes as if it were a certificate duly issued by the Company for shares in the Company on the basis that the certificate shall represent a number of shares in the Company equivalent to half the number of shares in Far East Consortium Limited which it represented before such date and any such certificate may in accordance with the terms upon which such acquisition is made, at the option of the holder thereof, be lodged with the Company for exchange whereupon the same shall be cancelled and a certificate for the appropriate number of shares in the Company shall be issued by the Company at its expense accordingly.

Members' right  
to Certificates

13. Subject as aforesaid, every member shall be entitled without payment to one certificate for all his shares of each class, or upon payment of such sum as the Board shall determine, in the case of any share capital listed on a stock exchange in Hong Kong, such sum as such stock exchange may from time to time permit and, in the case of any other share 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 other sum as the members may from time to time resolve for each additional certificate, to several certificates each for one or more of such shares. Provided that in the case of any share registered in the names of two or more persons the Company shall not be bound to issue more than one certificate in respect thereof to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Where a member transfers part of the shares to which any certificate relates he shall be entitled to a certificate for the balance thereof without payment. Every certificate shall (subject where permitted by the Statutes to any resolution of the Board to the contrary) specify the number and class and distinguishing numbers (if any) of the shares to which it relates and the amount paid up thereon and, where the share capital of the Company is divided into different classes of shares, shall contain such words and/or statement as are required by the Statutes.



No  
distinguishing  
number  
in certain  
circumstances

14. If at any time all the issued shares of the Company, or all the issued shares of a particular class, are fully paid up and rank *pari passu* for all purposes, none of those shares shall thereafter (subject to a resolution of the Board to the contrary) have a distinguishing number so long as it remains fully paid up and ranks *pari passu* for all purposes with all the shares of the same class for the time being issued and fully paid up.

15. (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

(B) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request subject to the payment of such sum for every certificate after the first as would be payable under these Articles if each certificate after the first were an additional certificate.

New  
Certificates

(C) If any certificate shall be worn out, destroyed or lost, it may be replaced upon payment of an issue fee, if any, (during any period that the share capital of the Company or any part thereof is listed on any stock exchange, such sum as may from time to time be permitted by such stock exchange) together with the amount of any other costs and expenses which the Company has incurred in connection with the matter, and on such evidence being produced as the Board shall require, and in the case of wearing out delivering up of the old certificate, and in the case of destruction or loss on execution of such indemnity (if any) as the Board shall require. Without prejudice to the generality of the foregoing, where the Company has issued share warrants to bearer, no new share warrant to bearer shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company had received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.

#### VARIATION OF RIGHTS

Variation of  
right

16. (A) Subject to the Statutes, the special rights attached to any class of shares for the time being forming part of the capital of the Company may be varied or abrogated with the consent in writing of the holders of at least three-fourths (3/4) of the voting rights of the issued shares of that class, or with the approval of a resolution passed by at least three-fourth (3/4) of votes cast by the holders of the shares of that class present and votes in person or by proxy at a separate meeting of such holders. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or the proceedings thereat shall apply *mutatis mutandis*, except that the necessary quorum shall be two persons holding or representing by proxy of at least one-third (1/3) of the issued shares of the class and that every holder of shares of the class present in person or by proxy shall, on a poll, have one vote in respect of every share of the class held by him and shall be entitled to demand a poll.

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

## CALLS ON SHARES

- Calls 17. The Board may from time to time make such calls as the Board may think fit upon the members in respect of the amounts unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment made payable at fixed times. Provided that fourteen (14) days' notice at least shall be given of each call, and that no call shall exceed one-fourth (1/4) of the nominal amount of the share in respect of which it is made, or be payable within one (1) month from the date fixed for payment of the last preceding call.
- Payment of call 18. Any call may be made payable either in one sum or by instalments, and each member upon whom a call is made shall be liable to pay the amount of the call to the person and at the time or times and place appointed by the Board. A call may be revoked or the time fixed for its payment may be postponed by the Board. A person upon whom a call is made shall remain liable to calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- Notice of call 19. Notice of the persons appointed to receive payment of every call and of the times and places appointed for payment shall be given to members by advertisement pursuant to these Articles.
- Notice of call to be sent to members 20. A copy of the notice referred to in the last preceding Article shall be sent to members in the manner in which notices may be sent to the members of the Company as hereinafter provided.
- When call deemed to have been made 21. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
- Liability of joint holders 22. Joint holders of a share shall be jointly and severally liable for the payment of all calls in respect thereof.
- Power to differentiate amount and time of payment of calls 23. The Board may make arrangements on the issue of shares for a difference between the allottees or holders of such shares in the amount of calls to be paid and the time of payment of such calls.
- Sums payable pursuant to issue to be treated as calls 24. Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all purposes of these Articles, be deemed to be a call duly made and payable on such fixed date, and in case of non-payment all the provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such sum were a call duly made and notified.
- Interest 25. If any sum in respect of a call is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for the payment thereof to the time of actual payment, at such rate, not exceeding 10 per cent per annum, as the Board may determine, or failing such determination, then at the rate of 10 per cent per annum. Provided however that the Board may waive payment of such interest in whole or in part.

Payment in advance of calls

26. The Board may, if they think fit, receive from any member willing to advance the same all or any part of the moneys payable in respect of any shares held by him beyond the amount of the calls actually made thereon; and upon the moneys so advanced, or so much thereof as shall from time to time exceed the amount of the calls due upon such shares, the Company may pay interest at such rate not exceeding 10 per cent per annum as the member and the Board shall agree upon, but no part of such moneys shall be included or taken into account in ascertaining the amount of the dividend payable upon the shares in respect of which such advance has been made.

### FORFEITURE OF SHARES

Notice requiring payment of calls

27. If any member fails to pay the whole or any part of any call on or before the day appointed for the payment thereof the Board may at any time thereafter during such time as the call, or any part thereof, remains unpaid, serve a notice on him requiring him to pay such call or such part thereof as remains unpaid, together with any interest which may have accrued.

Notice to state time and place for payment

28. The notice shall name a further day not being less than fourteen (14) days from the date of service of the notice on or before which and the place where the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

Forfeiture on non-compliance with notice

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends which shall have been declared on the forfeited shares and not actually paid before the forfeiture.

Sale of forfeited share

30. A forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board may think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

Proceeds of sale

31. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposition thereof and the Board may authorise some person to execute a transfer of the share in favour of the person to whom the share is sold or otherwise disposed of and the latter person shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

Liability of member whose shares have been forfeited

32. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, with interest at the rate at which interest was payable on those moneys before the forfeiture or as the Board may from time to time determine but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

Evidence of forfeiture and receipt of consideration for forfeited shares

33. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

#### LIEN

Company's lien

34. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether immediately payable or not, called or payable at a fixed time in respect of such share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such member and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and other moneys payable thereon or in respect thereof. The Board may resolve that any share shall for some specified period be exempt from the provisions of this Article. Unless otherwise agreed, the registration of a transfer of any share shall operate as a waiver of the Company's lien (if any) on such share.

Sale of shares subject to lien

35. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless and until some sum in respect of which the lien exists is immediately payable, nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of such sum, and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

Application of proceeds of sale of shares

36. The net proceeds of such sale, after payment of the costs of such sale, shall be applied in or towards payment or satisfaction of any sum immediately payable in respect whereof the lien exists, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for such debts or liabilities in respect of moneys not immediately payable as existed on the share prior to the sale) be paid to the person entitled to the share at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share so transferred and shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

## TRANSFER OF SHARES

Form and  
execution of  
transfer

37. (A) Shares in the Company shall be transferred by an instrument of transfer in any usual or common form, or in such other form as may be prescribed by the stock exchange on which the share capital of the Company is listed, or in such other form as the Board may accept and may be under hand or by mechanically executed signature provided that a valid instrument of transfer of shares relating to a transfer of shares in the Company that are for the time being represented, pursuant to Article 12(E), by a certificate in the name of Far East Consortium Limited executed by the transferor on or before the date on which the acquisition by the Company of the issued share capital of Far East Consortium Limited becomes effective shall be deemed to be a valid instrument of transfer in respect of the corresponding shares in the Company. The instrument of transfer of a share (which need not be under seal) shall be signed by or on behalf of the transferor and the transferee but the Board may dispense with the execution of the instrument of transfer by the transferee in any case in which they think fit in their discretion so to do. 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.
- (B) The Directors may in their absolute discretion at any time and from time to time transfer any share upon the Register to any Branch Register or any share on any Branch Register to the Register or any other register.
- (C) Unless the Directors otherwise agree, no shares on the Register may be transferred to any Branch Register nor may shares on any Branch Register be transferred to the Register or any other Branch Register.

The Board's  
power to  
decline to  
register

38. The Board may in their discretion, and without assigning any reason therefor, decline to register a transfer of any share which is not fully paid up.

Deposit of  
transfer

39. (A) The Board may also decline to recognise any instrument of transfer unless:–
- (i) the instrument of transfer duly stamped is deposited, in the case of shares on the Branch Register, at the Company's registration office in Hong Kong and, in the case of shares on a Branch Register, at the relevant registration office, or at such other place as the Board may appoint, accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (ii) the instrument of transfer is in respect of only one class of shares; and
  - (iii) the instrument of transfer is in favour of not more than four joint holders; and
  - (iv) the shares concerned are free of any lien.
- (B) If the Board declines to register a transfer of any share, they shall, within two (2) months after the date on which the transfer was lodged with the Company, send to the transferor and the transferee notice of the refusal.

(C) The Company may in respect of the registration of any transfer, probate, letters of administration, certificate of marriage or death, power of attorney, stop notice, order of court or other document relating to or affecting the title to any share charge such sum, in the case of any share capital listed on a stock exchange in Hong Kong, as such stock exchange may from time to time permit and, in the case of any other share 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 other sum as the members may from time to time resolve.

Suspension of registration

40. The registration of transfers may, on giving notice by advertisement pursuant to these Articles, be suspended at such times and for such periods as the Board may from time to time determine, and either generally or in respect of any class of shares, provided always that such registration shall not be suspended for more than thirty (30) days in any year or, with the approval of the Company in general meetings, sixty (60) days in any year.

Power to destroy instruments of transfer six years after registration

41. All instruments of transfer which are registered may be retained by the Company. The Company shall be entitled to destroy all instruments of transfer of shares and all documents on the faith of which entries have been made in the Register at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of name or address at any time after the expiration of two (2) years from the date of the recording thereof and all share certificates which have been cancelled at any time after the expiration of one (1) year from the date of such cancellation and it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided that:—

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

Renunciation of allotment

42. Nothing in these Articles contained shall preclude the Board from recognising renunciation of any share by the allottee thereof in favour of some other person.

## TRANSMISSION OF SHARES

- Transmission on death 43. In the case of the death of a member, the survivors or survivor where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in any share; but nothing contained in this Article shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with any other person.
- Registration of person entitled on death or bankruptcy 44. Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may, upon such evidence of his title being produced as may from time to time be required by the Board (but subject to the provisions hereinafter contained) elect either to be registered himself as a member in respect of the share or to have some person nominated by him registered as transferee thereof.
- Election for registration 45. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing a transfer of the share to that person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.
- Rights of person entitled on death or bankruptcy 46. A person entitled to a share in consequence of the death or bankruptcy of a member shall be entitled to receive and may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at any meeting, or, save as aforesaid, to exercise any of the rights and privileges of a member, unless and until he shall have become a member in respect of the share. Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety (90) days the Board may thereafter withhold payment of all dividends, or other moneys payable in respect of the share until the requirements of the notice have been complied with.

## STOCK

- Power to convert into stock 47. The Company may from time to time by Ordinary Resolution convert any paid up shares into stock, and reconvert any stock into paid up shares of any denomination. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued stand converted into stock such further shares upon being fully paid and ranking *pari passu* in all respects with the shares representing such stock shall *ipso facto* be converted into stock transferable in the same units as the existing stock of that class.

- Transfer of stock
48. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances will permit. Provided that the Board may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a Hong Kong dollar or of any other sum shall not be dealt with, with power, nevertheless, at their discretion, to waive such stipulations in any particular case and provided further that the minimum amount of stock transferable shall not exceed the nominal amount of the shares from which the stock arose.
- Rights of stockholders
49. The stock shall confer on the holders thereof respectively the same privileges and advantages as regards dividends, participation in assets on a winding-up, voting at meetings of the Company, and other matters as would have been conferred by the shares from which the stock arose, but so that none of such privileges or advantages (except participation in dividends and profits of the Company and in assets on a winding-up) shall be conferred by an amount of the stock which would not, if existing in shares, have conferred such privileges or advantages.
- Provisions for shares applied to stock
50. All such provisions of these Articles as are applicable to paid up shares shall apply to stock and in all such provisions the words “share” and “shareholder” or “member” shall include respectively “stock” and “stockholder”.

#### **ALTERATION OF CAPITAL**

- Increase of capital
51. The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amount as the resolution shall prescribe.
52. Without prejudice to any rights or privileges for the time being conferred on the holders of any existing shares or class of shares, any shares in the present capital of the Company and any new shares may be issued with such preferred, deferred or other rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine.
53. The Company may by Ordinary Resolution:–
- (A) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; upon any consolidation of fully paid up shares into shares of larger amount, the Board may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any members shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed shall stand authorised to transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned. The net proceeds of such sale may either be distributed among the members who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interest or may be paid to the Company for the Company’s benefit. Provided that the Company may retain individual amounts of less than ten (10) Hong Kong dollars for the benefit of the Company;
- Powers to divide and consolidate shares



Power to sub-divide shares

- (B) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association (subject nevertheless to the Statutes) and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares may have such preferred, deferred or other special rights or be subject to any such restrictions, compared with the other share or shares, as the Company has power to attach to new shares; or

Power to cancel shares

- (C) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;

And may also by Special Resolution:—

Power to reduce shares capital

- (D) reduce its share capital and any capital redemption reserve and any share premium account in any manner authorised by the Statutes.

54. All new shares shall be subject to the provisions of these Articles with reference to allotment, the payment of calls, forfeiture, lien, transfer, transmission or otherwise.

#### UNTRACEABLE MEMBERS

Untraceable members

55. (A) The Board may by resolution at any time declare that any member be deemed to be an untraced member (as hereinafter defined) and may at any time within three (3) months thereafter sell on behalf of such untraced member or any person entitled in consequence of the death or bankruptcy of such member to the shares registered in the name of such member all or any of such shares at a price determined as provided in paragraph (B) of this Article.
- (B) The price at which any shares may be sold pursuant to the provisions of paragraph (A) of this Article shall be the best price reasonably obtainable at the time of the sale.
- (C) To give effect to any such sale, the Board may, notwithstanding anything elsewhere in these Articles contained, authorise some person to execute on behalf of the untraced member a transfer in favour of the purchaser and upon receipt by the Company of the purchase money the Company shall cause the name of the purchaser to be entered in the Register as the holder of the shares but so that notwithstanding the provisions of Article 39(A)(i) hereof the Board shall not be bound to require the production or deposit of any share certificate. After the purchaser's name has been entered in the Register in the purported exercise of the power conferred by this Article, the validity of the proceedings shall not be questioned by any person. The purchase money shall be carried to a separate account and shall constitute a permanent debt of the Company. Such money shall until payment over to the untraced member or such other person as aforesaid be available to the Company for its own use free of interest and without any liability to account for any profit arising therefrom.

- (D) For the purpose of this Article a member shall be deemed to be an untraced member if:–
- (i) his name is entered in the Register; and
  - (ii) during the period of twelve (12) years immediately preceding the date of the resolution of the Board referred to in paragraph (A) of this Article no warrant or cheque sent by the Company through the post in a prepaid letter addressed to the member at his registered address or to the person entitled by transmission at the address shown in the Register as his address or otherwise the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the member or the person entitled by transmission provided that in any such period of twelve (12) years the Company has paid at least three dividends whether interim or final and no such dividend has been claimed; and
  - (iii) the Company has at the expiration of the said period of twelve (12) years given notice by advertisement in accordance with these Articles of its intention to sell the shares of such member; and
  - (iv) the Company has not during the further period of three (3) months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission; and
  - (v) during any period that the share capital of the Company or any part thereof is listed on any stock exchange, notice shall have been given to such stock exchange of the Company's intention to sell the shares of such member.

For all the purposes of this Article, a statutory declaration by the Secretary in relation to any member to the effect that the foregoing provisions of this paragraph have been satisfied shall be conclusive and binding on the Company and the member concerned and all persons claiming through or under him.

#### **GENERAL MEETINGS**

Annual  
General  
Meetings

56. The Company shall in each financial year hold a general meeting as its annual general meeting; and such annual general meeting shall be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the relevant rules of the stock exchange on which the share capital of the Company is listed, if any.). A meeting of members of the Company or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting.

Extraordinary  
General  
Meetings

57. Any general meeting other than an annual general meeting shall be called an extraordinary general meeting.

58. (A) Subject to the provisions of paragraph (B) below, all general meetings (including annual general meeting, any adjourned meeting or postponed meeting) may be held in such manner either (a) as a physical meeting in any part of the world and at one or more locations, or (b) as a hybrid meeting, or (c) as an electronic meeting, as may be determined by the Board in its absolute discretion.
- (B) (i) One or more member(s) of the Company (including a recognized clearing house (or its nominees)) holding at the date of the deposit of the requisition in aggregate at least one-tenth (1/10) of the voting rights, on a one vote per share basis, in the share capital of the Company, may make a written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition and add resolutions to the meeting agenda.
- (ii) The requisition must state the objects of the meeting, and must be signed by the requisitionists and deposited at the Company's principal place of business in Hong Kong, and may consist of several documents in like form, each signed by one or more requisitionists.
- (iii) If the Board does not within twenty-one (21) days from the date of the deposit of the requisition proceed duly to convene a meeting for a day not more than twenty-eight (28) days after the date on which the notice convening the meeting is given, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.
- (iv) A meeting convened under this Article by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board.
- (v) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the Directors as were in default.
- (vi) For the purposes of this Article, the Board shall, in the case of a meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by the Articles.

59. The Board may, whenever they think fit, convene an extraordinary general meeting, and an extraordinary general meeting shall also be convened upon any requisition made in accordance with these Articles, or in default may be convened by such requisitionists as thereby provided. Any meeting convened by requisitionists as aforesaid shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board.

- Notice 60. In the case of an annual general meeting, twenty-one (21) clear days' notice at the least, and in any other case (including an extraordinary general meeting) fourteen (14) clear days' notice at the least, shall be given to all the members and to the Auditors for the time being of the Company. 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 (a) 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, the principal place of the meeting 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 (which electronic facilities or electronic platform may vary from time to time and from meeting to meeting as the Board, in its sole discretion, may see fit) or where such details will be made available by the Company prior to the meeting and (d) the particulars of the resolutions to be considered at such meeting; in the case of special business, the general nature of that business. Every notice of an annual general meeting shall specify the meeting as such and every notice of a meeting convened for passing a Special Resolution shall state the intention to propose such Resolution as a Special Resolution.
- Short notice 61. A meeting of the Company notwithstanding that it is called by shorter notice than that specified in the last preceding Article shall be deemed to have been duly called if it is so agreed:—
- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five (95) per cent in nominal value of the shares giving that right.
- Right of member to appoint proxies to attend and vote 62. In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy need not also be a member. A proxy so appointed shall also have the same right as the member to speak at the meeting.
- Circulation of members' resolutions 63. Subject to the provisions of the Statutes, it shall be the duty of the Company, on the requisition in writing of such number of members as is specified in these Articles and (unless the Company otherwise resolves) at the expense of the requisitionists:—
- (a) to give to members entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and
  - (b) to circulate to members entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

Notice of any such resolution shall be given, and any such statement shall be circulated, to members of the Company entitled to have notice of the meeting sent to them, and notice of any such resolution shall be given to any other member of the Company by giving notice of the general effect of the resolution in accordance with the provisions of the Statutes.

Omission or non-receipt of notice

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

### PROCEEDINGS AT GENERAL MEETINGS

Special and routine business

65. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting, with the exception of the receipt and consideration of the profit and loss account, the balance sheet and group accounts (if any) of the Company and the reports of the Board and Auditors and other documents required to be annexed to the balance sheet, the declaration of dividends, the election of Directors and other officers in the place of those retiring and the appointment of, and the fixing of the remuneration of, the Auditors.

Resolutions requiring special notice

66. When by any provision contained in the Statutes special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight (28) days before the meeting at which it is moved, and the Company shall give to the members notice of any such resolution as required by and in accordance with the provisions of the Statutes.

Quorum for meetings

67. Save as in these Articles otherwise provided, three members present (including attendance by electronic means) (in the case of individual) in person or (in the case of a member being a corporation) represented by a representative duly authorized by proxy or, for quorum purposes only, two persons appointed by the clearing house as authorized representatives or proxies and entitled to vote shall be a quorum. No business shall be transacted at any general meeting unless a quorum is present.

Adjournment if quorum not present

68. If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. If otherwise convened it shall stand adjourned to the same day in the next week (or if that day be a public holiday in Hong Kong, then to the next business day following such public holiday), at the same time and (where applicable) same place(s) or to such other day and at such other time and (where applicable) place(s) and in such form and manner referred to in Article 58 as the chairman of the meeting (or in default, the Board) may determine and no notice of such adjournment need be given and at such adjourned meeting the members present (whether in person or by proxy), not being less than two, shall be a quorum.

Chairman

69. The Chairman of the Board (if any), or in his absence the Deputy Chairman of the Board (if any), shall preside as Chairman at every general meeting, but if there is no such Chairman or Deputy Chairman, or if neither of them is present within ten (10) minutes after the time appointed for holding the meeting or if neither of them shall be willing to act as Chairman, the Directors present shall choose one of their number to act as Chairman of such meeting, and if there be no Director chosen who shall be willing to act, the members present in person and entitled to vote shall choose one of their own number to act as Chairman at such meeting.

Adjournments

70. The Chairman of the meeting may, with the consent of the meeting, and if directed by the meeting shall, adjourn the meeting from time to time or sine die and from place to place(s) and/or from one form to another (physical meeting, hybrid meeting or electronic meeting), but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Board. When a meeting is adjourned for thirty (30) days or more or sine die, seven (7) days' notice at the least of the adjourned meeting shall be given in like manner as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Notice of adjournments

Method of voting

71. Every question submitted to a general meeting shall be determined in the first instance by a show of hands of the members present in person, unless a poll is taken as may from time to time be required under the rules of the stock exchange on which the share capital of the Company is listed but a poll may be demanded (before or upon the declaration of the result of the show of hands) by the Chairman or by:-

- (i) not less than three members present in person or by proxy having the right to vote at the meeting; or
- (ii) a member or members present in person or by proxy representing not less than one-tenth (1/10) of the total voting rights of all the members having the right to vote at the meeting; or
- (iii) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal not less than one-tenth (1/10) of the total sum paid up on all the shares conferring that right.

Unless a poll is taken as may from time to time be required under the rules of the stock exchange on which the share capital of the Company is listed a poll is duly demanded in accordance with the foregoing provisions a declaration by the Chairman that a resolution has been carried or lost or has or has not been carried by any particular majority, and an entry to that effect in the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number, proportion or validity of the votes recorded in favour of or against such resolution.

71A. All members of the Company (including a member which is a clearing house (or its nominee(s))) shall have the right to speak and vote at a general meeting except where a member is required by the rules of the stock exchange on which the share capital of the Company is listed to abstain from voting to approve the matter under consideration. Where any member is, under the Statutes or the rules of the stock exchange on which the share capital of the Company is listed, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

Objections	72.	<p>If:–</p> <p>(i) any objection is raised to the qualification of any voter; or</p> <p>(ii) any votes are counted which ought not to have been counted or which might have been rejected; or</p> <p>(iii) any votes are not counted which ought to have been counted;</p> <p>the objection or error shall not vitiate the decision of the meeting on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same may have affected the decision of the meeting. The decision of the Chairman on such matters shall be final and conclusive.</p>
How poll to be taken	73.	<p>If a poll is duly demanded it shall be taken in such manner as the Chairman may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may appoint scrutineers for the purposes of a poll, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of a poll.</p>
Time for taking and notice of a poll	74.	<p>A poll demanded on the election of a Chairman or on a question of adjournment shall be taken at once. A poll demanded on any other question shall be taken either at once or at such time and place as the Chairman directs not being more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded. No notice need be given of a poll not taken immediately.</p>
Continuance of other business	75.	<p>The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.</p>
Withdrawal of a poll	76.	<p>The demand for a poll may be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.</p>
Chairman's casting vote	77.	<p>In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is taken as the case may be, shall have a second or casting vote.</p>

## VOTING

- Voting rights 78. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, at any general meeting (a) every member who (being an individual) is present in person or (being a corporation) is represented by proxy shall have the right to speak; (b) on a show of hands every member present in such manner or in accordance with the Statutes shall have one vote and on a poll every member present in such manner shall have one vote for every share held by him. Votes (whether on a show of hands or by way of a poll) may be cast by such means, electronic or otherwise, as the Board or the chairman of the meeting may in its/his sole discretion determine.
- Corporate representatives 79. Any corporation which is a member of the Company may, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative and attend and vote at any general meeting of the Company, or at any meeting 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 as if it were an individual member of the Company and references in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative.
- 79A. If a clearing house or a nominee of clearing house is a member of the Company, it may appoint or authorise such person or persons as it thinks fit to act as its proxies or corporate representative, who enjoy rights equivalent to the rights of other members, or representatives 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 members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised under the provision of these Articles shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as the clearing house (or its nominee) could exercise as if it were a natural person member holding the number and class of shares specified in such authorisation, including the right to speak and vote individually on a show of hands or on a poll.
- Voting rights of joint shareholders 80. Where there are joint holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto. Provided that if more than one of such joint holders be present at any meeting personally or by proxy, the person whose name stands first in the Register in respect of such share shall alone be entitled to vote in respect thereof.
- Members of unsound mind 81. A member of unsound mind, or who is a patient for the purposes of any legislation relating to mental health, or in respect of whom an order has been made by any court (whether in Hong Kong or elsewhere) 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 like nature appointed by such court, who may themselves vote on a poll by proxy. Provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Company's principal place of business in Hong Kong not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which such person claims to vote.



- No right to vote unless calls paid 82. No member shall unless the Board otherwise determine be entitled to vote at any general meeting either personally or by proxy, or to exercise any privilege as a member unless all calls or other sums immediately payable by him in respect of shares in the Company have been paid.
- Polls 83. On a poll votes may be given either personally or by proxy and a member entitled to more than one vote need not, if he votes on a poll, use all his votes or cast all the votes he uses in the same way.
- Proxies need not be a member 84. A member (including a corporation) shall be entitled to appoint another person as his proxy (being a natural person) or representative (if such member is a corporation) to attend and vote instead of such member. A corporation which is a member may execute a form of proxy under the hand of a duly authorised officer. 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 or representative need not be a member of the Company. In addition, a proxy/proxies or representative/representatives representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise as if it were an individual member present in person at any general meeting.
- Execution of proxies 85. Every instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if such appointor is a corporation, under its common seal or under the hand of some officer of the corporation duly authorised in that behalf. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
- Deposit of proxies 86. (A) 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 Articles) 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 Article 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 Article or if no electronic address is so designated by the Company for the receipt of such document or information.

(B) The instrument appointing a proxy and, if required by the Company, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy or office copy of such power or authority, shall be deposited at the Company's principal place of business in Hong Kong or at such other place within Hong Kong as is specified for that purpose in the notice convening the meeting or in any instrument of proxy sent by the Company in relation to the meeting, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, as the case may be, at which the person named as proxy in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Expiration of proxies

87. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date.

Form of and authority of proxies

88. Instruments of proxy shall be in any common form or in such other form as the Board may approve provided that it shall not preclude the use of two-way proxy form by which a member may, according to his intention, instruct the proxy to vote in favour of or against (or, in default of intentions, to exercise his discretion in respect of) each resolution dealing with any such business. The instrument of proxy, which need not be witnessed, shall be deemed to confer authority to demand or join in demanding a poll and to vote on a resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. The Board may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required under these Articles has not been received in accordance with the requirements of these Articles. Subject to aforesaid, if the proxy appointment and any of the information required under these Articles is not received in the manner set out in these Articles, the appointee shall not be entitled to vote in respect of the shares in question.

Board to send proxies to all voting members

89. (A) The Board shall at the expense of the Company send with all notices convening general meetings or meetings of any class of members of the Company to the members entitled to vote thereat instruments of proxy (with or without prepaid postage) with provision for two-way voting on all resolutions intended to be proposed other than resolutions which are merely procedural or relate to the fixing of Auditors' remuneration.

(B) Such instruments of proxy shall be issued to all the members entitled to be sent a notice of the meeting and to vote thereat by proxy, and not to some only of such members.

(C) The accidental omission to send out an instrument of proxy, whenever necessary, to any member or the non-receipt of such instrument by any member, shall not invalidate any resolution passed or proceedings at the meeting to which the instrument of proxy relates.

Intervening death, insanity of or revocation by principal

90. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy, or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Company's principal place of business in Hong Kong (or at such other place in Hong Kong specified for the deposit of instruments of proxies hereunder) before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

## DIRECTORS

Number of Directors

91. Unless and until otherwise determined by the Company by Ordinary Resolution the number of Directors shall not be less than four. A maximum number of Directors may also be determined from time to time by the Company by Ordinary Resolution.

Qualification of Directors; rights at meetings

92. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings or meetings of the holders of any class of shares.

Alternate Directors

93. Any Director may at any time and from time to time appoint any other Director or appoint any other person approved by a majority of the other Directors for the time being to be his alternate, and may at any time remove any alternate Director appointed by him and (subject to such approval as aforesaid) appoint another in his place. An alternate Director shall not be entitled to receive any remuneration from the Company, nor shall it be necessary for him to acquire or hold any share qualification, but he shall be entitled (subject to his giving to the Company an address within Hong Kong at which notices may be served on him) to receive notices of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not present, and generally at such meeting to exercise all the powers, rights, duties and authorities of the Director appointing him. A Director who is also an alternate Director shall be entitled in addition to his own vote to a separate vote on behalf of the Director appointing him. An alternate Director may be removed from office by a resolution of the Board, and shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director. Provided that if any Director retires at a general meeting but is re-elected by the meeting or is, pursuant to the provisions of these Articles, deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after such re-election as if he had not so retired. Every person acting as an alternate Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. All appointments and removals of alternate Directors made by any Director in pursuance of this Article shall be in writing under the hand of the Director making the same and shall be sent to or left at the Company's principal place of business in Hong Kong.

Appointment of Proxy by Director

- 93A. Any Director may appoint any person, whether or not a Director of the Company, to be the proxy of that Director to attend and vote on his behalf, in accordance with instructions given by that Director, or in the absence of such instructions at the discretion of the proxy, at a meeting or meetings of the Directors which that Director is unable to attend personally. The instrument appointing the proxy shall be in writing under the hand of the appointing Director and shall be in the form printed below or any other form approved by the Directors, and must be lodged with the chairman of the meeting of the Directors at which such proxy is to be used, or first used, prior to the commencement of the meeting:—

**FAR EAST CONSORTIUM INTERNATIONAL LIMITED**

I, the undersigned, being a Director of the above Company HEREBY APPOINT \_\_\_\_\_ when failing \_\_\_\_\_ to be my proxy and on my behalf to attend, vote at and to do all acts and things which I could personally have done at a meeting of Directors of the said Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_ and at all continuations and adjournments thereof.

Date \_\_\_\_\_ Signature of Director \_\_\_\_\_

- Remuneration 94. The remuneration of the Directors shall be such sum or sums as the Company may in general meeting from time to time determine. Such remuneration shall be deemed to accrue from day to day. The Board shall obtain the approval of the Company in general meeting before making any payment (not being a payment to which the Director is contractually entitled) to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office.
- Directors' expenses 95. The Directors shall be entitled to be paid all travelling, hotel and other expenses properly incurred by them in or with a view to the performance of their duties or in attending general meetings or meetings of the Board or Committees of the Board.
- Further expenses 96. If any Director, being willing and having been called upon to do so, shall render or perform extra or special services of any kind including services on any Committee of the Board, or shall travel or reside abroad for any business or purposes of the Company, he shall be entitled to receive such sum as the Board may think fit for expenses, and also such remuneration as the Board may think fit, either as a fixed sum or as a percentage of profits or otherwise, and such remuneration may, as the Board shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive, and the same shall be charged as part of the ordinary working expenses of the Company.
- Vacation of office 97. Without prejudice to the provisions for retirement by rotation hereinafter contained the office of a Director shall be vacated in any of the events following, namely:–
- (A) if he resigns his office by notice in writing delivered to the Company's principal place of business in Hong Kong or submitted to a meeting of the Board;
  - (B) if he becomes of unsound mind or a patient for the purpose of any legislation (whether in the Cayman Islands, Hong Kong or elsewhere) relating to mental health and the Board may resolve that his office is vacated;
  - (C) if, without leave, he is absent from meetings of the Board (whether or not any alternate Director appointed by him attends) for six (6) consecutive months, and the Board may resolve that his office is vacated;
  - (D) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (E) if he is prohibited by law from being a Director;

(F) if he ceases to be a Director by virtue of the Statutes or is removed from office pursuant to these Articles; and

(G) if all the other Directors unanimously resolve that he be removed as a Director.

Directorships  
in other  
companies

98. Any Director may become or continue to be a director, managing Director, manager or other officer or member of any other company in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of any such other company. The Board may exercise the voting power conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to the directors, managing directors, managers or other officers of such company).

Disclosure of  
interests

99. (A) A Director who is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company (each being in paragraph (A), (B) and (C) of this Article referred to as a “transaction”) shall declare the nature of his interest at the earliest meeting of the Board at which it is practicable for him to do so. For the purposes of this Article:–

(i) a general notice given to the Board by a Director that, by reason of facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may subsequently be made by the Company shall be a sufficient declaration of his interest, so far as attributable to these facts, in relation to any contract of that description which may subsequently be made by the Company; and

(ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

Interested  
Director not  
entitled to vote

(B) A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting, but this prohibition shall not apply to:–

(i) the giving of any security or indemnity either:

(a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

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

- (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 associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5 per cent or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;
- (iv) 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 associate(s) may benefit; or
  - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s) as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

A company shall be deemed to be a company in which a Director and/or his associate(s) own 5 per cent or more if and so long as (but only if and so long as) he and/or his associate(s) is/are (either directly or indirectly) the holder(s) of or beneficially interested in 5 per cent or more of any class of the equity share capital 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 available to members of such company. For the purpose of this paragraph there shall be disregarded any share held by a Director or his associate(s) as bare or custodian trustee and in which he or his associate(s) has/have no beneficial interest, any shares comprised in a trust in which the Director's or his associates' interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.

Where a company in which a Director and/or his associate(s) hold 5 per cent or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.

(C) Deleted

Consideration  
of employment  
of two or more  
Directors

(D) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately, and in such case each of the Directors concerned if he has no material interest (as defined above) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

Chairman's  
decision

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

Directors' right  
to hold office  
and place of  
profit within  
Company

(F) Subject to the provisions of the Statutes a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Board may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

Directors'  
right to act in a  
professional  
capacity for  
the Company

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

## **BORROWING POWERS**

- Board's power to borrow and give security
100. The Board on behalf of the Company may exercise all the powers of the Company to borrow any sum or sums of money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- Register of charges
101. The Board shall cause a proper register to be kept in accordance with the provisions of the Statutes of all charges specifically affecting property of the Company and of all floating charges on the undertaking or any property of the Company and shall duly comply with the requirements of the Statutes in regard to the registration of charges therein specified.

## **POWERS OF THE BOARD**

- To manage Company's business
102. The business of the Company shall be managed by the Board, who may exercise all such powers of the Company and do on behalf of the Company all such acts as are within the scope of the Memorandum and Articles of Association of the Company and as are not by the Statutes or by these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not inconsistent with the said regulations or provisions, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- To provide pensions and insurance for Directors
103. The Board on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director of the Company or any subsidiary or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance and may make payments for or towards the insurance of any such Director.
- Local boards; delegation of authority
104. (A) The Board may establish any committee, local board, or agency for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may lay down, vary or annul such rules and regulations as they may think fit for the conduct of the business thereof, and may appoint any person to be a member of any such committee or local board or any manager or agent, and may fix their remuneration, and may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate and may authorise the members of any such committee or local board, or any of them, to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no persons dealing in good faith and without notice of any such annulment or variation shall be affected thereby.



To appoint  
attorneys

- (B) The Board may from time to time, and at any time, by power of attorney under the Seal appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (including power to sub-delegate) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board may think fit) be made in favour of any of the Directors or of the members or any one or more of the members of any such committee or local board established as aforesaid, or in favour of any company, or of the members, directors, nominees, or managers of any company or firm, or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with any such attorney as the Board may think fit.

Not to make  
loans to  
Directors

105. (A) In this Article:–
- (i) “net assets”, in relation to the Company, means the aggregate of the Company’s assets less the aggregate of its liabilities, as shown by the latest balance sheet the Company laid before the Company in general meeting;
  - (ii) “relevant company” means:–
    - (a) a company formed and registered under the Companies Ordinance; and
    - (b) any other body corporate incorporated in Hong Kong under an Ordinance (as defined in the Interpretation and General Clauses Ordinance of Hong Kong (Chapter 1 of the Laws of Hong Kong) as in force at the date of adoption of these Articles) and in the case of which shares are listed on the Exchange but does not include an authorised institution licensed or registered under the Banking Ordinance 1986 of Hong Kong; and
  - (iii) “holding company” of a body corporate or corporation shall be read as a reference to a body corporate or corporation of which that last mentioned body corporate or corporation is a subsidiary (as defined in the Companies Ordinance).
- (B) With effect from the date of adoption of these Articles of which this Article forms part, the Company shall not, whilst the share capital of the Company or any part thereof is listed on a stock exchange in Hong Kong, directly or indirectly:–
- (i) make a loan to a Director of the Company or a director of its holding company;
  - (ii) enter into any guarantee or provide any security in connection with a loan made by any person to such a director;
  - (iii) if any one or more of the Directors of the Company hold (jointly or severally or directly or indirectly) a controlling interest in a relevant company, make a loan to that relevant company or enter into any guarantee or provide any security in connection with a loan made by any person to that relevant company.

- (C) Subject to paragraphs (D), (E), (F) and (G) of this Article, each of the following transactions is excepted from the prohibitions in paragraph (B) of this Article:–
- (i) a loan by the Company to another body corporate or corporation of which the Company is the holding company or which is the holding company of the Company or of which the holding company of the Company is the holding company or the Company's entering into a guarantee or providing any security in connection with a loan made by any person to such other body corporate or corporation;
  - (ii) the Company's doing anything to provide any of the Directors with funds to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him properly to perform his duties as an officer of the Company; and
  - (iii) a loan by the Company to a Director:–
    - (a) for the purpose of facilitating the purchase, for use as that Director's only or main residence, of the whole or part of any residential premises together with any land to be occupied and enjoyed therewith;
    - (b) for the purpose of improving any residential premises so used or any land occupied and enjoyed therewith; or
    - (c) in substitution for any loan made by any person and falling within sub-paragraph (a) or (b) above.
- (D) Subject to paragraph (F) of this Article, the exception specified in sub-paragraph (C)(ii) of this Article shall operate only if either of the following conditions is satisfied:–
- (i) the thing in question is done with the prior approval of the Company given at a general meeting at which the purpose of any expenditure and the amount of any loan to be made by the Company or the extent of the Company's liability under any guarantee to be given by the Company or, as the case may be, in respect of any security to be provided by the Company are disclosed; or
  - (ii) that thing is done on condition that, if the approval of the Company is not so given at or before the next following annual general meeting, the loan shall be repaid or that liability discharged within six (6) months from the conclusion of that Meeting.

- (E) Subject to paragraph (F) of this Article, the exception specified in sub-paragraph (C)(iii) of this Article shall operate in respect of a loan referred to therein only if the following conditions are satisfied:–
- (i) the Company ordinarily makes loans of that description to its employees on terms no less favourable than those on which the loan itself is made; and
  - (ii) the loan does not exceed 80 per cent of the value of the residential premises, or the part thereof in question, and any land to be occupied and enjoyed therewith as stated in a valuation report which complies with the following requirements:–
    - (a) the valuation report shall be made by a professionally qualified valuation surveyor who is subject to the discipline of a professional body; and
    - (b) the valuation report shall be made and signed by the valuation surveyor not earlier than three (3) months prior to the date on which the loan is made; and
  - (iii) the loan is secured by a legal mortgage on the land comprising the residential premises, or the part thereof in question, and any land to be occupied and enjoyed therewith.
- (F) The exception specified in sub-paragraph (C)(ii) or (iii) of this Article does not authorize the Company to enter into a transaction if at the time that the transaction is entered into the aggregate of the following amounts:–
- (i) the amount outstanding at that time on all loans made by the Company to any of its Directors otherwise than under sub-paragraph (C)(i) of this Article;
  - (ii) the amount representing the maximum liability of the Company at that time under all guarantees entered into, and in respect of any security provided, by the Company in connection with loans made by any person to any of its Directors; and
  - (iii) if the transaction in question is:–
    - (a) a loan, the amount of such loan;
    - (b) a guarantee, the amount representing the maximum liability of the Company under such guarantee; or
    - (c) the provision of a security, the amount representing the maximum liability of the Company in respect of such security, exceeds 5 per cent of the amount of the Company's net assets.

- (G) References in this Article, except in sub-paragraph (C)(ii) or (iii) hereof, to a Director shall include references to:–
- (i) the spouse or any child or step-child of such Director;
  - (ii) a person acting in his capacity as the trustee (other than as trustee under an employees' shares scheme or a pension scheme) of any trust the beneficiaries of which include the Director, his spouse or any of his children or step-children or the terms of which confer a power on the trustees that may be exercised for the benefit of the Director, his spouse or any of his children or step-children; and
  - (iii) a person acting in his capacity as partner of that Director or of his spouse, child or step-child, or of any trustee referred to in sub-paragraph (G) (ii) of this Article.
- (H) References in paragraph (G) of this Article to the child or step-child of any person shall include a reference to any illegitimate child of that person, but shall not include a reference to any person who has attained the age of 21 years.

#### **ROTATION, RETIREMENT AND REMOVAL OF DIRECTORS**

Retirement  
and rotation of  
Directors

106. Subject to Article 115(B) and to the other provisions of these Articles at the annual general meeting in each year one-third (1/3) of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third (1/3), shall retire from office. A retiring Director shall retain office until the conclusion of the meeting or adjourned meeting at which he is due to retire.

Most senior  
Directors to  
retire in every  
year

107. Subject to the provisions of the Statutes and of these Articles and until otherwise determined by the Company by Ordinary Resolution the Directors to retire in every year shall be the Directors who have been longest in office since their last election or appointment. As between Directors of equal seniority, the Directors to retire shall (unless such Directors of equal seniority shall agree otherwise amongst themselves) be selected from among them by lot. A retiring Director shall be eligible for re-election.

Election and  
re-election of  
Directors

108. The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto. If at any such meeting the place of a retiring Director is not filled, the retiring Director shall, if willing to act, be deemed to have been re-elected, unless at such meeting it is resolved not to fill such vacated office, or unless a motion for the re-election of such Director shall have been put to the meeting and lost.

- Notice of intention to appoint Director
109. No person, other than a retiring Director, shall, unless recommended by the Director for election, be eligible for election to the office of Director at any general meeting, unless notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the general meeting for which such notice is given of his intention to propose such person for election as a Director and also a notice signed by the person to be proposed of his willingness to be elected shall have been given to the Company or lodged at the Office or Company's principal place of business in Hong Kong provided that the minimum length of the period, during which such notices are given, shall be at least seven (7) days. The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.
- Increase in number of Directors
110. The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors and may make the appointments necessary for effecting any such increase or reduction, and may also determine in what rotation such increased or reduced number is to retire from office.
- Voting on Directors
111. Except so far as the Statutes otherwise allow, at a general meeting the appointment of Directors shall be voted on individually.
- Power to fill vacancies or appoint additional Directors
112. The Board shall have power at any time, and from time to time, to appoint any person as a Director, either to fill a casual vacancy, or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of these Articles, any Director so appointed by the Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at the meeting and any Director who so retires shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.
- Company's power to remove Directors and appoint others in their stead
113. The members of the Company may by Ordinary Resolution remove any Director before the expiration of his term of office as Director (including a managing director or an executive Director but without prejudice to any claim he may have for damages under any contract between him and the Company) and may by Ordinary Resolution appoint another person to be a Director in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director.
- Register of Directors and Secretary
114. The Company shall, in accordance with the provisions of the Statutes, keep at the Office a register containing such particulars with respect to the Directors and Secretary of the Company as are required by, and shall from time to time notify the Registrar of Companies in the Cayman Islands of any change in such register and of the date of such change in manner prescribed by, the Statutes.

## EXECUTIVE DIRECTORS

- Board's power to appoint executive Directors
115. (A) The Board may from time to time appoint one or more of their number to be the holder of any executive office (including that of executive Chairman or Deputy Chairman) on such terms and for such period as they think fit and, subject to the terms of any contract between him and the Company, may at any time revoke any such appointment.
- Executive Directors are exempted from retirement by rotation
- (B) The appointment of any Director as Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract between him and the Company. A Director appointed as an executive Chairman or as Managing or Joint Managing Director shall not while holding such office be subject to retirement by rotation or taken into account in determining the rotation retirement of Directors.
- Remuneration
116. The remuneration of an executive Director shall be fixed by the Board and may be by way of salary or commission or participation in the profits, or by any or all of those modes or otherwise.
- Delegation
117. The Board may entrust to and confer upon any executive Director any of the powers, authorities and discretions exercisable by them as Directors, other than the power to make calls or forfeit shares, upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## ASSOCIATE DIRECTORS

- Board's power to appoint associate Directors
118. The Board may from time to time and at any time appoint any one or more persons in the employment of the Company to be Associate Directors and may at any time revoke such appointment. The title, duties and powers of an Associate Director shall be such as may from time to time be determined by the Board and an Associate Director shall not for any purpose be deemed to be a member of the Board and accordingly shall not be entitled to participate in any remuneration payable to the Directors pursuant to these Articles or to receive notice of or to attend or vote at meetings of the Board but shall only be entitled to attend such meetings (if any) to which he shall be invited by the Board.

## PROCEEDINGS OF THE BOARD

- Meetings
119. The Board may meet together for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall be a quorum. A Director may participate in a meeting of the Board by means of a conference telephone, electronic facilities or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other. Questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.

- Proceedings in case of vacancies
120. The continuing Directors may act notwithstanding any vacancy in their body. Provided that in case the Directors shall at any time be reduced in number to less than the minimum number fixed by or in accordance with these Articles, it shall be lawful for the continuing Director or Directors to act for the purpose of filling vacancies or summoning a general meeting, but not for any other purpose.
- Calling of meetings
121. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from Hong Kong.
- Chairman
122. The Board may from time to time elect a Chairman and Deputy Chairman of the Board and determine the period for which they are respectively to hold office. The Chairman so elected, or in his absence the Deputy Chairman, shall preside at all meetings of the Board, but if no such Chairman or Deputy Chairman be elected, or if at any meeting the Chairman or Deputy Chairman be not present within five (5) minutes after the time appointed for holding the same, the Directors present shall choose one of their number to act as Chairman of such meeting.
- Quorum of Directors may act
123. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under these Articles vested in or exercisable by the Directors generally.
- Power to delegate to Committees
124. The Board may delegate all or any of their powers to Committees consisting of such person or persons (whether a member or members of their body or not) as they think fit. All Committees so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed upon them by the Board. The meetings and proceedings of any such Committee consisting of two or more persons shall be governed by the provisions in these Articles contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations made by the Board under this Article.
- Validity of acts notwithstanding formal defects
125. All acts done by any meeting of the Board, or of a Committee of the Board, or by any person acting as a Director, shall, as regards all persons dealing with the Company in good faith notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they, or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified or had continued to be a Director and had been entitled to vote.
- Resolutions in writing
126. A resolution signed by all the Directors (or their alternates) for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in like form each signed by one or more Directors (or his or their alternates). A resolution transmitted by a Director (or his alternate) to the Company by telegram, telex, telecopier or other facsimile equipment shall be deemed to be a document signed by him for the purposes of this Article.

Power to  
authenticate  
documents

127. Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any Committee of the Board and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be the person appointed by the Board as aforesaid.

Documents  
authenticated  
as above to be  
conclusive

128. A document purporting to be a copy of a resolution or an extract from the minutes of a meeting of the Board or of a Committee of the Board which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or as the case may be that such extract is a true and accurate record of a duly constituted meeting of the Board or of the Committee.

Minutes

129. The Board shall cause minutes to be entered in books kept for the purpose of:—

- (A) all appointments of officers made by the Board;
- (B) the names of the Directors present at each meeting of the Board and of any Committee of the Board; and
- (C) all resolutions and proceedings at all meetings of the Company and of the Board and of Committees of the Board.

Any such minutes if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting shall be evidence of the proceedings.

#### **THE SECRETARY**

Appointment  
and removal of  
Secretary

130. Subject to the provisions of the Statutes a Secretary shall be appointed by the Board to hold office on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Board, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit a corporation may be appointed as Secretary. The Board may also appoint from time to time on such terms as they may think fit one or more Assistant or Deputy secretaries. In the event that the Secretary or any Assistant or Deputy Secretary appointed is a corporation or other body, it may act and sign by any one or more of its directors or officers duly authorised.

Authority  
of Assistant  
and Deputy  
Secretaries

131. Anything required or authorised by the Statutes to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any Assistant or Deputy Secretary or, if there is no Assistant or Deputy Secretary capable of acting by or to any officer of the Company authorised generally or specially in that behalf by the Board. Provided that any provision of these Articles or the Statutes requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.



## THE SEAL

Safe custody  
and formalities  
for affixing  
Seal

132. (A) The Board shall provide for the safe custody of the Seal in Hong Kong or such other place as they may from time to time determine which shall not be used without the general or special authority of the Board or of a Committee of the Board authorised by the Board in that behalf and every instrument to which the Seal (subject to the provisions hereof as to certificates for shares or debentures) is affixed shall be signed by a Director and shall be countersigned by a second Director or the Secretary or some other person duly authorised by the Board.
- (B) The Company may have one or more duplicate Seals under the provisions of the Statutes as the Directors may determine. Such duplicate Seals shall be used by the same authority and be affixed in the same manner as required for the Seal and wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate Seal.
- (C) Subject to the provisions of the Statutes, the Company may have one or more securities seals for use in the sealing of certificates for shares or debentures to be issued by the Company. Such securities seals shall be used by the same authority as required for the Seal.

## RESERVES

Power to carry  
profits to  
reserve

133. The Board may, before recommending any dividend, whether preferential or otherwise, carry to reserve out of the profits of the Company (including any premiums received upon the issue of debentures or other securities of the Company) such sums as they think proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company, or of its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which they may think prudent not to distribute.

Subscription  
Right Reserve

134. (A) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions applicable under the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:—
- (i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the “Subscription Right Reserve”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;

- (ii) the Subscription Right Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account and capital redemption reserve) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;
- (iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby or (as the case may be) the relevant portion thereof in the event of a partial exercise of the subscription rights and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:–
  - (a) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
  - (b) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par,

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

- (iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account and capital redemption reserve) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

- (B) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (A) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights and so that whether any (and, if so, what) fraction of a share arises shall be determined according to the provisions applicable under the terms and conditions of the warrants or, in the absence of any such provisions, pursuant to paragraph (C) of this Article.
- (C) A certificate or report by the Auditors as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

## DIVIDENDS

Declaration of dividends

135. The profits of the Company available for dividend and determined to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in General Meeting may by Ordinary Resolution declare dividends accordingly.

Power to make scrip issues

136. (A) In respect of any dividend declared or sanctioned by the Board or proposed to be declared or sanctioned by the Company in general meeting the Board may determine and announce, prior to or contemporaneously with the declaration or sanction of the dividend in question (and provided that an adequate number of unissued shares are available for the purpose):—
- (i) that members will be entitled to elect to receive in lieu of such dividend (or such part thereof as the Board may think fit) an allotment of shares credited as fully paid. In any such case the following provisions shall apply:—
- (a) the basis of allotment shall be determined by the Board;
- (b) the Board, after determining the basis of allotment, shall give notice in writing to the members of the right of election accorded to them and of the record date related thereto and shall send with or following such notice forms of election specifying the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election accorded to members as aforesaid may be exercised in whole or in part; and

- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect of which the share election has been duly exercised (“the elected shares”) and in lieu thereof additional shares shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any sum standing to the credit of any of the Company’s reserve accounts (including, subject to Article 145 of these Articles, any sum standing to the credit of the share premium account or capital redemption reserve fund) or to the credit of the profit and loss account or any sum otherwise available for distribution and not required for paying the fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits as the Board may determine a sum equal to the aggregate nominal amount of shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the elected shares on such basis; or
  - (ii) that members will receive in lieu of such dividend (or such part thereof as the Board may think fit) an allotment of shares credited as fully paid provided that members are at the same time accorded the right to elect to receive such dividend (or part thereof as the case may be) in cash in lieu of such allotment. In any such case, the following provisions shall apply:–
    - (a) the provisions set out in sub-paragraphs (a), (b) and (c) of paragraph (i) above;
    - (b) such dividend (or the relevant part thereof as aforesaid) shall not be payable on shares in respect of which the cash election has not been duly exercised (“the non-elected shares”) and in lieu thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any sum standing to the credit of any of the Company’s reserve accounts (including, subject to Article 145 of these Articles, any sum standing to the credit of the share premium account or capital redemption reserve) or to the credit of the profit and loss account or any sum otherwise available for distribution and not required for paying the fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits as the Board may determine a sum equal to the aggregate nominal amount of shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.
- (B) The shares allotted pursuant to the provisions of paragraph (A) above shall rank *pari passu* in all respects with the fully paid shares then in issue save only as regards participation in the relevant dividend (or share or cash election in lieu).

- (C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) above, with full power to the Board to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into, on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (D) The Board may on any occasion determine that rights of election under paragraph (A)(i) of this Article and the allotment of shares under paragraph (A)(ii) of this Article shall not be made available or made to any members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or unduly onerous, and in such event the provisions aforesaid shall be read and construed subject to such determination.

Dividends payable only out of profits, share premium account and as recommended by Board

137. (A) No dividend shall be payable except out of profits of the Company available for distribution (such profits being ascertained in accordance with the Statutes) or (to the extent permitted by the Statutes) the Company's share premium account. No dividend shall be payable in excess of the amount recommended by the Board.
- (B) Subject to the provisions of the Statutes (but without prejudice to paragraph (A) of this Article), where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may, at the discretion of the Board, in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company, and, in the case of profits, be available for dividend accordingly. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Board be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

Declaration and payment of dividends

138. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid except that if any share is issued on terms providing that it shall rank for dividend as if paid up (in whole or in part) as from a particular date such share shall rank for dividend accordingly.

- Interim dividends 139. The Board may if they think fit from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company. If at any time the share capital of the Company is divided into different classes the Board may pay such interim dividends, in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend, and provided that the Board act bona fide they shall not incur any responsibility to the holders of shares conferring any preference for any damage they may suffer by reason of the payment of any interim dividend on any shares having deferred or non-preferential rights. The Board may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment.
- Power to deduct debts due to the Company 140. (A) The Board may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) immediately payable by him to the Company in respect of calls or otherwise in relation to the shares of the Company held by him.
- (B) The Board may retain the dividends or other moneys payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
- Unclaimed dividends 141. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. If any dividend shall have remained unclaimed for at least six (6) years after the date of declaration of the same the Board may forfeit the same and after such forfeiture no member or other person shall have any right to or claim in respect of such dividend. No dividend shall bear interest against the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
- Joint holders 142. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
- Method of payment 143. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his registered address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the Register in respect of such shares and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company.

Payment in specie

144. Any general meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company, or in anyone or more of such ways, and the Board shall give effect to such resolution, and where any difficulty arises in regard to the distribution they may settle the same as they think expedient, and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Board and may appoint any person to sign any instruments of transfer and any other documents deemed to be expedient by the Board on behalf of the persons entitled to the dividend and such appointment shall be effective.

### CAPITALISATION OF RESERVES

Power to capitalise

145. The Company may by Ordinary Resolution upon the recommendation of the Board, resolve that it is desirable to capitalise any part of the amounts for the time being standing to the credit of any of the Company's reserve accounts (but subject as hereinafter provided as to any sum standing to the credit of share premium account or capital redemption reserve) or to the credit of the profit and loss account or otherwise available for distribution and not required for paying the fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits and that the Board be accordingly authorised and directed to appropriate the profits or sum so resolved to be capitalised as capital to the members in the proportion in which such profits or sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the shares held by them on such date as shall be fixed by or in accordance with such resolution, and to apply such profits or sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares or debentures held by such members respectively, or in the paying up in full of unissued shares or debentures of the Company of a nominal amount equal to such profits or sum, such shares or debentures to be allotted and distributed, credited as fully paid up, to and among such members in the proportion aforesaid, or partly in one way and partly in the other. Provided always that the share premium account or capital redemption reserve may, for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to members as fully paid.

Procedure on capitalisation

146. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits or sum resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any shares to which they may be entitled as the result of such capitalisation; and any agreement made under such authority shall be effective and binding upon all such members.

## ACCOUNTS

Books of  
account

147. The Board shall cause proper books of account to be kept with respect to:–
- (A) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
  - (B) all sales and purchases of goods by the Company; and
  - (C) the assets and liabilities of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

Accounting  
records

148. The accounting records shall be kept at the Company's principal place of business in Hong Kong, or subject to the provisions of the Statutes at such other place as the Board shall think fit, and shall at all times be open to the inspection of the officers of the Company but no member (not being such an officer) shall have any right to inspect any book, account or document of the Company, except as conferred by the Statutes, or authorised by the Board or by an Ordinary Resolution of the Company.
149. (A) The Directors shall lay before the Company at its annual general meeting a profit and loss account for the period since the preceding account made up to a date not earlier than the date of the meeting by more than twelve (12) months.
- (B) The Directors shall cause to be made out and to be laid before the Company at its annual general meeting a balance sheet as at the date to which the profit and loss account is made up.

Auditors'  
report

150. (A) The Auditors shall make a report to the members on the accounts examined by them, and on every balance sheet, every profit and loss account and all group accounts laid before the Company in general meeting during their tenure of office.
- (B) The Auditors' report shall be read before the Company in general meeting and shall be open to inspection by any member.

Delivery of  
reports and  
accounts

151. A printed copy of the Directors' and Auditors' reports accompanied by copies of the balance sheet, profit and loss account and other documents required by law to be annexed to the balance sheet, shall, not less than twenty-one (21) clear days before the annual general meeting, be delivered or sent by post to the registered address of every member and holder of debentures of the Company, to the Auditors, and to every other person who is entitled to receive notices of meetings of the Company under the provisions of the Statutes or these Articles.

Approval  
of accounts  
conclusive

152. Every account of the Board when audited and approved by an annual general meeting shall be conclusive except as regards any error discovered therein within three (3) months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and thenceforth shall be conclusive.



## AUDIT

- Auditors 153. Members of the Company shall at every annual general meeting by Ordinary Resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an Ordinary Resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the members of the Company by Ordinary Resolution at the annual general meeting, by other body that is independent of the Board or, unless prohibited by the rules of the stock exchange on which the share capital of the Company is listed, in the manner specified in the members of the Company's resolution. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. Subject to compliance with the rules of the stock exchange on which the share capital of the Company is listed, the Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. Any Auditor so appointed by the Directors shall hold office only until the next general meeting is called for the purpose of the appointment of an Auditor or until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Subject to compliance with the rules of the stock exchange on which the share capital of the Company is listed, the remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.

## NOTICES

- Notices 154. A notice may be served by the Company on any member either personally by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the Register or by advertisement in a newspaper or newspapers circulating in Hong Kong, or by sending or transmitting it as an electronic communication to the member at such electronic address as he may provide under this Article, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person. Every member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Articles may register with the Company an electronic address to which notices can be served upon him.
- Notices to joint members 155. All notices required to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
- Notices to members resident outside Hong Kong and to members with no registered address 156. Any member described in the Register by an address outside Hong Kong may by notice in writing require the Company to register an address within Hong Kong which, for the purpose of the service of notices, shall be deemed to be his registered address. As regards those members who have no registered address, notice displayed in the Company's principal place of business Hong Kong shall be deemed to be well served on them at the expiration of twenty-four (24) hours from the time when it shall have been first so displayed. Where the registered address of a member is outside Hong Kong, any notice or document to be given or issued under these Articles or the rules of the stock exchange on which the share capital of the Company is listed shall be sent, where applicable, by prepaid airmail or an equivalent service that is no slower as determined by the Directors.

- Deemed service of notices 157. Any notice or other document, if served by post, shall be deemed to have been served at the time when the envelope containing the same is put into a post office situated within Hong Kong; in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into such post office and a certificate in writing signed by the Secretary or other officer of the Company that the envelope containing the notice was so addressed and put into the post office shall be conclusive evidence thereof.
- Advertisement 158. Any notice required to or which may be given by advertisement shall be published as a paid advertisement in such newspaper(s) and for such period as the Board may think fit and shall be deemed to have been served on the day on which the advertisement first so appears. For so long as any share capital of the Company is listed on a stock exchange in Hong Kong, any such notice shall be so published in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper, being in each case a newspaper published daily and circulating generally in Hong Kong and as may from time to time be specified for this purpose by such stock exchange.
- Notices served after death of member 159. Any notice or document delivered or sent by post to, or left at, the registered address of any member shall, if such member be then deceased, and whether or not the Company has notice of his decease, be deemed to have been duly served on his legal personal representative.
- Effect of notices 160. Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share.

## WINDING UP

- Power of liquidator to distribute assets in specie 161. Subject to the applicable Statutes, members of the Company may by Special Resolution resolve that the Company be wound up voluntarily.
- Power of liquidator to vest assets in trustees If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution of the Company and with any other sanction required by the Statutes, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## INDEMNITY

- Indemnity of Directors and officers 162. Subject to the provisions of the Statutes, every Director or other officer or Auditor for the time being of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of his office or otherwise in relation thereto.

## **CONTINUATION**

Registration  
by way of  
continuation

163. Subject to and in accordance with the provisions of the Statutes, the Board may on behalf of the Company exercise all the powers of the Company to make or implement any arrangement or scheme involving the registration of the Company by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands.

## **FINANCIAL YEAR**

164. Unless the Board otherwise determines, the financial year of the Company shall end on 31 March each year and shall begin on 1 April each year.