

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

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

**If you have sold or transferred** all your shares in Hopson Development Holdings Limited (the “Company”), you should at once hand this document and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



合生創展集團有限公司\*

**HOPSON DEVELOPMENT HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 754)**

*website: <http://www.irasia.com/listco/hk/hopson>*

**PROPOSALS FOR**  
**(1) RE-ELECTION OF RETIRING DIRECTORS**  
**AND**  
**(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**  
**AND**  
**(3) PROPOSED AMENDMENTS TO THE BYE-LAWS AND**  
**ADOPTION OF THE NEW BYE-LAWS**

A letter from the board of directors of the Company is set out on pages 3 to 12 of this document. A notice convening the annual general meeting (the “AGM”) of the shareholders of the Company (the “Shareholders”) to be held at Unit 01, 16th Floor, South Tower, Zhujiang Investment Building, 421 Zhujiang East Road, Zhujiang New City, Guangzhou on Friday, 10 June 2022 at 10:30 a.m. is set out on pages 86 to 90 of this document.

A form of proxy for the AGM is enclosed with this document. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM (i.e. not later than Wednesday, 8 June 2022 at 10:30 a.m. (Hong Kong time)) or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM in person.

**Taking into account the recent development of coronavirus disease 2019 (“COVID-19”), the Company will implement the following precautionary and control measures at the AGM including, without limitation:**

- **compulsory body temperature screening;**
- **wearing of surgical face masks;**
- **no distribution of corporate gift or refreshment;**
- **mandatory health declaration; and**
- **appropriate seating arrangement to avoid over-crowding.**

**The Company strongly advises Shareholders to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) as an alternative to attending the AGM in person. Shareholders are advised to read page i of this circular for further details and monitor the development of COVID-19. As the COVID-19 situation continues to evolve and governmental, legal and/or regulatory requirements may change prior to the AGM, the Company may implement further changes and precautionary measures for the AGM. Shareholders are advised to monitor the development of COVID-19 and check the Company’s website for future updates on the AGM arrangements (if any).**

\* *for identification purposes only*

## **PRECAUTIONARY MEASURES FOR THE AGM**

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

- (1) There will be compulsory body temperature screening for all persons before entering the AGM venue. Any person with a body temperature of 37.3 degrees Celsius or above or any person who exhibits any flu-like symptoms may be denied entry to the AGM venue or be required to promptly leave the AGM venue.
- (2) Every attendee will be required to wear a surgical face mask throughout the AGM and inside the AGM venue. Attendees are advised to maintain appropriate social distance with each other at all times when attending the AGM.
- (3) No refreshment will be served, and there will be no corporate gift.
- (4) Attendees are required to submit health declaration forms before entering the AGM venue.
- (5) Anyone attending the AGM is reminded to observe good personal hygiene at all times.
- (6) Appropriate seating arrangement at the AGM venue to avoid over-crowding.
- (7) In light of the continuing risks posed by the COVID-19 pandemic, and in the interests of protecting the attendees, the Company is supportive of the precautionary measures being adopted and reminds Shareholders that physical attendance in the AGM is not necessary for the purpose of exercising voting rights. The Company strongly advises Shareholders to appoint the chairman of the AGM as their proxy to vote on the relevant resolutions as an alternative to attending the AGM in person.
- (8) As the COVID-19 situation continues to evolve and governmental, legal and/or regulatory requirements may change prior to the AGM, the Company may implement further changes and precautionary measures for the AGM. Shareholders are advised to monitor the development of COVID-19 and check the Company's website for future updates on the AGM arrangements (if any).

# CONTENTS

|   | <i>Page No.</i> |
|---|-----------------|
| <b>DEFINITIONS</b> .....  | 1               |
| <b>LETTER FROM THE BOARD</b> .....  | 3               |
| <b>APPENDIX I — EXPLANATORY STATEMENT ON<br/>THE SHARE REPURCHASE MANDATE</b> ..... | 13              |
| <b>APPENDIX II — DETAILS OF THE PROPOSED AMENDMENTS<br/>TO THE BYE-LAWS</b> .....   | 17              |
| <b>APPENDIX III — NOTICE OF AGM</b> .....   | 86              |

## DEFINITIONS

*In this document, the following expressions have the following meanings unless the context requires otherwise:*

|                              |   |
|------------------------------|---|
| “2021 Annual Report”         | the 2021 annual report of the Company   |
| “AGM”                        | the annual general meeting of the Company to be held at Unit 01, 16th Floor, South Tower, Zhujiang Investment Building, 421 Zhujiang East Road, Zhujiang New City, Guangzhou on Friday, 10 June 2022 at 10:30 a.m. or any adjournment thereof |
| “Board”                      | the board of Directors or a duly authorised committee of the board of Directors   |
| “Bye-laws”                   | the bye-laws of the Company adopted on 4 April 1998 and as amended from time to time (including amendments up to 15 June 2006)  |
| “close associate(s)”         | has the meaning ascribed to it under the Listing Rules  |
| “Company”                    | Hopson Development Holdings Limited, a company incorporated in Bermuda with limited liability and whose Shares are listed on the main board operated by the Stock Exchange  |
| “controlling Shareholder(s)” | has the meaning ascribed to it under the Listing Rules  |
| “core connected person(s)”   | has the meaning ascribed to it under the Listing Rules  |
| “Director(s)”                | director(s) from time to time of the Company  |
| “Group”                      | the Company and its subsidiaries from time to time  |
| “HK\$”                       | Hong Kong dollars, the lawful currency of Hong Kong   |
| “Hong Kong”                  | the Hong Kong Special Administrative Region of the PRC  |
| “Ju Rong”                    | Ju Rong Investment Holdings Limited 聚融投資控股有限公司, a limited company incorporated in Hong Kong   |
| “Latest Practicable Date”    | 13 April 2022, being the latest practicable date prior to the printing of this document for ascertaining certain information for inclusion in this document   |
| “Listing Rules”              | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time   |

## DEFINITIONS

|                              |  |
|------------------------------|--|
| “New Bye-laws”               | the bye-laws of the Company, as set out in Appendix II to this circular (with proposed changes marked-up against the consolidated version of the Bye-laws posted on the website of the Stock Exchange) proposed to be approved and adopted by the Shareholders at the AGM    |
| “PRC”                        | the People’s Republic of China excluding, for the purpose of this document, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan   |
| “RMB”                        | Renminbi, the lawful currency of PRC   |
| “SFO”                        | the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)   |
| “Share(s)”                   | ordinary share(s) of HK\$0.1 each in the share capital of the Company (or of such other nominal amount as comprising the ordinary share capital of the Company as shall result from a sub-division or a consolidation of the share capital of the Company from time to time) |
| “Shareholder(s)”             | shareholder(s) of the Company  |
| “Stock Exchange”             | The Stock Exchange of Hong Kong Limited  |
| “substantial Shareholder(s)” | has the meaning ascribed to it under the Listing Rules   |
| “Takeovers Code”             | the Hong Kong Code on Takeovers and Mergers  |
| “%”                          | per cent   |



合生創展集團有限公司\*

HOPSON DEVELOPMENT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 754)

website: <http://www.irasia.com/listco/hk/hopson>

*Executive Directors:*

CHU Kut Yung (Chairman)

ZHANG Fan (Co-president)

AU Wai Kin

XIE Bao Xin

BAO Wenge

*Principal Office:*

Unit 4903-10

49/F., The Center

99 Queen's Road Central  
Central

Hong Kong

*Independent Non-executive Directors:*

TAN Leng Cheng, Aaron

CHING Yu Lung

IP Wai Lun, William

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

21 April 2022

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
(1) RE-ELECTION OF RETIRING DIRECTORS  
AND  
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES  
AND  
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS AND  
ADOPTION OF THE NEW BYE-LAWS**

**INTRODUCTION**

The purpose of this document is to provide you with information regarding the resolutions to be proposed at the AGM involving (1) the re-election of retiring Directors; (2) the grant to the Directors general mandates to allot, issue and deal with additional Shares and to repurchase Shares, and the extension of the general mandate to allot, issue and deal with new Shares by the addition thereto of any Shares repurchased by the Company; and (3) the proposed amendments to the Bye-laws and the adoption of the New Bye-laws.

\* for identification purposes only

## LETTER FROM THE BOARD

### (1) RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 87(1) of the Bye-laws, Ms. Chu Kut Yung, Mr. Au Wai Kin and Mr. Tan Leng Cheng, Aaron will retire by rotation at the AGM and, being eligible, have offered themselves for re-election.

Mr. Tan Leng Cheng, Aaron has served as an independent non-executive Director for more than nine years and his re-election should, pursuant to the code provision set out in paragraph B.2.3 of Appendix 14 of the Listing Rules, be subject to a separate resolution to be approved by the Shareholders.

#### **Recommendations of the Nomination Committee**

In accordance with the terms of reference of the nomination committee of the Company (the “Nomination Committee”), the Nomination Committee has:

- (a) reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of each of the retiring Directors, namely Ms. Chu Kut Yung, Mr. Au Wai Kin and Mr. Tan Leng Cheng, Aaron with reference to the nomination principles and criteria set out in the Company’s board diversity policy and director nomination policy and the Company’s corporate strategy; and
- (b) assessed the independence of the independent non-executive Director to be re-elected, being Mr. Tan Leng Cheng, Aaron.

The Nomination Committee noted that Mr. Tan Leng Cheng, Aaron has served as an independent non-executive Director for more than nine years and his further appointment must satisfy the requirements set out in the code provision in paragraph B.2.3 of Appendix 14 of the Listing Rules.

Mr. Tan Leng Cheng, Aaron has served as an independent non-executive Director for more than nine years. Throughout his directorship with the Company, Mr. Tan has participated in Board meetings to offer impartial advice and exercise independent judgement, served on governance committees of the Board to scrutinise the Company’s performance in meeting corporate governance goals, and attended general meetings of the Company to gain a balanced understanding of the Shareholders’ views. The Board believes that the continuous appointment of Mr. Tan as an independent non-executive Director will help to maintain the stability of the Board as Mr. Tan has, over time, brought his professionalism to the Board and gained valuable insight into the business strategy and policies of the Group. Taking into consideration the independent nature of his role and duties in the past years, the Board considers the long services of Mr. Tan would not affect his exercise of independent judgements and therefore considers Mr. Tan to be independent and believes he should be re-elected.

## LETTER FROM THE BOARD

The Nomination Committee is of the opinion that:

- (a) the performance of each of Ms. Chu Kut Yung, Mr. Au Wai Kin and Mr. Tan Leng Cheng, Aaron were satisfactory; and
- (b) based on the information available to the Nomination Committee and having taken into account the independence confirmation given by Mr. Tan, the Nomination Committee was satisfied that Mr. Tan (i) met the criteria set out in rule 3.13 of the Listing Rules; (ii) was a person of integrity and independent in character and judgment, and the Nomination Committee considered Mr. Tan as independent to the Company; (iii) despite his length of service, Mr. Tan continues to bring independent judgment and fresh perspectives to the Board as demonstrated by his commitment and contribution during his years of service, which has helped the Company to achieve its corporate goals and objectives; and (iv) Mr. Tan's extensive expertise in corporate and investment banking would help promote the Board effectiveness and enhance the Board's balance of skills, experience and diversity of ideas on issues relating to the Group's strategies, policies and performance.

Accordingly, the Nomination Committee has recommended to the Board on re-election of Ms. Chu Kut Yung and Mr. Au Wai Kin as executive Directors; and Mr. Tan Leng Cheng, Aaron as an independent non-executive Director.

The qualifications, previous experience and major appointments of all the Directors who stand for re-election at the AGM are set out in the "Directors' Profile" section contained in the 2021 Annual Report which has been sent to the Shareholders. Other biographical details of each of the said Directors, as required to be disclosed pursuant to rule 13.51(2) of the Listing Rules, are set out below for the Shareholders' consideration.

**(a) Ms. Chu Kut Yung (aged 33)**

Ms. Chu was appointed to the Board as an executive Director in 2011 and is currently the Chairman of the Board. She is also a director of various subsidiaries of the Company and the chairman of the Nomination Committee and a member of the option shares committee of the Company. Ms. Chu did not hold any directorship in other listed companies in the last three years.

Ms. Chu is the daughter of Mr. Chu Mang Yee, the controlling Shareholder of the Company, a former executive Director and the former Chairman of the Board and a sister of Mr. Chu Yat Hong, a substantial Shareholder of the Company. Save as disclosed above, Ms. Chu does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

## LETTER FROM THE BOARD

Ms. Chu has a service contract with the Company which was renewed for a further term of three years commencing from 7 November 2020. Ms. Chu is subject to retirement by rotation and re-election in accordance with the Bye-laws. Pursuant to Ms. Chu's service contract, she will be entitled to an annual remuneration of HK\$2,500,000 (including housing and business subsidies).

As at the Latest Practicable Date, Ms. Chu was deemed to be interested in an aggregate of 5,515,400 Shares. Out of these Shares, 1,100,000 Shares were beneficially held by Ms. Chu and 4,415,400 Shares were held through Ju Rong, of which Ms. Chu is the sole director and the sole member.

**(b) Mr. Au Wai Kin (aged 66)**

Mr. Au joined the Group in 1995 and is currently an executive Director and director of various subsidiaries and a member of each of the option shares committee and the finance committee of the Company. Mr. Au did not hold any directorship in other listed companies in the last three years, and does not have any relationship with any other Directors, senior management or substantial Shareholders or controlling Shareholders.

Mr. Au has a service contract with the Company which was renewed for a further term of three years commencing from 13 June 2020. Mr. Au is subject to retirement by rotation and re-election in accordance with the Bye-laws. Pursuant to Mr. Au's service contract, he is entitled to, amongst other things, an annual remuneration of HK\$240,000 (including housing and business subsidies) and an annual discretionary bonus as determined by the Board, subject to the limit that the aggregate discretionary bonus payable to the executive Directors in respect of any financial year shall not exceed 3 per cent. of the audited consolidated profit of the Group after taxation but before extraordinary items and the executive Directors' discretionary bonus for the relevant financial year.

As at the Latest Practicable Date, Mr. Au held 37,950,000 Shares through Yield Plentiful Incorporated, a company wholly-owned and controlled by him.

**(c) Mr. Tan Leng Cheng, Aaron (aged 66)**

Mr. Tan was appointed to the Board as an independent non-executive Director in 2010. He is also the chairman of each of the audit committee, remuneration committee and connected transactions/related party transactions committee of the Company and a member of the Nomination Committee. Mr. Tan did not hold any directorship in any other listed companies in the last three years.

Save as disclosed, Mr. Tan does not have any relationship with any other Directors, senior management or substantial Shareholders or controlling Shareholders or hold any other position with the Company or any member of the Group.

## LETTER FROM THE BOARD

Mr. Tan's directorship with the Company is subject to retirement by rotation in accordance with the Bye-laws. Mr. Tan received a Director's fee of HK\$350,000 for serving as an independent non-executive Director in 2021.

As at the Latest Practicable Date, Mr. Tan did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

### (d) General

- (i) The emoluments of all Directors are determined with reference to the Directors' duties and responsibilities, the Company's performance, as well as remuneration benchmark in the industry and prevailing market conditions.
- (ii) Save for the information set out in this section and in the 2021 Annual Report, there is no other matter that needs to be brought to the attention of the Shareholders or other information that should be disclosed under rule 13.51(2) of the Listing Rules.

## (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

As the general mandates granted to the Directors to allot, issue, and deal with and repurchase Shares respectively pursuant to resolutions passed by the Shareholders at the Company's annual general meeting held on 11 June 2021 will lapse at the conclusion of the AGM, resolutions will be proposed at the AGM to renew the grant of these general mandates. The relevant resolutions, in summary, are:

- an ordinary resolution to grant to the Directors a general and unconditional mandate to allot, issue, and deal with additional securities of the Company (including, *inter alia*, offers, agreements, options, warrants or similar rights in respect thereof) not exceeding 20% of the number of the Company's issued shares as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Issue Mandate"). On the basis of 2,374,493,226 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, exercise in full of the Issue Mandate could result in up to 474,898,645 Shares being issued by the Company;
- an ordinary resolution to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to repurchase such number of Shares not exceeding 10% of the number of the Company's issued shares as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Share Repurchase Mandate"); and

## LETTER FROM THE BOARD

- conditional on the passing of the resolutions to grant the Issue Mandate and the Share Repurchase Mandate, an ordinary resolution to authorise the Directors to exercise the powers of the Company to allot, issue, and deal with additional securities under the Issue Mandate by adding those Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

The explanatory statement providing the requisite information regarding the Share Repurchase Mandate as required to be sent to Shareholders under the Listing Rules is set out in Appendix I to this document.

### **(3) PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF THE NEW BYE-LAWS**

Reference is made to the announcement of the Company dated 31 March 2022. The Board proposes to make certain amendments (the “Proposed Amendments”) to the Bye-laws and adopt the New Bye-laws in substitution for, and to the exclusion of, the Bye-laws.

The primary objectives of the Proposed Amendments are:

1. to provide more flexibility in relation to the conduct of general meetings of the Company by allowing general meetings to be held at different physical locations simultaneously, or to be held as hybrid meetings or electronic meetings which may be attended by the Shareholders by means of electronic facilities, particularly in view of the outbreak of the coronavirus COVID-19 pandemic and the resulting social distancing measures and travel restrictions;
2. to reflect the latest amendments to the Listing Rules, particularly Appendix 3 to the Listing Rules concerning the core shareholder protection standards which came into effect on 1 January 2022 and to bring the Bye-laws up-to-date with the applicable laws of Bermuda; and
3. to incorporate other consequential and housekeeping amendments which are in line with the above amendments.

Below is a summary of the key areas of the Proposed Amendments that will be incorporated in the New Bye-laws:

1. to allow all general meetings of the Company (including an annual general meeting, any adjourned or postponed meeting) to be held as physical meetings in any part of the world and at one or more locations, or as hybrid meetings or electronic meetings where the Shareholders may participate virtually by means of electronic facilities;
2. to expressly provide that any Shareholder or Director attending and participating at a meeting convened and held in any manner permitted by the New Bye-laws by means of electronic facilities shall be deemed to be present at that meeting;

## LETTER FROM THE BOARD

3. to include the definitions of, among other things, “electronic communication”, “electronic meeting”, “hybrid meeting”, “Meeting Location”, “physical meeting” and “Principal Meeting Place”, and make corresponding changes to the relevant provisions;
4. to specify the additional details that need to be included in a notice of general meeting in light of allowing general meetings to be held at one or more meeting locations, or as hybrid meetings or electronic meetings;
5. to expressly allow the chairman of a general meeting to make arrangements for managing the attendance and participation in the meeting, including adjourning the meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting), and imposing appropriate requirements or restrictions to ensure the security and the proper and orderly conduct of the meeting;
6. to provide that, where the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold a general meeting on the date or at the time or place or by means of electronic facilities specified in the notice calling for such meeting, they may change or postpone the meeting to another date, time and/or place, change the electronic facilities and/or change the form of the meeting (a physical meeting, a hybrid meeting or an electronic meeting) without approval from the Shareholders;
7. to allow the delivery of a notice or document by and to the Company through electronic communications;
8. to provide that the Company must hold an annual general meeting in each financial year and such annual general meeting must be held within six months after the end of the Company’s financial year;
9. to provide that a resolution put to the vote at general meetings of the Company shall be decided by poll except in a physical meeting where the chairman may in good faith allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, and that votes may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine;
10. to provide that all Shareholders have the right to speak and vote at a general meeting of the Company, except where a Shareholder is required by the Listing Rules to abstain from voting to approve the matter under consideration;
11. to specify that a Shareholder who is a clearing house may appoint representative(s) to attend any general meeting of the Company or any meeting of any class of Shareholders, and such representative(s) so appointed shall be deemed to be duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house;

## LETTER FROM THE BOARD

12. to clarify that the appointment and remuneration of the auditor of the Company shall be approved by Shareholders by ordinary resolution;
13. to provide that the removal of the auditor of the Company shall be approved by Shareholders by extraordinary resolution;
14. to permit the Company to give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company, subject to compliance with the Listing Rules and any other competent regulatory authority;
15. to elaborate on the issuing of share certificates under the seal of the Company;
16. to remove the requirement that the Company or the Directors shall fix the record date for determining the Shareholders' entitlement to receive any dividend, distribution, allotment or issue on a date on, or at any time not more than 30 days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;
17. to modify the definition of "associate" into that of "close associate", and make corresponding updates to the relevant provisions in relation to any Board resolution approving any contract or arrangement or any other proposal in which a Director or any of his associates and/or close associates is materially interested;
18. to provide that a resolution in writing shall not be passed in lieu of a Board meeting for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material;
19. to provide that the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including the Directors) of the Company and/or its affiliates upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Shareholders at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Shareholders at a general meeting; and
20. to make other amendments to update or clarify provisions of the Bye-laws to better align with the language in the applicable laws of Bermuda and the Listing Rules.

## LETTER FROM THE BOARD

Details of the Proposed Amendments and the full text of the New Bye-laws (marked-up against the consolidated version of the Bye-laws posted on the website of the Stock Exchange) are set out in Appendix II to this circular. The Proposed Amendments are prepared in English. The Chinese translation of the Proposed Amendments is for reference only. In case of any inconsistency or discrepancy between the English version and Chinese version of the Proposed Amendments and the New Bye-laws, the English version shall prevail.

The legal advisers to the Company as to Hong Kong laws have confirmed that the Proposed Amendments conform with the applicable requirements of the Listing Rules and the legal advisers to the Company as to Bermuda laws have confirmed that the Proposed Amendments do not contravene the applicable laws of Bermuda. The Company confirms that there is nothing unusual about the Proposed Amendments for a Bermuda company listed on the Stock Exchange.

#### **(4) AGM**

The notice convening the AGM is set out in Appendix III to this document. At the AGM, amongst others, ordinary resolutions will be proposed to approve the re-election of the retiring Directors, the granting of the Issue Mandate and the Share Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of any Shares repurchased under the Share Repurchase Mandate; and a special resolution will be proposed to approve the proposed amendments to the Bye-laws and the adoption of the New Bye-laws.

A form of proxy for use at the AGM is enclosed with this document. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM (i.e. not later than Wednesday, 8 June 2022 at 10:30 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

Pursuant to rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to Bye-law 66.

## LETTER FROM THE BOARD

### (5) RECOMMENDATION

The Directors consider that the proposed resolutions regarding the re-election of the retiring Directors, the granting of the Issue Mandate and the Share Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of any Shares repurchased under the Share Repurchase Mandate and the proposed amendments to the Bye-laws and the adoption of the New Bye-laws are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the proposed resolutions.

Yours faithfully,  
By order of the Board  
**CHU Kut Yung**  
*Chairman*

*This explanatory statement includes information required under rule 10.06(1)(b) of the Listing Rules to be given to Shareholders in connection with the proposed resolutions authorising the Share Repurchase Mandate.*

## **1. EXERCISE OF THE SHARE REPURCHASE MANDATE**

On the basis of 2,374,493,226 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, exercise in full of the Share Repurchase Mandate could result in up to 237,449,322 Shares being repurchased by the Company during the period from the passing of the resolution relating to the Share Repurchase Mandate up to the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; and (iii) the revocation, variation or renewal of the Share Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders to seek a general authority from Shareholders to enable the Company to repurchase Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share.

The Directors are seeking the grant of general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate. Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

## **3. FUNDING OF REPURCHASES**

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association of the Company and the Bye-laws and the applicable laws of Bermuda. The Company is empowered under its Memorandum of Association to repurchase Shares and the same authority is given under section 42A of the Companies Act 1981 of Bermuda. The Bye-laws supplement the Company's Memorandum of Association by providing that this power is exercisable by the Directors upon such terms and subject to such conditions as they think fit. The Companies Act 1981 of Bermuda provides that the funds permitted to be utilized in connection with a share repurchase may only be paid out of either the capital paid up on the relevant repurchased shares, or the funds of the Company that would otherwise be available for dividend or distribution, or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on a share repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution, or

out of the share premium account of the Company. Such purchase may not be made if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

There might be an adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts as contained in the 2021 Annual Report) in the event that the Share Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors would consider the Company's financial position at the relevant time in exercising the Share Repurchase Mandate and would not propose to exercise any repurchases to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels.

#### **4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

No Directors or (to the best of the knowledge of the Directors having made all reasonable enquiries) any their respective close associates have a present intention, in the event that the Share Repurchase Mandate is approved and exercised, to sell Shares to the Company. No core connected persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Share Repurchase Mandate is approved and exercised.

#### **5. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the Share Repurchase Mandate in accordance with the Listing Rules and all applicable laws of Bermuda, the regulations set out in the Memorandum of Association of the Company and the Bye-laws.

#### **6. TAKEOVERS CODE CONSEQUENCES**

If as the result of a repurchase of Shares a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. A waiver of this provision would not normally be given except in extraordinary circumstances. As at the Latest Practicable Date, Mr. Chu Mang Yee (through his wholly-owned company, Sounda Properties Limited), his son, Mr. Chu Yat Hong (through his wholly-owned company, Farrich Investments Limited) and his daughter, Ms. Chu Kut Yung (in her own capacity and through her wholly-owned company, Ju Rong) held an aggregate of approximately 72.30% of the issued share capital of the Company; and Mr. Au Wai Kin (through his wholly-owned company, Yield Plentiful Incorporated) held approximately 1.60% of the issued share capital of the Company. In the event that the Directors exercise in full the Share Repurchase Mandate (if so approved), the aggregate interests of Mr. Chu Mang Yee, Mr. Chu Yat Hong and Ms. Chu Kut Yung will be increased to approximately 80.33%

and the interests of Mr. Au Wai Kin will be increased to approximately 1.78% of the then issued share capital of the Company. The Directors are not aware of any Shareholder, or group of Shareholders acting in concert, who will become obliged to make a mandatory offer as a result of repurchases of Shares.

Furthermore, the Directors have no intention to exercise the Share Repurchase Mandate to such extent as would cause the public float to fall below 25% or such other minimum percentage as prescribed by the Listing Rules from time to time.

## 7. SHARE REPURCHASES MADE BY THE COMPANY

The Company has repurchased a total of 7,500,600 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date, details of which are as follows:

| Date of repurchase | Number<br>of Shares<br>repurchased | Price of the<br>repurchased Shares |                  |
|--------------------|------------------------------------|------------------------------------|------------------|
|                    |                                    | Highest<br>(HK\$)                  | Lowest<br>(HK\$) |
| 22 October 2021    | 964,000                            | 26.25                              | 25.80            |
| 25 October 2021    | 764,000                            | 25.10                              | 25.10            |
| 26 October 2021    | 1,254,200                          | 24.15                              | 23.20            |
| 27 October 2021    | 423,000                            | 23.95                              | 23.25            |
| 2 November 2021    | 392,200                            | 18.22                              | 17.76            |
| 9 December 2021    | 1,794,700                          | 17.00                              | 16.46            |
| 14 December 2021   | 1,908,500                          | 16.22                              | 15.26            |

Save as disclosed above, the Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

**8. MARKET PRICES**

During each of the previous twelve months up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

| Month  | Per Share         |                  |
|--|-------------------|------------------|
|  | Highest<br>(HK\$) | Lowest<br>(HK\$) |
| <b>2021</b>  |                   |                  |
| April  | 30.55             | 25.10            |
| May  | 38.90             | 29.70            |
| June   | 39.80             | 31.70            |
| July   | 37.45             | 24.70            |
| August   | 30.95             | 24.45            |
| September  | 32.10             | 24.75            |
| October  | 28.10             | 20.95            |
| November   | 21.55             | 17.18            |
| December   | 19.40             | 14.76            |
| <b>2022</b>  |                   |                  |
| January  | 17.46             | 11.20            |
| February   | 17.78             | 15.32            |
| March  | 16.34             | 11.12            |
| April ( <i>up to the Latest Practicable Date</i> ) | 17.20             | 14.62            |

**AMENDED AND RESTATED**

**BYE-LAWS**

**OF**

**Hopson Development Holdings Limited**

~~(Adopted at a Special General Meeting held on 4 April 1998)~~

~~(Amended at a Special General Meeting held on 4 November 2002)~~

~~(Amended at the Annual General Meeting held on 24 May 2004)~~

~~(Amended at the Annual General Meeting held on 6 June 2005)~~

~~(Amended at the Annual General Meeting held on 15 June 2006)~~

(Adopted at the Annual General Meeting held on 10 June 2022)

**INDEX**

| <b><u>SUBJECT</u></b>                  | <b><u>Bye-Law No.</u></b> |
|--|---------------------------|
| Interpretation                         | 1-2                       |
| Share Capital                          | 3                         |
| Alteration Of Capital                  | 4-7                       |
| Share Rights                           | 8-9                       |
| Variation Of Rights                    | 10-11                     |
| Shares                                 | 12-15                     |
| Share Certificates                     | 16-21                     |
| Lien                                   | 22-24                     |
| Calls On Shares                        | 25-33                     |
| Forfeiture Of Shares                   | 34-42                     |
| Register Of Members                    | 43-44                     |
| Record Dates                           | 45                        |
| Transfer Of Shares                     | 46-51                     |
| Transmission Of Shares                 | 52-54                     |
| Untraceable Members                    | 55                        |
| General Meetings                       | 56-58                     |
| Notice Of General Meetings             | 59-60                     |
| Proceedings At General Meetings        | 61-65                     |
| Voting                                 | 66-77                     |
| Proxies                                | 78-83                     |
| Corporations Acting By Representatives | 84                        |
| Written Resolutions Of Members         | 85                        |
| Board Of Directors                     | 86                        |
| Retirement Of Directors                | 87-88                     |
| Disqualification Of Directors          | 89                        |
| Executive Directors                    | 90-91                     |
| Alternate Directors                    | 92-95                     |
| Directors' Fees And Expenses           | 96-99                     |
| Directors' Interests                   | 100-103                   |
| General Powers Of The Directors        | 104-109                   |
| Borrowing Powers                       | 110-113                   |
| Proceedings Of The Directors           | 114-123                   |
| Managers                               | 124-126                   |
| Officers                               | 127-131                   |
| Register of Directors and Officers     | 132                       |
| Minutes                                | 133                       |
| Seal                                   | 134                       |
| Authentication Of Documents            | 135                       |
| Destruction Of Documents               | 136                       |
| Dividends And Other Payments           | 137-146                   |

**INDEX (continued)**

| <b><u>SUBJECT</u></b>  | <b><u>Bye-Law No.</u></b> |
|--|---------------------------|
| Reserves   | 147                       |
| Capitalisation   | 148–149                   |
| Subscription Rights Reserve  | 150                       |
| Accounting Records   | 151–153                   |
| Audit  | 154–159                   |
| Notices  | 160–162                   |
| Signatures   | 163                       |
| Winding Up   | 164–165                   |
| Indemnity  | 166                       |
| Alteration Of Bye-laws And Amendment To<br>Memorandum of Association And Name of Company | 167                       |
| Information  | 168                       |

**INTERPRETATION**

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

| <b>WORD</b>            | <b>MEANING</b>  |
|------------------------|---|
| <u>“announcement”</u>  | <u>an official publication of a Notice or document of the Company, including a publication, subject to and to such extent permitted by the Listing Rules, by electronic communication or by advertisement published in the newspapers or in such manner or means ascribed and permitted by the Listing Rules and applicable laws.</u> |
| “Act”                  | the Companies Act 1981 of Bermuda.  |
| <del>“associate”</del> | <del>the meaning attributed to it in the rules of the Designated Stock Exchange.</del>  |
| “Auditor”              | the auditor of the Company for the time being and may include any individual or partnership.  |
| <del>“Bye laws”</del>  | <del>these Bye laws in their present form or as supplemented or amended or substituted from time to time.</del>   |
| “Board” or “Directors” | the board of directors of the Company or the directors present at a meeting of directors of the Company at which a quorum is present.   |
| <u>“Bye-laws”</u>      | <u>these Bye-laws in their present form or as supplemented or amended or substituted from time to time.</u>   |

**APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS**

|                                    |   |
|------------------------------------|---|
| “capital”                          | the share capital <u>of the Company</u> from time to time <del>of the Company.</del>  |
| “clear days”                       | in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.  |
| “clearing house”                   | <del>a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto for the time in force or</del> a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.         |
| <u>“close associate”</u>           | <u>in relation to any Director, shall have the same meaning as defined in the Listing Rules as modified from time to time, except that for purposes of Bye-law 103 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.</u> |
| “Company”                          | Hopson Development Holdings Limited.  |
| “competent regulatory authority”   | a competent regulatory authority in the territory where the shares of the Company are listed or quoted on a stock exchange in such territory.   |
| “debenture” and “debenture holder” | include debenture stock and debenture stockholder respectively.   |
| “Designated Stock Exchange”        | a stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.   |
| <u>“electronic communication”</u>  | <u>a communication sent, transmitted, conveyed and received by wire, by radio, by optical means or by other electron magnetic means in any form through any medium.</u>   |

**APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS**

|                                  |  |
|----------------------------------|--|
| <u>“electronic meeting”</u>      | <u>a general meeting held and conducted wholly and exclusively by virtual attendance and participation by Members and/or proxies by means of electronic facilities.</u>  |
| “dollars” and “\$”               | dollars, the legal currency of Hong Kong.  |
| “head office”                    | such office of the Company as the Directors may from time to time determine to be the principal office of the Company.   |
| <u>“hybrid meeting”</u>          | <u>a general meeting held and conducted by the (i) physical attendance and participation by Members and/or proxies at the Principal Meeting Place and where applicable, one or more Meeting Locations and (ii) virtual attendance and participation by Members and/or proxies by means of electronic facilities.</u> |
| <u>“Listing Rules”</u>           | <u>the rules and regulations of the Designated Stock Exchange.</u>   |
| “Member”                         | a duly registered holder from time to time of the shares in the capital of the Company.  |
| <u>“Meeting Location”</u>        | <u>has the meaning given to it in Bye-law 64(A).</u>   |
| “month”                          | a calendar month.  |
| “Notice”                         | written notice unless otherwise specifically stated and as further defined in these Bye-laws.  |
| “Office”                         | the registered office of the Company for the time being.   |
| “paid up”                        | paid up or credited as paid up.  |
| <u>“physical meeting”</u>        | <u>a general meeting held and conducted by physical attendance and participation by Members and/or proxies at the Principal Meeting Place and/or where applicable, one or more Meeting Locations.</u>  |
| <u>“Principal Meeting Place”</u> | <u>shall have the meaning given to it in Bye-law 59(2).</u>  |
| “Register”                       | the principal register and where applicable, any branch register of Members <del>of the Company</del> to be kept pursuant to the provisions of the Act.  |

|                                  |   |
|----------------------------------|---|
| “Registration Office”            | in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered. |
| “Seal”                           | common seal or any one or more duplicate seals of the Company (including a securities seal) for use in Bermuda or in any place outside Bermuda.   |
| “Secretary”                      | any person, firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, deputy, temporary or acting secretary.  |
| “Statutes”                       | the Act and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.  |
| <u>“substantial shareholder”</u> | <u>a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the Listing Rules from time to time) of the voting power at any general meeting of the Company.</u>   |
| “year”                           | a calendar year.  |

2. In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:
- (a) words importing the singular include the plural and vice versa;
  - (b) words importing a gender include both gender and the neuter;
  - (c) words importing persons include companies, associations and bodies of persons whether corporate or not;
  - (d) the words:
    - (i) “may” shall be construed as permissive;
    - (ii) “shall” or “will” shall be construed as imperative;

|  |
|--|
| <b>APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS</b> |
|--|

- (e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing or reproducing words or figures in a legible and non-transitory form or, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words or figures partly in one visible form and partly in another visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member's election comply with all applicable Statutes, rules and regulations;
- (f) references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;
- (g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;
- (h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which ~~not less than twenty one (21) clear days' Notice, specifying (without prejudice to the power contained in these Bye laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety five (95) per cent. in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty one (21) clear days' Notice has been given~~ Notice has been duly given in accordance with Bye-law 59;
- (i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which ~~not less than fourteen (14) days' Notice has been duly given~~ in accordance with Bye-law 59;
- (j) a special resolution or an extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes;
- (k) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;

- (l) references to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;
- (m) a reference to a meeting shall mean a meeting convened and held in any manner permitted by these Bye-laws and any Member or Director (including without limitation, the chairman of the meeting) attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and these Bye-laws, and attend, participate, attending, participating, attendance and participation shall be construed accordingly;
- (n) references to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak, communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes or these Bye-laws to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;
- (o) references to electronic facilities include, without limitation, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise); and
- (p) where a Member is a corporation, any reference in these Bye-laws to a Member shall, where the context requires, refer to a duly authorised representative of such Member.

### SHARE CAPITAL

3. (1) The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into shares of a par value of \$0.10 each.
- (2) Subject to the Act, the Company's memorandum of association and, where applicable, the ~~rules of any Designated Stock Exchange Listing Rules~~ and/or the rules of any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.
- (3) ~~Neither~~ Subject to compliance with the Listing Rules and the rules of any other competent regulatory authority, the Company ~~nor any of its subsidiaries shall directly or indirectly may~~ give financial assistance to a person who is acquiring or proposing to acquire shares in the Company for the purpose of that acquisition whether before or at the same time as the acquisition takes place or afterwards PROVIDED that nothing in

~~this Bye law shall prohibit transactions permitted by the Act for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.~~

**ALTERATION OF CAPITAL**

4. The Company may from time to time by ordinary resolution in accordance with Section 45 of the Act:
  - (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
  - (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
  - (c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;
  - (d) 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 Act), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;
  - (e) change the currency denomination of its share capital;
  - (f) make provision for the issue and allotment of shares which do not carry any voting rights; and
  - (g) 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 capital by the amount of the shares so cancelled.
  
5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Bye-law and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst

the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its ~~authorised or~~ issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve ~~in any manner permitted by law.~~
7. Except so far as otherwise provided by the conditions of issue, or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

#### **SHARE RIGHTS**

8. Subject to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine.

#### **VARIATION OF RIGHTS**

10. Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these

Bye-laws relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

- (a) the necessary quorum (other than at an adjourned meeting) shall be two (2) persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two (2) holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum; and
  - (b) every holder of shares of the class shall be entitled ~~on a poll~~ to one vote for every such share held by him; ~~and~~
  - (c) ~~any holder of shares of the class present in person or by proxy may demand a poll.~~
11. 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, modified or abrogated by the creation or issue of further shares ranking pari passu therewith.

### SHARES

12. (1) Subject to the Act, ~~and these Bye-laws,~~ any direction that may be given by the Company in general meeting and, where applicable, the ~~rules of any Designated Stock Exchange Listing Rules~~ and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of ~~Members~~ for any purpose whatsoever.
- (2) The Board may issue warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Act. Subject to the Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.
14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Bye-laws or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
15. Subject to the Act and these Bye-laws, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

#### **SHARE CERTIFICATES**

16. Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. The Seal may only be affixed or imprinted to a share certificate with the authority of the Directors, or be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors. No certificate shall be issued and representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.  
  
(2) Where a share stands in the names of two (2) or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.

18. Every person whose name is entered, upon an allotment of shares, as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines.
19. Share certificates shall be issued within the relevant time limit as prescribed in the Act or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.
20. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him at such fee as is provided in paragraph (2) of this Bye-law. If any of the shares included in the certificate so given up shall be retained by the transferor a new certificate for the balance shall be issued to him at the aforesaid fee payable by the transferor to the Company in respect thereof.  
  
(2) The fee referred to in paragraph (1) above shall be an amount not exceeding the relevant maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time determine a lower amount for such fee.
21. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Member upon request and on payment of such fee as the Designated Stock Exchange may determine to be the maximum fee payable or such lesser sum as the Board may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed.

**LIEN**

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such ~~an~~ Member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and

notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member ~~of the Company~~ or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

23. Subject to these Bye-laws, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
24. The net proceeds of the sale shall be received by the Company and applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

#### **CALLS ON SHARES**

25. Subject to these Bye-laws and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.
26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments.
27. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.

**APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS**

28. If a sum called in respect of a share 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 amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board may determine, but the Board may in its absolute discretion waive payment of such interest wholly or in part.
29. No Member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another Member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
30. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register as the holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member sued, in pursuance of these Bye-laws; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
31. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Bye-laws shall apply as if that amount had become due and payable by virtue of a call duly made and notified.
32. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
33. The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's Notice of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

**FORFEITURE OF SHARES**

34. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' Notice:
- (a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and
  - (b) stating that if the Notice is not complied with the shares on which the call was made will be liable to be forfeited.
- (2) If the requirements of any such Notice are not complied with, any share in respect of which such Notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.
35. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such Notice.
36. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-laws to forfeiture will include surrender.
37. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.
38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share. When any share shall have been forfeited, notice of the declaration shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.
40. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
41. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
42. The provisions of these Bye-laws as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**REGISTER OF MEMBERS**

43. (1) The Company shall keep in one or more books a Register ~~of its Members~~ and shall enter therein the following particulars, that is to say:
- (a) the name and address of each Member, the number and class of shares held by him and, in respect of any shares that are not fully paid, the amount paid or agreed to be considered as paid on such shares;
  - (b) the date on which each person was entered in the Register; and
  - (c) the date on which any person ceased to be a Member.
- (2) Subject to the Act, the Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.

44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon ~~on every~~ during business ~~day~~ hours by ~~Members~~ members of the public without charge ~~or by any other person, upon a maximum payment of five Bermuda dollars,~~ at the Office or such other place ~~in Bermuda~~ at which the Register is kept in accordance with the Act ~~or, if appropriate, upon a maximum payment of ten dollars at the Registration Office.~~ The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means ~~and~~ in such manner as may be accepted by ~~any~~ the Designated Stock Exchange to that effect, be closed 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 or in accordance with applicable laws and the Listing Rules.

#### **RECORD DATES**

45. ~~Notwithstanding~~ Subject to the Listing Rules, notwithstanding any other provision of these Bye-laws the Company or the Directors may fix any date as the record date for:
- (a) determining the Members entitled to receive any dividend, distribution, allotment or issue ~~and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;~~
  - (b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

#### **TRANSFER OF SHARES**

46. Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the Listing Rules or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.
47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to Bye-law 46, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

48. (1) The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.
- (2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.
- (3) The Board in so far as permitted by any applicable law may, in its 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 branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.
- (4) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act.
49. Without limiting the generality of the last preceding Bye-law, the Board may decline to recognise any instrument of transfer unless:-
- (a) a fee of such maximum sum as the Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;
- (b) the instrument of transfer is in respect of only one class of share;
- (c) the instrument of transfer is lodged at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
- (d) if applicable, the instrument of transfer is duly and properly stamped.

50. If the Board refuses to register a transfer of any share, it shall, within two (2) months after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.
51. The registration of transfers of shares or of any class of shares may, after notice has been given by announcement or by electronic communication or by advertisement in an appointed newspaper and, where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means ~~and~~ in such manner as may be accepted by ~~any~~ the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

**TRANSMISSION OF SHARES**

52. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Bye-law will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.
53. Subject to Section 52 of the Act, any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the Registration Office or Office, as the case may be, to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of shares shall apply to 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 such Member.
54. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 75(2) being met, such a person may vote at meetings.

**UNTRACEABLE MEMBERS**

55. (1) Without prejudice to the rights of the Company under paragraph (2) of this Bye-law, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two (2) consecutive

occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

- (2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:
- (a) all cheques or warrants in respect of dividends of the shares in question, being not less than three (3) in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-laws ~~of the Company~~ have remained uncashed;
  - (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
  - (c) the Company, if so required by the ~~rules governing the listing of shares on the Designated Stock Exchange Listing Rules~~, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Designated Stock Exchange to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (c) of this Bye-law and ending at the expiry of the period referred to in that paragraph.

- (3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Bye-law shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

**GENERAL MEETINGS**

56. ~~An~~ Subject to the Act, an annual general meeting of the Company shall be held in each financial year other than the financial year in which its statutory meeting is convened ~~at and such time (within a period of not more than fifteen~~ annual general meeting must be held within six (156) months after the holding end of the last preceding annual general meeting ~~Company's financial year (unless a longer period would not infringe the rules of the Designated Stock Exchange Listing Rules, if any) and place as may be determined by the Board.~~
57. Each general meeting, other than an annual general meeting, shall be called a special general meeting. ~~General~~ All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held as a physical meeting in any part of the world and at one or more locations as provided in Bye-law 64A, as a hybrid meeting or as an electronic meeting, as may be determined by the Board in its absolute discretion.
58. The Board may whenever it thinks fit call special general meetings, and Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition to be added to the meeting agenda; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may ~~do so~~ convene such meeting in accordance with the provisions of Section 74(3) of the Act.

**NOTICE OF GENERAL MEETINGS**

59. (1) An annual general meeting ~~and any special general meeting at which the passing of a special resolution is to be considered~~ shall be called by Notice of not less than twenty-one (21) clear days' ~~Notice~~. All other ~~special~~ general meetings may (including a special general meeting) must be called by Notice of not less than fourteen (14) clear days' ~~Notice~~ but if permitted by the Listing Rules, a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together ~~holding representing~~ representing not less than ninety-five per cent. (95%) ~~in nominal value of the total voting rights at the meeting of all the issued shares giving that right~~ Members.

(2) The ~~Notice~~ shall specify (a) the time and date of the meeting, (b) save for an electronic meeting, the place of the meeting and, in case of special business, the general nature of the business if there is more than one meeting location as determined by the Board pursuant to Bye-law 64A, the principal place of the meeting (the “Principal Meeting Place”), (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the Notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting, and (d) particulars of resolutions to be considered at the meeting. The ~~Notice~~ convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

60. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non-receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

**PROCEEDINGS AT GENERAL MEETINGS**

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

(2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person ~~(or in the case of a Member being a corporation by its duly or by proxy or, for quorum purposes only, two (2) persons appointed by the clearing house as authorised representative representatives)~~ or by proxyproxies, shall form a quorum for all purposes.

62. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and (where applicable) same place(s) or to such time and (where applicable) such place-as(s) and in such form and manner referred to in Bye-law 57 as the chairman of the meeting (or in

default, the Board) may absolutely determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.

63. The ~~president~~ chairman of the Company or ~~the~~ if there is more than one chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman at every a general meeting. If at any meeting ~~the president or the~~ no chairman, as the case may be, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or ~~if neither of them~~ is willing to act as chairman, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no chairman or deputy chairman is present or is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.
64. ~~The~~ Subject to Bye-law 64C, the chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' ~~n~~ Notice of the adjourned meeting shall be given specifying the ~~time and place of the adjourned meeting~~ details set out in Bye-law 59(2) but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.
- 64A (1) The Board may, at its absolute discretion, arrange for persons entitled to attend and participate in a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations (“Meeting Location(s)”) determined by the Board at its absolute discretion. Any Member or any proxy attending and participating in such way or any Member or proxy attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.

**APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS**

- (2) All general meetings are subject to the following and, where appropriate, all reference to “Member” or “Members” in this sub-paragraph (2) shall include a proxy or proxies respectively:
- (a) where a Member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;
  - (b) Members present in person or by proxy at a Meeting Location and/or Members participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that Members at all Meeting Locations and Members participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;
  - (c) where Members attend a meeting by being present at one of the Meeting Locations and/or where Members participating in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more Members or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and
  - (d) if any of the Meeting Locations is outside the jurisdiction of the Principal Meeting Place and/or in the case of a hybrid meeting, unless otherwise stated in the Notice, the provisions of these Bye-laws concerning the service and giving of Notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place; and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the Notice for the meeting.

64B. The Board and, at any general meeting, the chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or participation in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a Member who, pursuant to such arrangements, is not

entitled to attend and participate, in person or by proxy, at any Meeting Location shall be entitled so to attend and participate at one of the other Meeting Locations; and the entitlement of any Member so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the Notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

64C. If it appears to the chairman of the general meeting that:

- (a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Bye-law 64A(1) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the Notice of the meeting;
- (b) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate;
- (c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to speak, communicate and/or vote at the meeting; or
- (d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

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

64D. (1) The Board and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction the Board or the chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place, determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Members shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Bye-law shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.

64E. If, after the sending of Notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not Notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the Notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from the Members. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every Notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Bye-law shall be subject to the following:

- (a) when a meeting is so postponed, the Company shall endeavour to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of such meeting);
- (b) when only the form of the meeting or electronic facilities specified in the Notice are changed, the Board shall notify the Members of details of such change in such manner as the Board may determine;
- (c) when a meeting is postponed or changed in accordance with this Bye-law, subject to and without prejudice to Bye-law 64, unless already specified in the original Notice of the meeting, the Board shall fix the date, time, place (if applicable) and electronic facilities (if applicable) for the postponed or changed meeting and shall notify the Members of such details in such manner as the Board may determine; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Bye-laws not less than forty-eight (48) hours before the time of the postponed or changed meeting; and
- (d) notice of the business to be transacted at the postponed or changed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed or changed meeting is the same as that set out in the original Notice of general meeting circulated to the Members.

64F All persons seeking to attend and participate in an electronic meeting or a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Bye-law 64C, any inability of a person or persons to attend or participate in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.

64G Without prejudice to other provisions in Bye-laws 64, 64A to 64F, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons attending and participating in the meeting to communicate with each other simultaneously and instantaneously, and attendance and participation in such a meeting shall constitute presence in person at such meeting.

65. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

### VOTING

66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a ~~show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Act), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative~~ shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided on by way of a poll save that in the case of a physical meeting, the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands unless (in which case every Member present in person or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. Votes may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

(2) In the case of a physical meeting where a show of hands is allowed, before or on the declaration of the result of the show of hands ~~or on the withdrawal of any other demand for~~ a poll) a poll is may be demanded:

~~(a) by the chairman of such meeting; or~~

~~(b)(a)~~ by at least three (3) Members present in person ~~(or in the case of a Member being a corporation by its duly authorised representative)~~ or by proxy for the time being entitled to vote at the meeting; ~~or~~

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

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

A demand by a person as proxy for a Member ~~or in the case of a Member being a corporation by its duly authorised representative~~ shall be deemed to be the same as a demand by athe Member.

67. ~~Unless~~ Where a poll resolution is duly demanded and the demand is not withdrawn voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.

68. ~~If a poll is duly demanded the~~ The result of the poll shall be deemed to be the resolution of the meeting ~~at which the poll was demanded. There.~~ The Company shall only be ~~no~~ requirement for the chairman required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules.

69. ~~A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.~~ [Reserved]

|  |
|--|
| <b>APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS</b> |
|--|

70. ~~The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.~~ [Reserved]
71. On a poll votes may be given either personally or by proxy.
72. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
73. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Bye-laws or by the Act. In the case of an equality of votes, ~~whether on a show of hands or on a poll,~~ the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
74. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.
75. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, ~~whether on a show of hands or on a poll,~~ by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote ~~on a poll~~ by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, or ~~poll~~ postponed meeting, as the case may be.
- (2) Any person entitled under Bye-law 53 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight (48) hours at least before the time of the holding of the meeting or adjourned meeting or postponed meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

76. (1) No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- (2) All Members have the right to (a) speak at a general meeting, and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.
- ~~(2)~~(3) Where the Company has ~~any~~ knowledge that any Member is, under the ~~rules of the Designated Stock Exchange Listing Rules~~, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
77. If:
- (a) any objection shall be raised to the qualification of any voter; or
  - (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
  - (c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting or postponed meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or postponed 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.

### PROXIES

78. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two (2) or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies 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.
79. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. 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.

80. (1) The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Bye-laws) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Bye-law is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Bye-law or if no electronic address is so designated by the Company for the receipt of such document or information.
- (2) The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate), or if the Company has provided an electronic address in accordance with the preceding paragraph, shall be received at the electronic address specified, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting or postponed meeting at which the person named in the instrument proposes to vote ~~or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 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.~~ No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or ~~on a poll demanded at a meeting or an adjourned postponed~~ meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting ~~in person~~ at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

81. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority ~~to demand or join in demanding a poll and~~ to vote on a resolution (or any amendment of a resolution 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 or postponement 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 Bye-laws has not been received in accordance with the requirements of these Bye-laws. Subject to aforesaid, if the proxy appointment and any of the information required under these Bye-laws is not received in the manner set out in these Bye-laws, the appointee shall not be entitled to vote in respect of the shares in question.
82. 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 it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting; ~~or the taking of the poll~~ postponed meeting, at which the instrument of proxy is used.
83. Anything which under these Bye-laws a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Bye-laws relating to proxies and instruments appointing proxies shall apply mutatis mutandis in relation to any such attorney and the instrument under which such attorney is appointed.

**CORPORATIONS ACTING BY REPRESENTATIVES**

84. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.
- (2) ~~If permitted by the Act, Where a Member is a clearing house (or its nominee(s) if and, in each case, being a corporation being a Member),~~ it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly

authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.

- (3) Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye-law.

### **WRITTEN RESOLUTIONS OF MEMBERS**

85. (1) Subject to the Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution or an extraordinary resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.
- (2) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye-law 86(4) or for the purposes set out in Bye-law 154(3) relating to the removal and appointment of the Auditor.

### **BOARD OF DIRECTORS**

86. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 87 or at any special general meeting called for such purpose and who shall hold office until for such term as the next appointment of Directors Members may determine or, in the absence of such determination, in accordance with Bye-law 87 or until their successors are elected or appointed, or their office is otherwise vacated. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.
- (2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board

but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed ~~by the Board~~ shall hold office ~~only~~ until the next following annual general meeting of the Company and shall then be eligible for re-election ~~at that meeting~~.

- (3) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.
- (4) ~~Subject to any provision to the contrary in these Bye-laws the~~ The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.
- (5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed to hold office until the next appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment such general meeting may authorise the Board to fill any vacancy in the number left unfilled.
- (6) The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).

#### RETIREMENT OF DIRECTORS

87. (1) ~~Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the rules of the Designated Stock Exchange, and notwithstanding Notwithstanding any contractual or other terms on which any Director may be appointed or engaged provisions in the Bye-laws,~~ at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director ~~(including those appointed for a specific term)~~ shall be subject to retirement at least once every three (3) years.
- (2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of ~~4~~Directors to retire by rotation)

any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless ~~during a period of not less than seven (7) days commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven (7) days prior to the date appointed for the meeting there shall have been lodged at the Office or at the head office~~ a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on 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.

#### DISQUALIFICATION OF DIRECTORS

89. The office of a Director shall be vacated if the Director:
- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board ~~whereupon the Board resolves to accept such resignation;~~
  - (2) becomes of unsound mind or dies;
  - (3) without special leave of absence from the Board, is absent from meetings of the Board for six (6) consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated; ~~or~~
  - (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
  - (5) is prohibited by law from being a Director; or
  - (6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws.

No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.

**EXECUTIVE DIRECTORS**

90. The Board may from time to time appoint any one or more of its body to be a managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director. A Director appointed to an office under this Bye-law shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
91. Notwithstanding Bye-laws 96, 97, 98 and 99, an executive director appointed to an office under Bye-law 90 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director.

**ALTERNATE DIRECTORS**

92. Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint any person to be his alternate Director. Any person so appointed shall have all the rights and powers of the Director or Directors for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present. An alternate Director may be removed at any time by the person or body which appointed him and, subject thereto, the office of alternate Director shall continue until the ~~next annual election of Directors or, if earlier, the date on happening of any event which the relevant, if he were a Director, would cause him to vacate such office or if his appointer ceases for any reason~~ to be a Director. Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor and delivered to the Office or head office or tendered at a meeting of the Board. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of

his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director save that as an alternate for more than one Director his voting rights shall be cumulative.

93. An alternate Director shall only be a Director for the purposes of the Act and shall only be subject to the provisions of the Act insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified by the Company to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.
94. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, the signature of an alternate Director to any resolution in writing of the Board or a committee of the Board of which his appointor is a member shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
95. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director, however, such alternate Director or any other person may be re-appointed by the Directors to serve as an alternate Director PROVIDED always that, if at any meeting any Director retires but is re-elected at the same meeting, any appointment of such alternate Director pursuant to these Bye-laws which was in force immediately before his retirement shall remain in force as though he had not retired.

#### **DIRECTORS' FEES AND EXPENSES**

96. The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.
97. Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.

98. Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye-law.
99. The Board shall obtain the approval of the Company in general meeting before making any payment 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 (not being payment to which the Director is contractually entitled).

**DIRECTORS' INTERESTS**

100. A Director may:
- (a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and, subject to the relevant provisions of the Act, upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Bye-law;
  - (b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director;
  - (c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by these Bye-laws the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director,

deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

101. Subject to the Act and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law 102 herein.

102. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Bye-law, a general Notice to the Board by a Director to the effect that:

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or
- (b) he is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or arrangement, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) ~~any contract or arrangement for~~ the giving of any security or indemnity either:-

**APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS**

- (a) to ~~such~~ the Director or his close associate(s) ~~any security or indemnity~~ in respect of money lent ~~by him or any of his associates~~ or obligations incurred or undertaken by him or any of ~~his associates~~ them at the request of or for the benefit of the Company or any of its subsidiaries; or
- (ii)(b) ~~any contract or arrangement for the giving of any security or indemnity~~ to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii)(ii) ~~any contract or arrangement~~ proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase; where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) ~~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 or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;~~
- (v) ~~any contract or arrangement 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 a shareholder other than a company in which the Director and/or his associate(s) is/are beneficially interested in five (5) per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or~~
- (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
- (vi)(a) ~~any proposal concerning the adoption, modification or operation of a~~ any employees' share scheme or any share incentive or share option scheme; under which the Director or his close associate(s) may benefit; or
- (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme ~~or other arrangement~~ which relates ~~both~~ to ~~Directors, their associates~~ the Director, his close associate(s) and employees employee(s) of the Company ~~or of any of its subsidiaries~~ and does not provide in respect of any Director, or ~~any of his associates~~ close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

- (iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- ~~(2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or any of his associates (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.~~
- ~~(3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.~~
- ~~(4)~~(2) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or ~~his associate(s) or~~ as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, 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 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 ~~and/or his associate(s) concerned~~ as known to such chairman has not been fairly disclosed to the Board.

### GENERAL POWERS OF THE DIRECTORS

104. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of

the Statutes and of these Bye-laws and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.

- (2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two (2) of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.
- (3) Without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:
  - (a) ~~To~~ give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed-;
  - (b) ~~To~~ give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration-; and
  - (c) ~~To~~ resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Act.

105. The Board may establish any regional or local boards or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration (either by way of salary or by commission or by conferring the right to participation in the profits of the Company or by a combination of two (2) or more of these modes) and pay the working expenses of any staff employed by them upon the business of the Company. The Board may delegate to any regional or local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any of them to fill any vacancies therein and to act notwithstanding vacancies. 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 appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.

106. The Board may by power of attorney appoint under the Seal any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney or attorneys may, if so authorised under the Seal of the Company, execute any deed or instrument under their personal seal with the same effect as the affixation of the ~~Company's~~ Seal.
107. The Board may entrust to and confer upon a managing director, joint managing director, deputy managing director, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
108. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.
109. (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.
- (2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

**BORROWING POWERS**

110. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
111. Debentures, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
112. Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.
113. (1) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.
- (2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the Act in regard to the registration of charges and debentures therein specified and otherwise.

**PROCEEDINGS OF THE DIRECTORS**

114. The Board may meet for the despatch of business, adjourn or postpone and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.
115. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board ~~of which notice may whenever he shall be required so to do by any Director.~~ Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or by electronic means to an electronic address from time to time notified to the Company by such Director or (if the recipient consents to it being made available on a website) by making it available on a website or in such other manner as the Board may from time to time determine. ~~whenever he shall be required so to do by the president or chairman, as the case may be, or any Director.~~
116. (1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2). An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate provided that he shall not be counted more than once for the purpose of determining whether or not a quorum is present.
- (2) Directors may participate in any meeting of the Board by means of a conference telephone, electronic facilities or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.
- (3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
117. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Bye-laws, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Bye-laws as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.

118. The Board may elect ~~a~~one or more chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting ~~neither the~~no chairman ~~nor any~~or deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
119. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
120. (1) The Board may delegate any of its powers, authorities and discretions to committees, consisting of such Director or Directors and other persons as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.
- (2) All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.
121. The meetings and proceedings of any committee consisting of two (2) or more members shall be governed by the provisions contained in these Bye-laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Bye-law.
122. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that such number is sufficient to constitute a quorum and that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Bye-laws and further provided that no Director is aware of or has received any objection to the resolution from any Director. A notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his/her signature to such resolution in writing for the purpose of this Bye-law. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.

123. All acts bona fide done by the Board or by any committee or by any person acting as a Director or members of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

**MANAGERS**

124. The Board may from time to time appoint a general manager, a manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two (2) or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.

125. The appointment of such general manager, manager or managers may be for such period as the Board may decide, and the Board may confer upon him or them all or any of the powers of the Board as ~~they~~it may think fit.

126. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in their absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

**OFFICERS**

127. (1) The officers of the Company shall consist of ~~a president and vice president or chairman and deputy chairman~~, the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 132(4), these Bye-laws.

~~(2) The Directors shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a president and a vice president or a chairman and a deputy chairman; and if more than one (1) Director is proposed for either of these offices, the election to such office shall take place in such manner as the Directors may determine.~~

~~(3)~~(2) The officers shall receive such remuneration as the Directors may from time to time determine.

- ~~(4)~~(3) Where the Company appoints and maintains a resident representative ordinarily resident in Bermuda in accordance with the Act, the resident representative shall comply with the provisions of the Act.
- (4) The Company shall provide the resident representative with such documents and information as the resident representative may require in order to be able to comply with the provisions of the Act.
- (5) The resident representative shall be entitled to have notice of, attend and be heard at all meetings of the Directors or of any committee of such Directors or general meetings of the Company.
128. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two (2) or more persons may be appointed as joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Secretaries.
- (2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Act or these Bye-laws or as may be prescribed by the Board.
129. ~~The president or the chairman, as the case may be, shall act as chairman at all meetings of the Members and of the Directors at which he is present. In his absence a chairman shall be appointed or elected by those present at the meeting.~~ [RESERVED]
130. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.
131. A provision of the Act or of these Bye-laws 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.

**REGISTER OF DIRECTORS AND OFFICERS**

132. (1) The Board shall cause to be kept in one or more books at ~~its~~the Office a Register of Directors and Officers and shall enter therein the following particulars with respect to each Director and Officer, that is to say:
- (a) in the case of an individual, his or her present first name, surname and address; and
- (b) in the case of a company, its name and registered office.

**APPENDIX II      DETAILS OF THE PROPOSED AMENDMENTS TO THE BYE-LAWS**

- (2) The Board shall within a period of fourteen (14) days from the occurrence of:
- (a) any change among ~~its~~the Directors and Officers; or
  - (b) any change in the particulars contained in the Register of Directors and Officers, cause to be entered on the Register of Directors and Officers the particulars of such change ~~and of the date on which it occurred.~~
- (3) The Register of Directors and Officers shall be open to inspection by members of the public without charge at the Office between 10:00 a.m. and 12:00 noon ~~on every~~ during business ~~day~~ hours.
- (4) In this Bye-law “Officer” has the meaning ascribed to it in Section 92A(7) of the Act.

**MINUTES**

133. (1) The Board shall cause Minutes to be duly entered in books provided for the purpose:
- (a) of all elections and appointments of officers;
  - (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
  - (c) of all resolutions and proceedings of each general meeting of the Members, and meetings of the Board ~~and meetings of committees of the Board and where there are managers, of all proceedings of meetings of the managers.~~
- (2) Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the Office.

**SEAL**

134. (1) The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal ~~of the Company~~ with the addition of the words “Securities Seal” on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two (2) Directors or by such other person (including a Director) or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be

dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in the manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.

- (2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

#### **AUTHENTICATION OF DOCUMENTS**

135. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, 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 if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

#### **DESTRUCTION OF DOCUMENTS**

136. (1) The Company shall be entitled to destroy the following documents at the following times:
- (a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;
  - (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;
  - (c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;
  - (d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and

- (e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of seven (7) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that: (1) the foregoing provisions of this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim; (2) nothing contained in this Bye-law shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled; and (3) references in this Bye-law to the destruction of any document include references to its disposal in any manner.

- (2) Notwithstanding any provision contained in these Bye-laws, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in subparagraphs (a) to (e) of paragraph (1) of this Bye-law and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.

### **DIVIDENDS AND OTHER PAYMENTS**

- 137. Subject to the Act, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board. The Company in general meeting may also make a distribution to the Members out of any contributed surplus (as ascertained in accordance with the Act).
- 138. No dividend shall be paid or distribution made out of contributed surplus if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than ~~the aggregate of its liabilities and its issued share capital and share premium accounts.~~

139. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:
- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Bye-law as paid up on the share; and
  - (b) 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.
140. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board, justifies such payment.
141. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
142. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.
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 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 on 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 notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two (2) 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.

144. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to 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.
145. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the Members. The Board may resolve that no such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.
146. (1) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:
- (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:
    - (i) the basis of any such allotment shall be determined by the Board;
    - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election

and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

- (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
  - (iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“the non-elected shares”) and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or
- (b) that the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
- (i) the basis of any such allotment shall be determined by the Board;
  - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks’ Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
  - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment

determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.

- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank pari passu in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (a) or (b) of paragraph (~~2~~1) of this Bye-law in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank for participation in such distribution, bonus or rights.
- (b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Bye-law, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (3) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read

and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

- (5) Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Bye-law shall mutatis mutandis apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.

#### **RESERVES**

147. Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as 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, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

#### **CAPITALISATION**

148. (1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law ~~and subject to Section 40(2A) of the Act~~, a share premium account and any reserve or fund representing unrealised profits, may be applied only in

paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

- (2) Notwithstanding any provisions in these Bye-laws, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting.

149. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Bye-law and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

#### **SUBSCRIPTION RIGHTS RESERVE**

150. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Act:

- (1) 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 of the conditions of the warrants, would reduce the subscription price to below the ~~par~~-nominal value of a share, then the following provisions shall apply:
- (a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-law) maintain in accordance with the provisions of this Bye-law a reserve (the "Subscription Rights 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 (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;

- (b) the Subscription Rights 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) 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;
- (c) 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:
  - (i) 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
  - (ii) 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 Rights 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 holders; and

- (d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights 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) 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 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.

- (2) Shares allotted pursuant to the provisions of this Bye-law 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 (1) of this Bye-law, no fraction of any share shall be allotted on exercise of the subscription rights.
- (3) The provision of this Bye-law as to the establishment and maintenance of the Subscription Rights Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating the provisions for the benefit of any warrant holder or class of warrant holders under this Bye-law without the sanction of a special resolution of such warrant holders or class of warrant holders.
- (4) A certificate or report by the ~~auditors for the time being of the Company~~ Auditors as to whether or not the Subscription Rights 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 Rights 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 Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

#### **ACCOUNTING RECORDS**

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

152. The accounting records shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or the Company in general meeting.
153. Subject to Section 88 of the Act and Bye-law 153A, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the annual general meeting and laid before the Company ~~in~~ at the annual general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.
- 153A. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange Listing Rules~~, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 153 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, ~~a summary~~ summarised financial statements derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to ~~a summary~~ summarised financial statements, a complete printed copy of the Company's annual financial statements and the directors' report thereon.
- 153B. The requirement to send to a person referred to in Bye-law 153 the documents referred to in that provision or a summary financial report in accordance with Bye-law 153A shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange Listing Rules~~, the Company publishes copies of the documents referred to in Bye-law 153 and, if applicable, a summary financial report complying with Bye-law 153A, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

AUDIT

154. (1) Subject to Section 88 of the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members shall by ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- (2) Subject to Section 89 of the Act, a person, other than ~~a retiring~~ an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than ~~fourteen~~ twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the ~~retiring~~ incumbent Auditor.
- (3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~ extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
155. Subject to Section 88 of the Act the accounts of the Company shall be audited at least once in every year.
156. The remuneration of the Auditor shall be fixed by the Company in general meeting by ordinary resolution or in such manner as the Members may determine.
157. ~~If The Directors may fill any casual vacancy in the office of auditor becomes vacant by the resignation or death of the Auditor but while any such vacancy continues, the surviving or continuing Auditor; or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable convene a special~~ Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law 154(3), an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting to fill the vacancy of the Company and shall then be subject to appointment by the Members under Bye-law 154(1) at such remuneration to be determined by the Members under Bye-law 156.
158. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.

159. The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If the auditing standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.

**NOTICES**

160. (1) Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the ~~rules of the Designated Stock Exchange~~ Listing Rules), whether or not, to be given or issued under these Bye-laws from the Company ~~to a Member~~ shall be ~~given~~ in writing or by ~~electronic transmission~~, cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such Notice and ~~(where appropriate) any other document may be served~~ given or ~~delivered~~ issued by the Company ~~on or to any Member either~~ following means:

- (a) by serving it personally ~~or on the relevant person;~~
- (b) by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose ~~or, as the case may be, by transmitting;~~
- (c) by delivering or leaving it to any ~~at such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by as aforesaid;~~
- (d) by placing an advertisement in appointed newspapers (as defined in the Act) or other publication, or where applicable (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange ~~or, to the extent permitted by the applicable laws, by placing;~~

- (e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Bye-law 160(5), 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;
- (f) by publishing it on the Company’s website ~~and~~ or the website to which the relevant person may have access, 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 and/or for giving notification to any such person that the ~~Member~~ a notice ~~stating that the Notice or other~~, document or publication is available ~~there~~ on the Company’s computer network website (a “notice of availability”); or
- (g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.

- (2) The notice of availability may be given ~~to the Member~~ by any of the means set out above other than by posting it on a website.
- (3) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.
- (4) 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 (including electronic 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 title to such share.
- (5) Every Member or a person who is entitled to receive notice form the Company under the provisions of the Statutes or these Bye-laws may register with the Company an electronic address to which notices can be served upon him.
- (6) Subject to any applicable laws, rules and regulations and the terms of these Bye-laws, any notice, document or publication, including but not limited to the documents referred to in Bye-laws 153, 153A and 160 may be given in the English language only or in both the English language and the Chinese language.

161. Any Notice or other document:

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in

proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the ~~a~~ Notice or other document was so addressed and put into the post shall be conclusive evidence thereof;

- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. ~~A notice placed;~~
- (c) if published on the Company's website is deemed given by or the website of the Designated Stock Exchange, shall be deemed to have been served on the day on which the notice, document or publication first so appears on the Company's website to a Member on which the relevant person may have access or the website of the Designated Stock Exchange, or, if applicable, the day following that on which a the notice of availability is deemed to have been served on the Member or delivered to such person under these Bye-laws, whichever is later;
- (~~e~~) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch ~~or~~, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch ~~or~~, transmission or publication shall be conclusive evidence thereof; and
- (~~d~~) ~~may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations~~
- (e) if published as an advertisement in a newspaper or other publication permitted under these Bye-laws, shall be deemed to have been served on the day on which the advertisement first so appears.

162. (1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member ~~or by any means and in such manner as may be accepted by any Designated Stock Exchange~~ in pursuance of these Bye-laws shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the ~~a~~ Notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

- (2) A ~~an~~Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the ~~an~~Notice in any manner ~~or by any means and in such manner as may be accepted by any Designated Stock Exchange~~ in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- (3) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every ~~an~~Notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

### **SIGNATURES**

163. For the purposes of these Bye-laws, ~~a cable or telex or~~ facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any notice or document to be given by the Company may be written, printed or made electronically.

### **WINDING UP**

164. (1) ~~The Subject to Bye-law 164(2), the~~ Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- (2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.
165. If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall

think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

**INDEMNITY**

166. (1) The Directors, Secretary and other officers and every Auditor ~~for the time being~~ of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) ~~for the time being~~ acting or who have acted in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.
- (2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director.

**ALTERATION OF BYE-LAWS AND AMENDMENT TO  
MEMORANDUM OF ASSOCIATION AND NAME OF COMPANY**

167. No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Directors and confirmed by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of association or to change the name of the Company.

**INFORMATION**

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



合 生 創 展 集 團 有 限 公 司\*

**HOPSON DEVELOPMENT HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 754)**

*website: <http://www.irasia.com/listco/hk/hopson>*

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the shareholders of Hopson Development Holdings Limited (the “Company”) will be held at Unit 01, 16th Floor, South Tower, Zhujiang Investment Building, 421 Zhujiang East Road, Zhujiang New City, Guangzhou, on Friday, 10 June 2022 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2021.
2. To declare a final dividend for the year ended 31 December 2021.
3.
  - A. To re-elect Ms. Chu Kut Yung as an executive director of the Company (the “Director”).
  - B. To re-elect Mr. Au Wai Kin as an executive Director.
  - C. To re-elect Mr. Tan Leng Cheng, Aaron as an independent non-executive Director.
  - D. To authorise the board of Directors (the “Board”) to fix the remuneration of the Directors.
4. To re-appoint auditor and to authorise the Board to fix its remuneration.
5. To consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:

#### **ORDINARY RESOLUTIONS**

5.A. **“THAT:**

- (a) subject to paragraph (c), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or warrants or similar rights to subscribe for any

\* *for identification purposes only*

shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to the shares of the Company issued as a result of a Rights Issue (as hereinafter defined) or pursuant to the exercise of options under the share option scheme or similar arrangement, or any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the Company's Bye-laws, shall not exceed 20 per cent. of the number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held; or
- (iii) revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.

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

5.B. **“THAT:**

- (a) subject to paragraph (b), the exercise by the Directors during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) the expression “Relevant Period” shall for the purposes of this resolution have the same meaning as assigned to it under ordinary resolution 5.A.(d) of this notice.”

5.C. **“THAT** conditional upon resolutions 5.A. and 5.B. above being passed, the aggregate number of shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution 5.B. above shall be added to the number of shares that may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to resolution 5.A., provided that the amount of shares repurchased by the Company shall not exceed 10 per cent. of the number of issued shares of the Company as at the date of this resolution.”

6. To consider and, if thought fit, pass with or without modifications, the following resolution as a special resolution:

**SPECIAL RESOLUTION**

**“THAT:**

- (a) the proposed amendments to the existing Bye-laws of the Company (the “Proposed Amendments”), the details of which are set out in Appendix II to the circular of the Company dated 21 April 2022, be and are hereby approved;

- (b) the amended and restated Bye-laws of the Company (the “New Bye-laws”) which incorporate and consolidate the Proposed Amendments and all previous amendments to the Bye-laws of the Company adopted and approved by the Company in the past (a copy of which is tabled at the meeting and marked “A” and signed by the chairman of the meeting for the purpose of identification), be and are hereby approved and adopted as the new Bye-laws of the Company in substitution for and to the exclusion of the existing Bye-laws of the Company; and
- (c) any Director be and is hereby authorised to do all such acts as may be necessary or expedient in order to effect and implement the adoption of the New Bye-laws and to make relevant registrations and filings in accordance with the requirements of the applicable laws in Bermuda and Hong Kong.”

By Order of the Board  
**Hopson Development Holdings Limited**  
**Chu Kut Yung**  
*Chairman*

Hong Kong, 21 April 2022

*Principal office:*

Unit 4903–10  
49/F., The Center  
99 Queen’s Road Central  
Central  
Hong Kong

*Notes:*

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy to attend and vote in his/her stead. Any such shareholder who is a holder of two or more shares may appoint more than one proxy to attend and vote in his/her stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, the instrument appointing a proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or other authority, must be deposited at the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the said meeting (i.e. not later than Wednesday, 8 June 2022 at 10:30 a.m. (Hong Kong time)) or adjourned meeting.
3. The register of members of the Company will be closed from Tuesday, 7 June 2022 to Friday, 10 June 2022 (both days inclusive) during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the annual general meeting (the “AGM”), all transfers of shares accompanied by the relevant share certificates, must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 6 June 2022.

The register of members of the Company will also be closed from Tuesday, 5 July 2022 to Friday, 8 July 2022 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 4 July 2022.

4. To safeguard the health and safety of the shareholders and all attendees at the AGM and to prevent the spread of the coronavirus disease 2019 ("COVID-19"), the following precautionary measures will be implemented at the AGM, without limitation:
- compulsory body temperature screening;
  - wearing of surgical face masks;
  - no distribution of corporate gift or refreshment;
  - mandatory health declaration; and
  - appropriate seating arrangement to avoid over-crowding.

Any person who does not comply with the precautionary measures above may be denied entry to the venue of the AGM. The Company would like to remind the shareholders and all attendees who will attend the AGM in person to take personal precautions and abide by the requirements of epidemic precaution and control at the venue of the AGM. The Company would also like to remind the shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. Shareholders are encouraged to vote by filing in and submitting the relevant proxy form of the AGM, and appoint the chairman of the AGM as their proxy to vote on the relevant resolutions as instructed in accordance with the relevant proxy form instead of attending the AGM in person. As the COVID-19 situation continues to evolve and governmental, legal and/or regulatory requirements may change prior to the AGM, the Company may implement further changes and precautionary measures for the AGM. Shareholders are advised to monitor the development of COVID-19 and check the Company's website for future updates on the AGM arrangements (if any).

5. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.